

**ENVIRONMENTAL ASSESSMENT
FOR THE MARATHON PGM-Cu
PROJECT AT MARATHON, ONTARIO**

**STILLWATER CANADA INC.
MARATHON PGM-Cu PROJECT**

**SUPPORTING INFORMATION
DOCUMENT No. 22 -
BASELINE ECONOMIC AND SOCIAL
CONDITIONS IN THE VICINITY OF
THE MARATHON PGM-Cu
PROJECT**

**Prepared by:
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STILLWATER CANADA INCORPORATED

**MARATHON PLATINUM GROUP
METALS – COPPER PROJECT**

Socioeconomic Baseline Report

Report submitted to:

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Abbreviations and Acronyms

AANDC	Aboriginal Affairs and Northern Development Canada
APS	Anishinabek Police Service
BFPL	Buchanan Forest Products Limited
BHP	BHP Engineering Pty Ltd.
CAC	Community Adjustment Committee
CAO	Chief Administrative Officer
CARs	Canadian Aviation Regulations
CAS	Children's Aid Societies
CCAA	Companies' Creditor Arrangement Act
CDAF	Community Development Assistance Fund
CEA Act	Canadian Environmental Assessment Act
CEA Agency	Canadian Environmental Assessment Agency
CEO	Chief Executive Officer
CMHC	Canada Mortgage and Housing Corporation
CPI	Consumer Price Index
CPP	Canada Pension Plan
CPR	Canadian Pacific Railway
CREA	Canadian Real Estate Association
Cu	Copper
CWB	Community Well-Being
EA	Environmental Assessment
EDC	Economic Development Committee
EHT	Employer Health Tax
EI	Employment Insurance
EIS	Environmental Impact Statement
EMRD	Extraction Metallurgy Research Division
EMS	Emergency Medical Services
Euralba	Euralba Mining Ltd.
Fe	Iron
GDP	Gross Domestic Product
Geostat	Geostat Systems International
GSN	Grants for Student Needs
GWh	Gigawatt hour
HO	Harmonization Order
HSD	Highway Safety Division
HST	Harmonized Sales Tax
Hwy 17	Trans-Canada Highway
IBA	Impact Benefit Agreements
ISSU	Integrated Support Service Unit

JRP	Joint Review Panel
kWh	Kilowatt hours
MAC	Mining Association of Canada
ManEDC	Manitouwadge Economic Development Committee
MEDC	Marathon Economic Development Committee
MLS	Multiple Listing Service
MMAH	Ontario Ministry of Municipal Affairs and Housing
MNDM	Ontario Ministry of Northern Development and Mines
MPGM	Marathon PGM Corp.
MPI	Marathon Pulp Inc.
MRSA	Mine Rock Storage Area
MTCU	Ontario Ministry of Training, Colleges and Universities
MVC	Motor Vehicle Collision
MW	Megawatts
NGO	Non-governmental Organizations
NHPO	Native Housing Providers of Ontario
NoC	Notice of Commencement
NOHFC	Northern Ontario Heritage Fund Corporation
NOI	Notice of Intention
NOS	National Occupancy Standards
NWR	Northwest Region
O. Reg	Ontario Regulation
OAHS	Ontario Aboriginal Housing Services
OAHSSC	Ontario Aboriginal Housing Support Services Corporation
OEA Act	Ontario Environmental Assessment Act
OFIFC	Ontario Federation of Indian Friendship Centres
OMA	Ontario Mining Association
OMAA	Ontario Metis Aboriginal Association
OMNR	Ontario Ministry of Natural Resources
ONWA	Ontario Native Women's Association
OPP	Ontario Provincial Police
ORC	Ontario Realty Corporation
P3 Canada Fund	Public-Private Partnership Canada Fund
PGE	Platinum group element
PGMs	Platinum group metals
PIL	Payment in Lieu
PMFN	Pic Mobert First Nation
PMHPJV	Pic Mobert Hydro Power Joint Venture
PPFN	Pays Plat First Nation
PRDC	Pic River Development Corporation
PRFN	Pic River First Nation

Project	Marathon PGM-Cu Project
PSE	Post-Secondary Education
PSMF	Process Solids Management Facility
PSSSP	Post-Secondary Student Support Program
PST	Provincial Sales Tax
PWSCP	Provincial Wood Supply Competitive Process
RBC	Royal Bank of Canada
RCMP	Royal Canadian Mounted Police
RDP	Results Driven Policing
RIDE	Reduce Impaired Driving Everywhere
SAP	Strategic Action Plan
SCI	Stillwater Canada Inc.
SCI	Stillwater Canada Inc.
SFL	Sustainable Forest Licence
SWC	Stillwater Mining Company
TAD	Technical Assessment Document
ToR	Terms of Reference
TSM	Towards Sustainable Mining
UCEP	University College Entrance Preparation Program
VA	Voluntary Agreement
VEC	Valued Ecosystem Component
WSIB	Workplace Safety and Insurance Board

1. Introduction

Stillwater Canada Inc. (SCI) proposes to develop a platinum group metals (PGMs), copper (Cu) and possibly iron (Fe) open-pit mine and milling operation near Marathon, Ontario. A Notice of Commencement (NoC) of an environmental assessment (EA) in relation to the proposed Marathon PGM-Cu Project (the “Project”) was filed by the Canadian Environmental Assessment Agency (CEA Agency) under Section 5 of the Canadian Environmental Assessment Act on April 29, 2010 (updated July 19, 2010).

The EA was referred to an independent Review Panel by the Federal Minister of the Environment on October 7, 2010. On March 23, 2011 SCI entered into a Voluntary Agreement (VA) with the Province of Ontario to have the Project subject to the Ontario Environmental Assessment Act (OEA Act). This agreement was the instrument that permitted the provincial government to issue a Harmonization Order (HO) under Section 18(2) of the Canada-Ontario Agreement on Environmental Assessment Cooperation to establish a Joint Review Panel for the Project between the Minister of the Environment, Canada and the Minister of the Environment, Ontario.

The HO was issued on March 25, 2011. The Terms of Reference (ToR) for the Project Environmental Impact Statement (EIS) and the agreement establishing the Joint Review Panel (JRP) were issued on August 8, 2011.

The following provides an overview of the proposed development including its location, surrounding land uses, the exploration history of the site and the primary conceptual features of the mining and milling facilities. The information provided below, in the Environmental Impact Statement Report and supporting technical studies is based on the conceptual mine design for the Project. The conceptual design provides planning level information for the environmental assessment process. Final detailed design will commence following EA approval in concordance with the concepts presented herein.

1.1. Project Location

The Project is located approximately 10 km north of the Town of Marathon, Ontario (Figure 2.1.1.1). The town, with a population of 3,353 (2011 Census), is situated adjacent to the Trans-Canada Highway 17 (Hwy 17) on the northeast shore of Lake Superior, about 300 km east and 400 km northwest (by highway) of Thunder Bay and Sault Ste. Marie, respectively.

The centre of the Project footprint sits at approximately 48° 47' N latitude and 86° 19' W longitude. The Project site is in an area characterized by relatively dense vegetation, comprised largely of a birch and, to a lesser extent, spruce-dominated mixed wood forest. The terrain is moderate to steep, with frequent bedrock outcrops and prominent east to west oriented

valleys. The climate of this area is typical of northern areas within the Canadian Shield, with long winters and short, warm summers.



Figure 2.1.1.1 Location of the Proposed Marathon PGM-Cu Project Site near Marathon, Ontario

1.2. Surrounding Land Uses

The Project site lies partially within the municipal boundaries of the Town of Marathon, as well as partially within the unorganized townships of Pic, O'Neil and McCoy. The primary zoning designation within the Project Site is 'rural'.

In the immediate vicinity of the Project there are several authorized aggregate sites, including SCI's licensed aggregate site located to the northeast of Hwy 17 along the existing site access road (Camp 19 Road).

The Marathon Municipal Airport (CYSP), which operates as a Registered Airport (Aerodrome class) under the Canadian Aviation Regulations (CARs; Subsection 302), is adjacent to, and south of the Project site. The airport occupies a land area of approximately 219 hectares and is accessed from Hwy 17.

Several First Nations and Métis peoples claim the Project site as falling within their traditional land use boundaries. Based on Aboriginal accounts, prior to the construction of the forestry road, the land and water uses associated with (or close to) the site would have typically been limited to the Pic River corridor, the Bamooos Lake-Hare Lake-Lake Superior corridor and the Lake Superior shoreline and near-shore area, rather than the interior of the Project site. Traditional land and water uses (or rights conferred by Treaty) that can be ascribed to the site could include:

- Hunting;
- Trapping;
- Fishing; and,
- Plant harvesting for food, cultural and medicinal uses.

Primary industries supporting the Town of Marathon, as well as the region, have historically been forestry, pulp and paper, mining and tourism. The Project site is located within the Big Pic Forest Management Area. The Big Pic Forest includes Crown land east and north of Lake Superior and is generally north, south and west of the community of Manitouwadge and includes the communities of Marathon, Caramat and Hillsport.

Until July 2010 the forest was managed under the authority of a Sustainable Forest License (SFL), which was held by Marathon Pulp Inc. This SFL was revoked, with the forest reverting to the Crown as a Crown Forest. Until recently, Marathon Pulp Inc. (MPI) operated a kraft pulp mill in Marathon on the shore of Peninsula Harbour. The mill announced its indefinite shut down (effective at the end of February 2009) on February 11, 2009, and as a result there has

been a significant downturn in the local economy. A second mill operated in Terrace Bay was temporarily closed in December 2011.

The Hemlo Mining Camp is located 30 km to the southeast. There are currently two mines in production at the Camp (David Bell Mine, Williams Mine), which are estimated to be in operations until 2025.

1.3. Exploration History of the Site

Exploration for copper and nickel deposits on the Project site started in the 1920s and continued until the 1940s with the discovery of titaniferous magnetite and disseminated chalcopyrite occurrences. During the past four decades, the site has undergone several phases of exploration and economic evaluation, including geophysical surveys, prospecting, trenching, diamond drill programs, geological studies, resource estimates, metallurgical studies, mining studies, and economic analyses. These studies have successively enhanced the knowledge base of the deposit.

In 1963, Anaconda acquired the Marathon property and carried out systematic exploration work including diamond drilling of 36,531 m in 173 drill holes. This culminated in the discovery of a large copper-PGM deposit. Anaconda discontinued further work on the project in the early 1980s due to low metal prices at the time.

In 1985, Fleck purchased a 100% interest in the Marathon PGM-Cu Project with the objective of improving the project economics by focusing on the platinum group element (PGE) values of the deposit. The Fleck drilling totaled 3,615 m in 37 diamond drill holes. In 1986, H.A. Symons carried out a feasibility study for Fleck based on a 9,000 tonnes per day conventional flotation plant with marketing of copper concentrate and Kilborn Limited carried out a prefeasibility review for Fleck that included preliminary results from the Lakefield pilot plant tests (Kilborn Limited, 1987). The feasibility study indicated a low internal rate of return which was confirmed by Teck Corporation who concluded the project was uneconomic due to low metal prices at the time. On June 10, 1998, Fleck changed its name to PolyMet Mining Corp.

In 2000, Geomaque acquired certain rights to the Marathon PGM-Cu Project through an option agreement with Polymet. Geomaque and its consultants carried out a study of the economic potential of the Marathon PGM-Cu Project. The study included a review of the geology and drill hole database, interpretation of the mineralized zones, statistics and geostatistics, computerized block model, resource estimation, open pit design and optimization, metallurgy, process design, environmental aspects, capital and operating cost.

Marathon PGM Corp. acquired the Marathon PGM-Cu deposit from Polymet in December 2003. Marathon PGM Corp. funded programs of advanced exploration and diamond drilling on a

continuous basis between June 2004 and 2009. Approximately 320 holes and 65,000 m were drilled from 2007 to 2009 to define and expand the resource and for condemnation holes outside of the pit area. A feasibility study was published in 2008 and updated in January 2010.

Stillwater Mining Company (SWC) and Marathon PGM entered into an agreement on September 7, 2010 pursuant to which SWC would acquire all of the outstanding shares of Marathon PGM. The acquisition agreement received ministerial approval under the Investment Canada Act on November 24, 2010 and the agreement closed on November 30, 2010. On December 31, 2010 Stillwater Mining Company formed a Canadian corporation, Stillwater Canada Inc. In March 2012, MC MINING LTD (MC) purchased 25% interest in Stillwater Canada Inc. who is the proponent of the Marathon PGM-Cu Project.

1.4. Project Overview

The Project is based on the development of an open pit mining and milling operation. The conceptual general layout of the components of the mine site, the transmission line corridor and access road is provided in Figure 3 below. One primary pit and a satellite pit complex to the south (currently envisaged to be comprised of four satellite pits) are proposed to be mined. Ore will be processed (crushed, ground, concentrated) at an on-site processing facility. Final concentrates containing copper and platinum group metals will be transported off-site via road and/or rail to a smelter and refinery for subsequent metal extraction and separation. The total mineral reserve (proven and probable) is estimated to be approximately 91.5 million tonnes. It is possible that an iron concentrate may also be produced, depending upon the results of further metallurgical testing and market conditions at that time.

During the operations phase of the Project, ore will be fed to the mill at an average rate of approximately 22,000 tonnes per day. The operating life of the mine is estimated to be approximately 11.5 years. The construction workforce will average approximately 400 people and will be required for between 18 and 24 months. During operations the work force will comprise an estimated 365 workers. The mine workforce will reside in local and surrounding communities, as well as in an Accommodations Complex that will be constructed in the Town of Marathon.

Approximately 288 million tonnes of mine rock¹ will be excavated. It is estimated that between eighty five to ninety percent of this material is non-acid generating (NAG) and will be permanently stored in a purposefully built Mine Rock Storage Area (MRSA) located east of the primary pit. The NAG or so-called Type 1 mine rock will also be used in the construction of access roads, dams and other site infrastructure as needed. Drainage from the MRSA will be

¹ Mine rock is rock that has been excavated from active mining areas but does not have sufficient ore grades to process for mineral extraction.

collected, stored, treated and discharged as necessary to the Pic River. During mine operations, about 20 million tonnes of mine rock could have the potential to generate acid if left exposed for extended periods of time. This mine rock is referred to as Type 2 mine rock or potentially acid generating (PAG). The Type 2 mine rock will be managed on surface during mine operations in temporary stock piles with drainage directed into the open pits. This material will be relocated to the bottom of the primary and satellite pits and covered with water to prevent potential acid generation and covered with Type 1 materials.

Process solids² will be managed in the Process Solids Management Facility (PSMF), as well as in the satellite pit complex. The PSMF will be designed to hold approximately 61 million m³ of material, and its creation will require the construction of dams. Two streams of process solids will be generated. An estimated 85 to 90% of the total amount of process solids produced will be non-acid generating, or so-called Type 1 process solids. The remaining ten to fifteen percent of the process solids could be potentially acid generating and referred to as Type 2 process solids. The Type 2 process solids will be stored below the water table in the PSMF or below water in the pits to mitigate potential acid generation and covered with Type 1 materials. Water collected within the PSMF, as well as water collected around the mine site other than from the MRSA will be managed in the PSMF for eventual reclamation in the milling process. Excess water not needed in the mill will be discharged, following treatment as is necessary, to Hare Lake.

Access to the Project site is currently provided by the Camp 19 Road, opposite Peninsula Road at Hwy 17. The existing road runs east towards the Pic River before turning north along the river to the Project site (approximately 8 km). The existing road will be upgraded and utilized from its junction with Hwy 17 for approximately 2.0 km. At this point a new road running north will be constructed to the future plant site. The primary rationale for developing the new road is to move traffic away from the Pic River. The new section of road will link two sections of forest access roads located on the site.

Power to the Project site will be provided via a new 115 kV transmission line that will be constructed from a junction point on the Terrace Bay-Manitouwadge transmission line (M2W Line) located to the northwest of the primary pit. The new transmission line will run approximately 4.1 km to a substation at the mill site. The width of the transmission corridor will be approximately 30 m.

Disturbed areas of the Project footprint will be reclaimed in a progressive manner during all Project phases. Natural drainage patterns will be restored as much as possible. The ultimate

² Process solids are solids generated during the ore milling process following extraction of the ore (minerals) from the host material.

goal of mine decommissioning will be to reclaim land within the Project footprint to permit future use by resident biota and as determined through consultation with the public, Aboriginal peoples and government. A certified Closure Plan for the Project will be prepared as required by Ontario Regulation (O.Reg.) 240/00 as amended by O.Reg.194/06 “Mine Development and Closure under Part VII of the Mining Act” and “Mine Rehabilitation Code of Ontario”.

Maps showing the existing features and topography of the site, as well as the proposed conceptual development of the site are provided in Figure 2.1.1.2 and 2.1.1.3 below.

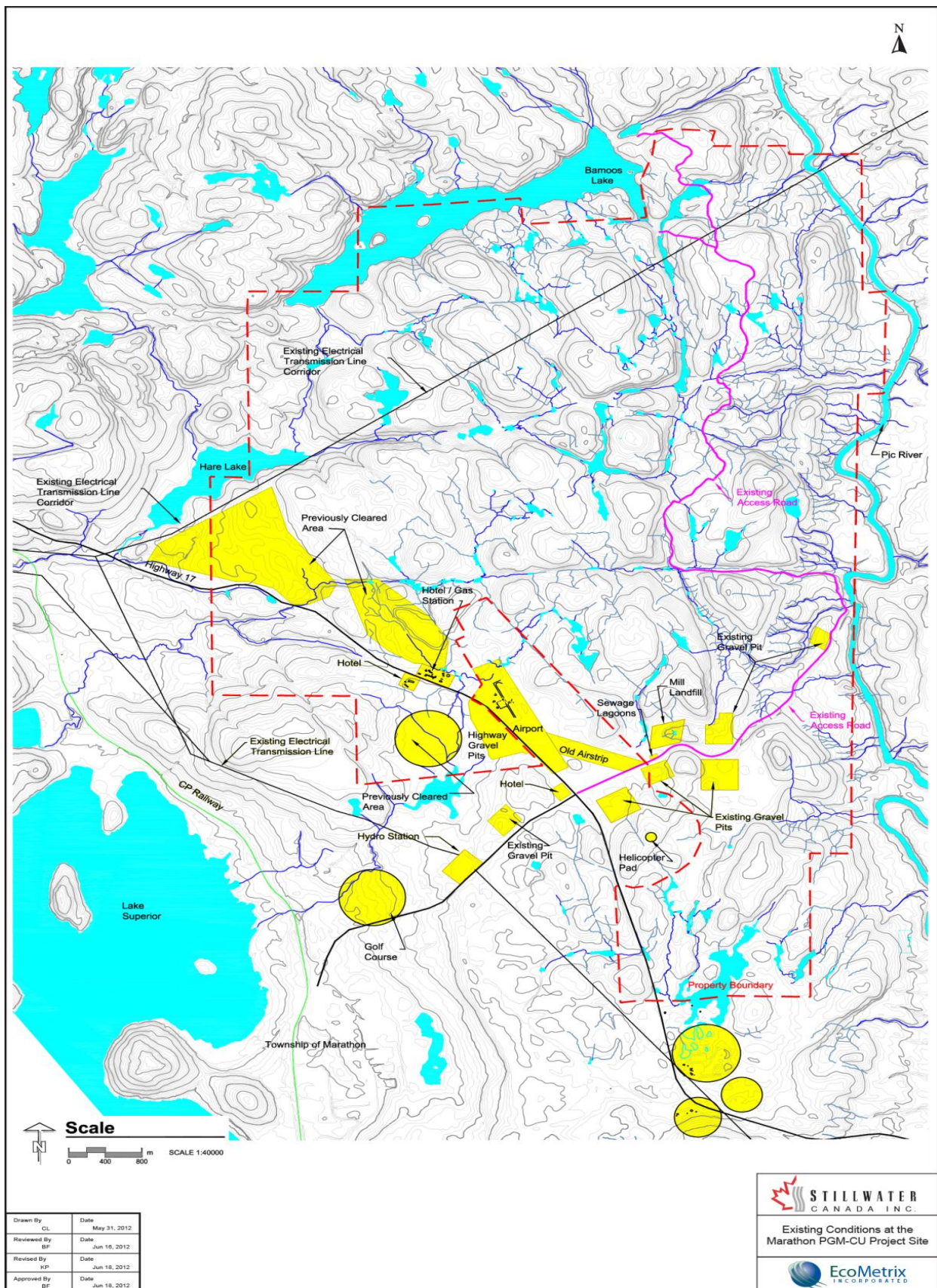


Figure 2.1.1.2 Existing Conditions at the Marathon PGM-Cu Project Site

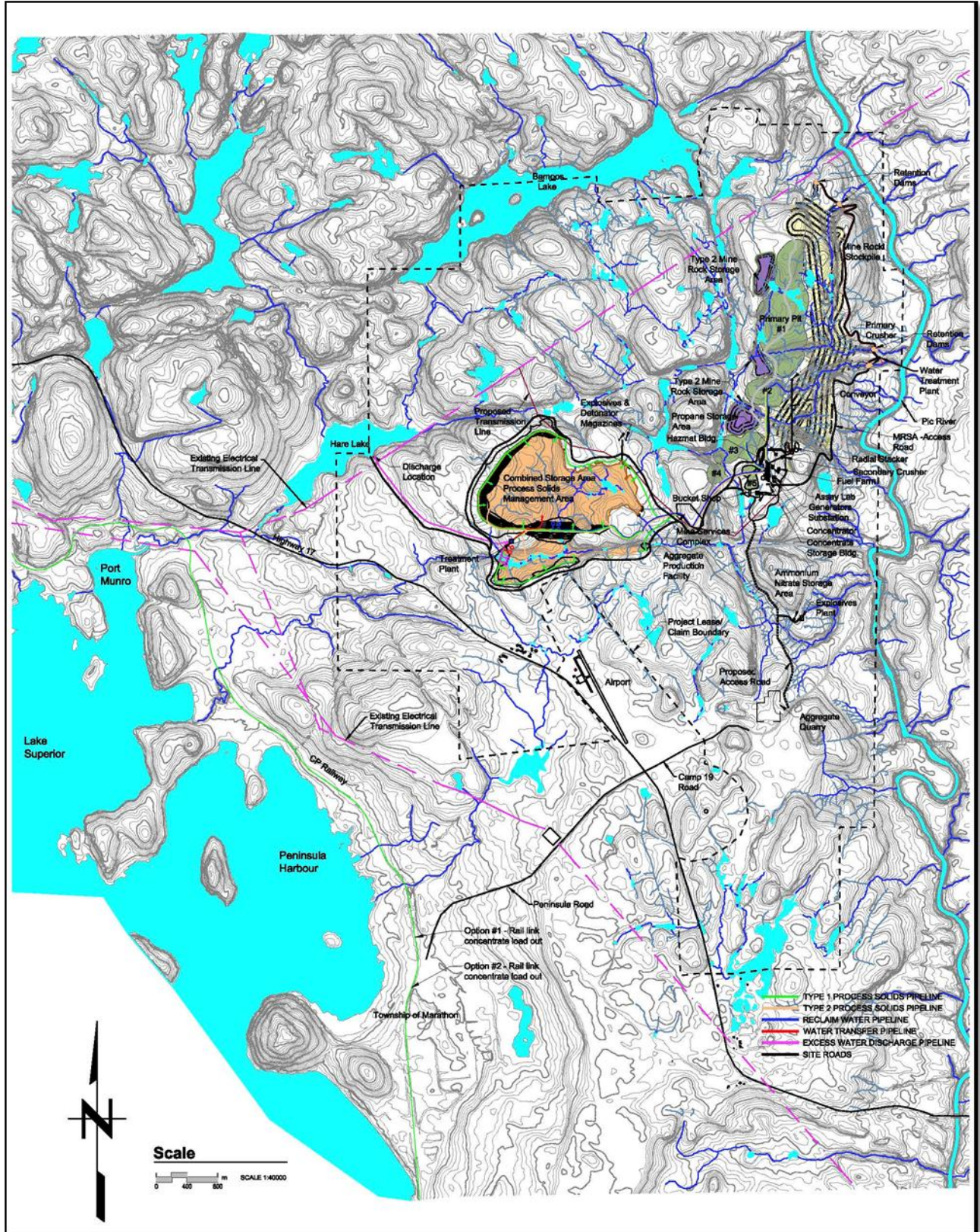


Figure 2.1.1.2 Marathon PGM-Cu Project Conceptual General Site Layout

1.5. Scope of Work

The construction and operation of the mine will likely influence the socioeconomic characteristics of a number of local and regional communities, including neighbouring First Nations. To this end, it was first necessary to develop community and infrastructure capacity profiles to understand the baseline social, economic, cultural and health characteristics of potentially affected communities. The baseline socioeconomic conditions of the municipalities and First Nation in proximity to the Projects were assessed and described in the following Technical Assessment Document (TAD) entitled Baseline Socioeconomic Conditions of the Project Area. This particular TAD provides the baseline assessment of the municipalities and First Nations within the EIS study area and summarizes the conditions of this region of Northwestern Ontario.

1.6. Report Format

Following this introductory section, the remainder of the current report is organized as follows:

- Section 2.0 examines the baseline social and economic factors in the Township of Marathon and also provides an overview of the baseline conditions of this region of Northwestern Ontario;
- Section 3.0 examines the baseline social and economic factors in the Township of Terrace Bay;
- Section 4.0 examines the baseline social and economic conditions in the Township of Manitouwadge;
- Section 5.0 examines the baseline social and economic conditions in the Township of Schreiber;
- Section 6.0 examines the baseline social and economic conditions in the Township of White River;
- Section 7.0 examines the baseline social and economic conditions in Pic River First Nation;
- Section 8.0 examines the baseline social and economic conditions in Pic Moberg First Nation;
- Section 9.0 examines the baseline social and economic conditions in Pays Play First Nation; and
- Section 10.0 provides a list of references cited in the preparation of this report.

2. Marathon and Northwestern Ontario

Northwestern Ontario is the region within the Canadian province of Ontario that lies north and west of Lake Superior and west of Hudson Bay and James Bay. For some purposes, Northwestern Ontario and Northeastern Ontario are treated as separate regions, while for other purposes they are grouped together as Northern Ontario. Northwestern Ontario consists of the Districts of Kenora, Rainy River and Thunder Bay. Marathon is located within the District of Thunder Bay.



Figure 2.1.1.1 Proximity of the Township of Marathon to the Project site

Marathon is centrally located on TransCanada Highway (Hwy 17) between Thunder Bay and Sault Ste. Marie on the North Shore of Lake Superior in Northwestern Ontario with proximity to major markets in the Midwest United States (including Minneapolis, Milwaukee and Chicago), as well as Southern Ontario (Toronto). Marathon is unique in many respects with a rich tradition in mining and forestry. With a population of nearly 4,000 people, Marathon is actively seeking economic activity, growth and development opportunities. The Township of Marathon is approximately 7 kilometres from the proposed Project site (Figure 2.1.1.1).

Marathon was born as a railroad community named Peninsula due to its location on a peninsula on Lake Superior. The railroad was constructed between 1881 and 1883 over the region's terrain and, at the time of construction, a staggering 12,000 and 5,000 horses worked out of the town. Once the railroad was constructed, Peninsula's population dwindled considerably and, by 1935, the census of the town was only 23.

It wasn't until a pulp mill was constructed in Marathon between 1944 and 1946 that the population rose back to 2,500. The name of town was changed, first to Everest, Ontario after D.C. Everest, President of the Marathon Corporation of Wisconsin, which was the owner of the pulp mill. Then, later that same year, the name was changed to Marathon in honour of the pulp company itself.

In the early 1980s, gold was discovered at Hemlo, Ontario; an uninhabited area adjacent to the Hwy 17, 40 kilometres east of Marathon. By the late 1980s, three mines were operating at Hemlo with two of the three mines locating their employees in Marathon, which effectively doubled its population and rendered it the largest town along the North Shore between Sault Ste. Marie and Thunder Bay. At the time, the gold deposit at Hemlo was the richest ever to be found in Canada and one of the world's richest outside South Africa.

2.1. Social Factors

Marathon's quality of life is considered excellent. Its modern telecommunications infrastructure, excellent health and social services, retail shopping, abounding recreational opportunities and its friendly people make Marathon a genuinely unique community. A thorough examination of the social attributes of the community demonstrates the lifestyle available in Marathon.

2.1.1. Administration

The Municipal Act is a consolidated statute governing the extent of powers and duties, internal organization and structure of municipalities in Ontario. The new Municipal Act, which took effect on January 1, 2003, represents the first comprehensive overhaul of Ontario's municipal legislation in 150 years and is the cornerstone of the administration of municipalities in Ontario.

As outlined in the Act, municipalities are governed by municipal councils. The role of municipal councils is to make decisions about municipal financing and services. In Ontario, the head of a local (lower or single tier) municipal council is either called the mayor or reeve. The members of council may be called councillors or aldermen.

A local municipality may be called a city, a town, a township, a municipality or a village and can also be referred to as a lower tier municipality. Local or lower tier municipalities are also part

of a higher level of municipal or upper tier government, such as a county, region or district. Marathon is a lower tier municipality within the District of Thunder Bay.

The municipal government of Marathon includes a democratically elected mayor and council. Council comprises five members including a full-time Chief Administrative Officer (CAO). The role of council is to: represent the public and to consider the interests of the municipality; to develop policies; to decide on what services are provided; to ensure Council decisions are implemented; and, to maintain the financial integrity of the municipality. In accordance with provincial laws, municipal elections are held every four years, with the next Ontario municipal election scheduled for November 2014.

Town services are provided through a number of primary departments and their respective managers, including:

- Administration – Brian Tocheri, Chief Administrative Officer;
- Finance – Chuck Verbo, Finance and Administration Manager;
- Building and Emergency Services – Rick Kerster, Chief Building Official and Emergency Services Manager;
- Works and Operations - Brian Hyshka; and,
- Community Services and Economic Development – Daryl Skworchinski, Community Services and Economic Development Manager.

2.1.2. Population

The 2011 Statistics Canada data details the population fluctuation in the municipalities in the Project area since 2006. Marathon’s population in 2011 was 3,353, which represents a 13.2 percent decrease from the 2006 population of 3,863. The population changes are expressed in Figure 2.1.2.1.

Analysis of subsequent population demographics information relied heavily on 2006 data as public release of other analyzed components of the 2011 census are not yet available. In the following sections, 2006 data are discussed.

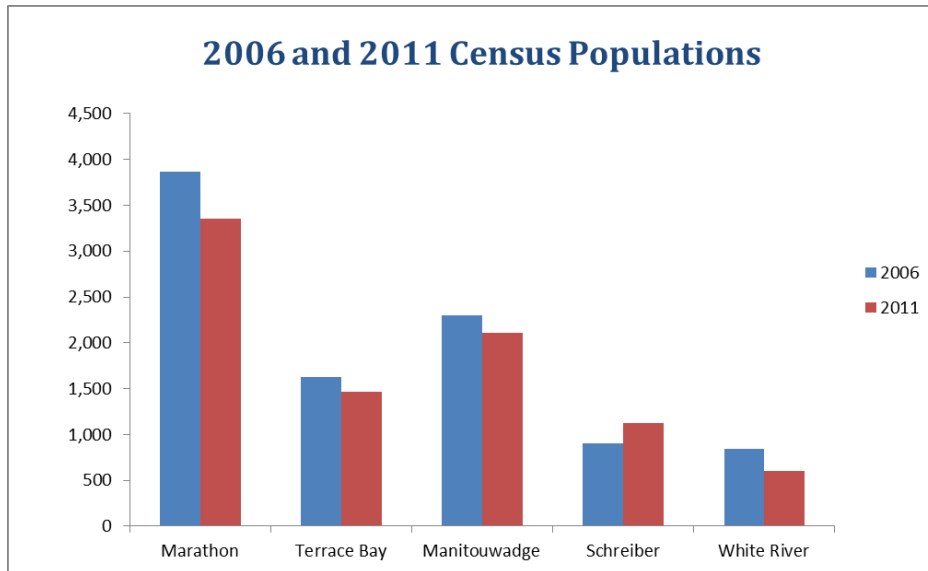


Figure 2.1.2.1 2006 and 2011 Census Populations of Marathon, Terrace Bay, Manitowadge, Schreiber and White River.

Source: Statistics Canada, 2006 Census Community Profile for Marathon

As Table 2.1.2.1 indicates, the data indicates significant shifts in the composition of Marathon’s population between 2001 and 2006 with the young adult population in the 25-44 years of age bracket declining by 33.6 percent (figure 2.1.2.2). At the same time, the older adult population in the 55-64 years of age bracket increased by 37.9 percent.

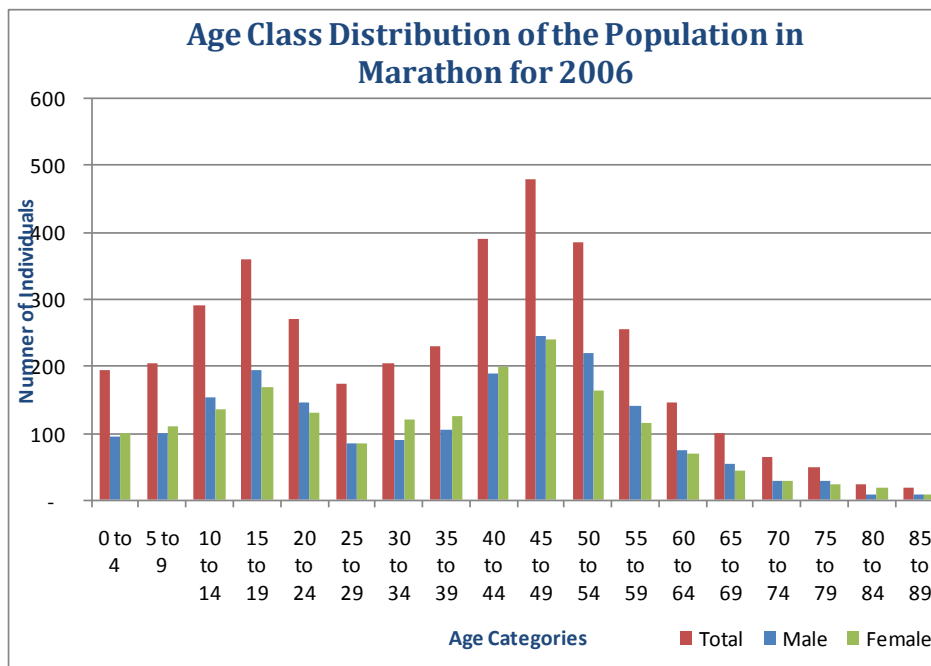


Figure 2.1.2.2 Age class distribution of the population in Marathon

Source: Statistics Canada, 2006 Census Community Profile for Marathon

Table 2.1.2.1 Population in Marathon by age class from the 2001 and 2006 Census Community Profiles.

	Marathon		
	2001	2006	% Change
Total Population	4,415	3865	-12%
Age 0-4	235	195	-17.0%
Age 5-14	745	495	-33.6%
Age 15-19	440	360	-18.2%
Age 20-24	245	270	10.2%
Age 25-44	1,505	1,000	-33.6%
Age 45-54	720	865	20.1%
Age 55-64	290	400	37.9%
Age 65-74	140	165	17.9%
Age 75-84	85	75	-11.8%
Age 85 and over	10	20	100.0%
Median age of population	36.0	39.8	10.6%
Percent aged 15 and over	77.8%	81.2%	4.4%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Marathon,

Just as Canada's senior population has grown rapidly over the past three decades, the population in Marathon has also disproportionately aged. Throughout its economic history in the forestry and mining sectors, Marathon has attracted and maintained a significant number of individuals within the same age class. As this cohort of individuals' age, it creates an increase in older age classes while youth outmigration results in a deficit in younger age classes (Figure 2.1.2.2).

There are other factors that lead to imbalanced population demographics. As the life of the mines in the area expired and the forest sector was forced to downsize, older workers were often maintained while younger workers were laid off according to the rules of seniority. If there are limited employment and economic opportunities close to home, young people leave to seek out employment or attend post-secondary education institutions. If young adults cannot secure employment in their desired occupation, they will not return home.

Ontario continues to be affected by the global economic and financial recession that has forced both the private and public sectors to reduce expenditures and increase efficiencies. Several economic sectors in Ontario have also curtailed operations, which have resulted in reduced employment and economic opportunities throughout the province, particularly in Northwestern Ontario.

Given the limiting factors to other economic development initiatives, Northwestern Ontario communities rely on natural resource-based sectors for economic and employment opportunities. The effects of the global economic downturn are apparent in Northwestern

Ontario. The people of Northwestern Ontario have suffered through some of the worst economic conditions in the history of the forest sector, which have resulted in the substantial decline of the forest and manufacturing sectors.

Numerous forest resource processing facilities have curtailed or ceased operations. These indefinite and permanent closures have drastically reduced the business and employment opportunities available to young people, especially those individuals interested in staying in their home community, like Marathon. As a result of the current and persisting recession, youth outmigration is a reality for virtually every community in Northwestern Ontario.

The Marathon area suffered numerous losses in the local forest industry through the bankruptcy of Marathon Pulp Inc. and Buchanan Forest Products Limited, which affected employees, subcontractors and suppliers. As the economy in Northwestern Ontario recovers, public and private sectors will require a workforce to fill the positions that will be vacated by the significant number of retirees. As displayed in Figure 2.1.2.2, there is a significant dip in the 20 to 35 year old age bracket in the population of Marathon (Statistics Canada, 2006 Census Community Profile).

To attract youth back to the area, the communities must offer meaningful employment. As the population ages in Marathon, there will be numerous positions available in a variety of sectors, including mining, green energy, manufacturing and health care. As employment opportunities like the Stillwater mine emerge, Marathon will be able to attract their youth back to the area and rectify the imbalanced population demographic.

2.1.3. Housing

Housing is a critical element in any community. The availability of a range of housing options is a sign of a healthy community and is essential for economic growth and prosperity. The availability of housing is an important part of the social and economic infrastructure of a community. The presence of appropriate housing can encourage residents to stay in a community and attract new people to the community. Furthermore, the existence of appropriate housing is often a critical element in attracting and securing investment to a community (Karakas, J., 2009).

Affordable housing is a significant factor in creating attractive, liveable and competitive communities. Among other things, the availability of affordable housing makes it easier to attract people to and retain people in a community (Ontario Ministry of Municipal Affairs and Housing, 2005).

The households, including types and values, in Marathon are presented in Table 2.1.3.1. The comparison of population and dwelling data shows expected similarities, as the population in Marathon decreased by 10 percent and the number of occupied private dwellings decreased by

8 percent. As of the 2006 census, there were 1,678 total private dwellings in Marathon, which represents a 5 percent decrease from 1,766 dwellings in 2001.

Table 2.1.3.1. Housing supply by tenure and value in Marathon from the 2001 and 2006 Census Community Profiles.

	Marathon		
	2001	2006	% Change
Total private dwellings	1,766	1,678	-5%
Occupied private dwellings	1,625	1,490	-8%
Single-detached houses (%)	n/a	78.9%	
Semi-detached houses (%)	n/a	0.0%	
Row houses (%)	n/a	5.0%	
Apartments, duplex (%)	n/a	70.0%	
Less than 5 storeys apartments (%)	n/a	15.1%	
More than 5 storeys apartments (%)	n/a	0.0%	
Other dwellings (%)	n/a	0.0%	
Number of owned dwellings	1,215	1,115	-8%
Number of rented dwellings	420	380	-10%
Average value of owned dwelling	\$ 78,041	\$ 72,905	-7%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Marathon

Generally, housing vacancy rates of 5 percent for rental units and 2 percent for ownership stock are thought to be sufficient for accommodating reasonable housing choices (Karakas, 2009). Utilizing the current listings on the Multiple Listing Service (MLS) website operated by the Canadian Real Estate Association (CREA), Marathon has 19 residential listings, which equates to a vacancy rate of 1.7 percent. However, the difference between total private dwellings and occupied private dwellings indicates an overall vacancy rate of more than 10 percent.

This vacancy rate for owned dwellings is slightly below the desired level of 2 percent; however, the municipality has 20 reasonably priced, fully serviced lots available for immediate purchase. In addition, the municipality has an approved subdivision development contained within its official plan, which includes 80 building lots. If these lots are included in the calculation of the vacancy rate, Marathon would have healthy owned dwelling vacancy rate.

In Marathon, water usage is not metered and all properties pay a flat rate for water; landlords are financially encouraged to promptly notify the municipality if their properties are vacant. Utilizing data supplied by the municipal office in Marathon, there are approximately 80 vacant rental units. This translates to a rental vacancy rate of 19 percent.

The vacancy rate for rented dwellings in Marathon is well above the desired level of 5 percent, which can offer some accommodations for short-term residents. Rental units can also provide new, permanent residents attracted by the Stillwater mining development with adequate time

to select an existing house on the market or build a new home. There are also a number of hotel and motel rooms available in Marathon to accommodate an influx of temporary workers during the construction phase of the Stillwater mining development project. The number of rooms and average prices are included in Table 2.1.3.2 below.

Table 2.1.3.2. Hotel and motel rooms available in Marathon.

Location	Available Rooms	Average Price
Marathon		
Lakeview Manor	5	\$85-\$100
Marathon Harbour Inn	16	\$85
Peninsula Inn	54	\$82-\$90
Way Fare Inn		
Travelodge Marathon	44	\$97-\$105
Zero-100 Motor Inn	38	\$94-\$99

Examining the ownership characteristics of the housing stock in Marathon can provide additional insight into vacancy rates. Figure 2.1.3.1 displays these ownership characteristics in Marathon.

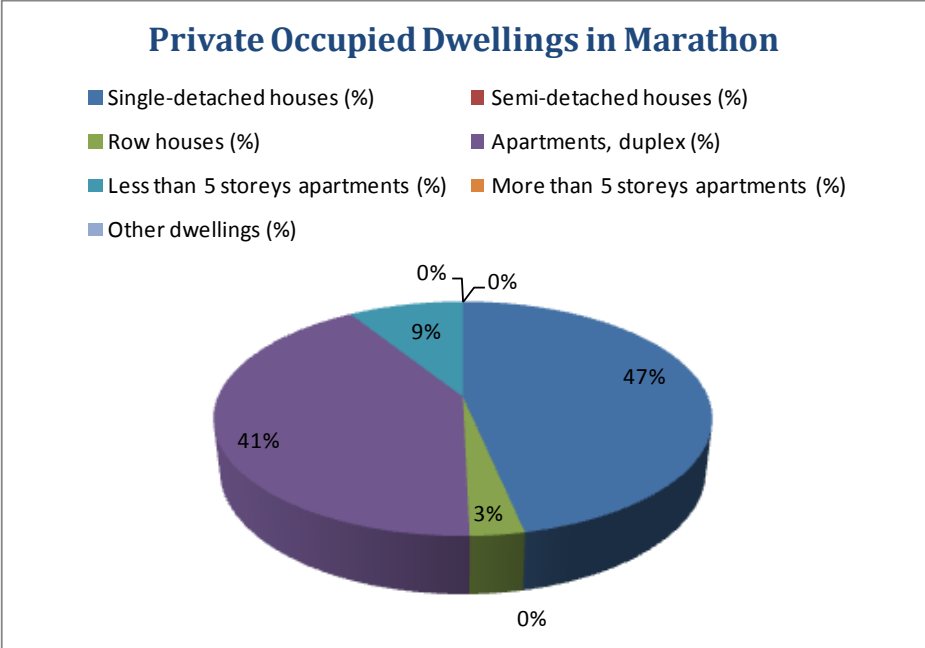


Figure 2.1.3.1 Characteristics of private occupied dwellings in Marathon.

Source: Statistics Canada, 2006 Census Community Profile for Marathon, Ontario.

In Ontario, 71 percent of dwellings are owned and 29 percent are rented (Statistics Canada, 2006 Census). In contrast, Marathon has 74.8 percent owned dwellings and 25.5 percent rented; slightly higher percentage of owned dwellings and slightly lower percentage of rented

dwellings. This may be partially attributed to higher median incomes in Marathon than the provincial median, allowing more people the ability to buy rather than rent.

2.1.4. Education

Marathon ensures that their schools are safe, secure and offer ideal conditions conducive to learning and working. Their educational programs offered at the primary, secondary and post-secondary levels provide students with superior learning opportunities to prepare them as they embark on their chosen career paths. In addition, their programming offers students with significant extracurricular and non-academic learning opportunities, including physical education, band and music programs, theatre productions and Northwestern Ontario Secondary School Associations (NWOSSA) championships.

Marathon offers educational programs at the primary, secondary and post-secondary levels. Primary education is provided at three locations including an English public school (Margaret Twomey Public School), an English catholic school (Holy Saviour Separate School) and a French catholic school (École Val-des-Bois). Secondary education is provided at two locations including an English public school (Marathon High School) and a French public school (École Secondaire Cité-Supérieure).

These 5 schools are administered by 4 different school boards, including Superior-Greenstone District School Board, Superior North Catholic District School Board, Conseil scolaire Public du Grand Nord de l'Ontario and Conseil scolaire de district catholique des Aurores boreales. Table 2.1.4.1 indicates the board responsible for each school, the current enrolment and estimated capacity. All school boards indicated they had significant capacity to accept new students that may be attracted to the area by the Stillwater mining development.

Table 2.1.4.1. Schools, enrolment and capacity information for Marathon.

Municipality	District School Board	School	Type	Enrollment	Capacity
Marathon	Superior-Greenstone	Margaret Twomey Public	Elementary	207	518
	Superior-Greenstone	Marathon High	Secondary	211	489
	Superior North Catholic	Holy Saviour	Elementary	119	300
	du Grand Nord de l'Ontario	Cite-Superieure	Secondary	17	126
	des Aurores boreales	Val-des-Bois	Elementary	40	120

Source: Communications with school board officials

Confederation College operates a satellite campus in Marathon, which acts as the coordinating focal point for college level education programming. Furthermore, a number of post-secondary institutions operate facilities within a 400-kilometer radius (4 hour drive) east of Marathon, and a 300-kilometer radius (3 hour drive) west of Marathon. These educational institutions include Confederation College – Main Campus (Thunder Bay), Lakehead University (Thunder Bay), Algoma University College (Sault Ste. Marie) and Sault College (Sault Ste. Marie). The schools

offer a variety of training, education and research programs and services that range from medicine to mining.

The education statistics of Marathon demonstrate that residents are well-trained and highly educated. Marathon can offer a significant number of skilled and knowledgeable workers; an asset to any industry seeking to establish operations in or near Marathon. The skills and trades of the workforce in Marathon can easily accommodate different natural resource development sectors, such as mining, forestry and green energy industries.

Approximately 93 percent of Marathon's population aged 25 to 34 years has attained education or training at or beyond the high school level. This includes 23 percent with high school certificates or equivalent, 9 percent who have received an apprenticeship or trade certificate or diploma, 33 percent who have received a college equivalent certificate or diploma and 23 percent who have received a university diploma or degree. Table 2.1.4.2 lists education attainment data for all other age classes.

Table 2.1.4.2. Education attainment for individuals in Marathon by age class.

Marathon	15 and over		15-24 yrs		25-34 yrs		35-64 yrs	
	Total	%	Total	%	Total	%	Total	%
Total population	3,200		660		405		1,865	
No certificate, diploma or degree	890	28%	345	52%	30	7%	375	20%
High school certificate or equivalent	745	23%	185	28%	95	23%	410	22%
Apprenticeship or trades certificate or diploma	470	15%	45	7%	35	9%	355	19%
College, CEGEP or other non-university certificate or diploma	710	22%	70	11%	135	33%	470	25%
University certificate or diploma below the bachelor level	80	3%	10	2%	10	2%	50	3%
University certificate, diploma or degree	-	0%	-	0%	95	23%	200	11%

Source: Statistics Canada, 2006 Census Community Profile for Marathon

2.1.5. Health Services and Programs

Quality and accessible health care and social services are attractive features of Marathon. Their healthcare facilities and progressive health-related services and programs provide excellent care to benefit the residents of Marathon and its surrounding communities.

The town is serviced by Wilson Memorial General Hospital. It is an acute and chronic care hospital with approximately 25 beds that service Marathon and the surrounding area and employs approximately 150 people. Services offered include:

- Family medicine;
- Maternity and paediatrics;
- Emergency;
- Tele-medicine and consultation;
- Laboratory;
- Radiology;
- Ultrasound;
- Physiotherapy;
- Occupational therapy;
- Clinical nutrition;
- Diabetes education; and,
- Chemotherapy.

Marathon Family Health Team is a full-service family medical clinic with 9 physicians, 2 Registered Nurses, 2 Registered Practical Nurses, a social worker and an epidemiologist on staff. A wide and diverse range of medical and health services are performed at the Marathon Family Health Team, including:

- Nurse Practitioner services;
- Registered Nurse services;
- Registered Practical Nurse services;
- Primary healthcare services;
- Acute care clinic;
- High school clinic
- Diabetes program;
- Congestive heart failure program;
- International Normalized Ratio (INR) program;
- Well woman program;
- Hypertension screening program;
- Asthma program; and,
- Smoking cessation program.

Two dental offices operate in Marathon, a full-service optometrist office, as well as a chiropractic clinic. Visiting specialists to Marathon offer services in ophthalmology, orthopaedics and audiology.

A branch office of the Thunder Bay District Health Unit is also located in Marathon. In response to the health needs of the community, the Health Unit provides health information and prevention-related clinical services to people of all ages, advocates for healthy public policy, protects citizens by investigating reportable diseases and upholds regulations that apply to public health.

2.1.6. Emergency Services

Emergency services in Marathon are provided by the Ontario Provincial Police (OPP) for policing services, Marathon Fire Department for fire protection services and Superior North Emergency Medical Services (EMS) through the Marathon District Ambulance Service for ambulance services, which are all accessible on the 911 network.

The OPP Marathon Detachment is comprised of 3 full time officers who are responsible for approximately 150 kilometres of the TransCanada Highway – Highway 17. The Marathon Detachment area covers approximately 9,660 square kilometres, a large portion of which is unorganized. Located within the boundaries of the Marathon Detachment area are Pic River and Pic Moberg First Nations. The Anishinabek Police Services polices these communities.

The Marathon Fire Department is comprised of 38 volunteer members and a full time Chief. The department offers the following services to the residents of Marathon: structural firefighting; wild land firefighting; vehicle extrication on a 100-kilometre stretch of the TransCanada Highway; water and ice rescue; low angle rope rescue; ground-based search and rescue for lost persons; snowmobile-based rescue for lost or injured persons; and, fire prevention, inspections and public education.

The department has six members that have completed the required course of study as laid out by Ontario's Office of the Fire Marshall. The department is also fully compliant with an internationally recognized incident management system. At present, the department is equipped with: a 2006 Ford F-250 crew cab utility vehicle; 2005 Skidoo Skandic snowmobile X2; 2008 E-One Triple Combination Pumper; 2002 Superior 1,500 gallon tanker; 2002 Ford F-550 super duty highway rescue; 1996 Superior E-One triple combination pumper; 1996 ATV with trailer for wild land firefighting; snow ambulance fully enclosed tow behind rescue sled for snowmobile rescues; and, 1986 Ford heavy rescue.

Superior North Emergency Medical Services (EMS) provides emergency medical services in the District of Thunder Bay, including Marathon. Superior North EMS currently has a fleet of 45

vehicles spread across 17 stations in the District. There is a staff of approximately 170 that includes a combination of full time and part time paramedics and management to maintain operations 24 hours a day, 7 days per week. There are also 16 First Response Teams in the coverage area with a population of 157,000 and approximately 25,000 patient calls per year.

Superior North EMS operates a base in Marathon and has 7 paramedics on staff. The base employs 4 full time and 3 part time primary care paramedics utilizing 2 ambulances and 1 ESU. The base serves the Marathon, Heron Bay, Hemlo, Neys and White Lake Provincial Parks, along with the Hemlo Mines area and all highways in between.

In 2008, the Marathon station received 495 calls and has a 90th percentile response time of 25.04 minutes, which means that 90 percent of all emergency calls (code 4) responded to had an ambulance at the scene in 25.04 minutes or less and in 10 percent of the calls it took an ambulance longer than 25.04 minutes to arrive at the scene.

They do not directly operate any special vehicles; however; they do work closely with the Marathon Emergency Services Department for all snow machine, water and ice rescue operations, along with local federal and provincial parks for water rescue operations. Local charter helicopter companies provide any local aero-medical special operation requirements to remote locations.

The Marathon base also provides other events and programs, including:

- Red Cross Babysitting Course;
- Red Cross People Savers Course;
- Red Cross First Aid and CPR;
- Red Cross First Responder;
- Station Tours; and,
- Safety Awareness in public schools.

2.1.7. Crime and Justice

Crime and justice data for the Township of Marathon is amalgamated and analyzed with the Township of Manitouwadge. From 2007-2010, reported violent crimes in Marathon have increased slightly. The clearance rate for these violent crimes is 98 percent, which is slightly higher than the national average. There has been a 20 percent increase in property-related crimes in 2009; however, the clearance rate by charged incident improved by 14 percent above 2008.

The OPP addresses the rise in incidents through the better collection of information. Results Driven Policing (RDP) and media campaigns for victims and witnesses to report incidents to police have been successful.

Motor vehicle collisions have decreased by approximately 16 percent over 2008 with an overall reduction in motor vehicle collisions for Canada's Road Safety Vision 2010 commitments at 19 percent. Drug-related occurrences and report of local drug use have decreased by 20 percent but are still a major concern within the communities served by the Marathon Detachment. Throughout 2010, the Marathon Detachment plans to further improve reductions by proactively addressing local drug issues through targeted investigation strategies and public education.

The single most significant threat to public safety within the Marathon Detachment remains travelling to and from communities on area roadways. Severe weather patterns and wildlife contribute significantly to motor vehicle collisions in the area; however, the main cause can still be attributed to apparent driver action (speeding, aggressive driving, following too closely, speed too fast for conditions). Failing to wear seatbelts contributes to increased injury and, in some cases, unnecessary death. Commercial motor vehicle traffic continues to increase along the TransCanada Highway and is often involved in reported traffic complaints to the detachment.

The Marathon Detachment prepares 3-year Business Plans with annual plans that outline goals and actions to make Marathon and the entire area it serves safer for its residents. The detachment schedules annual meetings with residents to consult with the community on the goals and actions planned for the upcoming year.

2.1.8. Poverty and Social Issues

Northwestern Ontario communities rely largely on natural resource-based sectors for economic and employment opportunities. The effects of the global economic downturn are apparent in Northwestern Ontario. People of Northwestern Ontario have experienced the worst economic conditions in the history of the forest sector, resulting in the substantial decline of forest products and manufacturing sectors.

Numerous forest resource processing facilities have curtailed or ceased operations. These indefinite and permanent closures have drastically reduced the business and employment opportunities available to young people, especially those individuals interested in staying in their home communities. As a result of the current and persisting recession, youth outmigration is a reality for virtually every community in Northwestern Ontario.

Ontario has two social assistance programs to help residents of Ontario who are in financial need. The Ontario Disability Support Program (ODSP), which helps people with disabilities, has two components: financial; and, employment support. The second program is Ontario Works (OW) program, which helps people who are in temporary financial need. Ontario Works (OW) benefits are for people who need financial assistance because they cannot find work or are

temporarily unemployed. Similar to the ODSP program, OW has a financial component and an employment assistance component. Table 2.1.8.1 details the Ontario Works caseload composition of people and families that are in temporary financial need in the Region.

Table 2.1.8.1. Number of Ontario Works Cases in 2011

Community	OW Cases in 2011
Marathon & Manitouwadge	107
Terrace Bay & Schreiber	70
White River	9
Pic River First Nation	n/a
Pic Moberg First Nation	86
Pays Plat First Nation	n/a

Source: Thunder Bay District Social Services Administration Board (Schreiber, Manitouwadge); Algoma District Services Administration Board (White River); Personal Communication (Pic Moberg First Nation); data for Pic River First Nation data is unavailable since Social Assistance Administrator is away for the month; and, Pays Plat First Nation data is unavailable.

The Marathon area suffered numerous losses in the local forest industry through the bankruptcies of MPI and Buchanan Forest Products Limited (BFPL), which affected employees, subcontractors and suppliers. Marathon and Manitouwadge have an average of 170 OW caseloads per year for all categories (family, single and single with dependant). Both Marathon and Manitouwadge have a food bank and not-for-profit housing; however, usage data are unavailable at this time.

Housing is fundamental to quality of life, in addition to sufficient food and clothing, people expect to have a decent dwelling that is in good condition and large enough to accommodate the household members. But, some households face problems affording good housing and find themselves forced to choose between appropriate shelter and other life necessities.

The term acceptable housing refers to housing that is adequate in condition, suitable in size and affordable:

- *Adequate housing* does not require any major repairs, according to residents;
- *Suitable housing* has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standards (NOS) requirements. Enough bedrooms based on NOS requirements means one bedroom for each cohabitating adult couple; unattached household member 18 years of age and over; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a room. A household of one individual can occupy a bachelor unit (i.e., a unit with no bedroom); and,
- *Affordable housing* costs less than 30 percent of before-tax household income. For renters, shelter costs include rent and payments for electricity, fuel, water and other

municipal services. For owners, shelter costs include mortgage payments (principal and interest), property taxes and any condominium fees, along with payments for electricity, fuel, water and other municipal services. A household paying more than 30 percent of their before-tax income on housing is considered to have housing affordability problems.

The following analysis reviews the housing needs of local residents in Marathon. The most recent housing cost data available was analyzed to determine affordable housing trends in the area. The percent change in median income, rental payments and mortgage payments for Marathon were reviewed over a 5-year period from the 2001 to 2006 censuses. The results of the comparison are displayed in Table 2.1.8.2

Table 2.1.8.2. Income and housing cost information for Marathon.

	Marathon		
	2001	2006	Percent Change
Median household income (\$) - All households	\$ 70,870	\$ 82,991	17%
Median monthly payments for rented dwellings	\$ 544	\$ 501	-8%
Median monthly payments for owner-occupied dwellings	\$ 682	\$ 664	-3%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Marathon

The analysis highlights several trends in the availability of affordable housing. Between 2001 and 2006, median household incomes increased by 17 percent in Marathon. This increase over a five-year period generally corresponds with average inflation rates in Canada during that period.

During that same period, rental payments decreased by 8 percent in Marathon, while mortgage payments decreased by 3 percent. It is also important to note that house values in Marathon decreased by 7 percent (Table 2.1.8.2). This trend is unlike trends in other areas in Northern Ontario where house values rose significantly, as much as 28 percent in areas such as Dryden, Ontario.

The modest decrease in both mortgage and rental payments suggests that the housing in Marathon is both available and affordable. Combined with the 17 percent increase in median household income, the majority of households in Marathon can sufficiently meet their housing needs.

2.1.9. Community Services, Programs and Facilities

Marathon and the surrounding area offer an array of social services programs and supports. The programs and supports listed below range from services for children, families, adults and women and seniors and are funded through various levels of government (municipal, provincial and federal):

- Canada Prenatal Nutrition Program;
- Children’s Aid Society;
- Community Addictions;
- Community Care Access Centre;
- Community Options, Superior Greenstone Association for Community Living;

- Community Youth Justice Committee (Manitouwadge);
- Dilico Ojibway Child and Family Services (Mobert);
- District of Thunder Bay Social Services Administration Board (Thunder Bay);
- Early Intervention and Prevention Program;
- Employment Programs;
- Integrated Services for Northern Children (ISNC);
- Kinna-Aweya Legal Clinic;
- Marathon Children and Family Centre - Child Care Program;
- Marathon Municipal Non-Profit Housing Corporation;
- Marathon Sick Kids Fund;
- Marjorie House;
- Mental Health Program;
- Mental Illness Support Network;
- Ministry of Community and Social Services/Children's Services (Thunder Bay);
- North of Superior Programs;
- Northwest Employment Works (formerly Employment Ontario/Job Connect);
- Ontario Works – Marathon;
- Ontario Works - Pic River (Heron Bay);
- Probation & Parole ;
- Protective Services Program;
- Superior Greenstone Association for Community Living (Geraldton);
- Superior North Victim Services;
- Transitional Support Services (Thunder Bay); and
- Wesway – Respite Services (Thunder Bay).

The Town of Marathon also offers its residents many social, specialty, hobby, sports and professional service clubs, including:

- Air Cadets;
- Beavers;
- Brownies/Girl Guides;
- Ceramics Club;
- First Marathon Cubs;
- First Marathon Scouts;
- Friends of Pukaskwa;
- Girl Guides of Canada;
- Knights of Columbus;
- Legion Ladies' Auxiliary;

- Lions Club;
- Marathon District Museum & Historical Society;
- Marathon Handcrafters;
- Marathon Rod and Gun Club;
- Marathon H.O.G Chapter;
- Marathon Seniors' Club;
- Marathon Marina and Boat Club;
- Royal Canadian Legion Branch 183;
- Marathon Search and Rescue;
- Moose Home, Loyal Order of the Moose;
- Women of The Moose;
- Rotary Club of Marathon;
- Volunteer Fire Department;
- Wilson Memorial Hospital Auxiliary; and
- Youth Outreach.

The following churches are in Marathon:

- Holy Saviour Roman Catholic Church;
- Parkland Pentecostal Church;
- St. John's United Church; and
- Trinity Anglican Church.

Marathon offers excellent outdoor recreation facilities. Marathon has 56 hectares of municipal parkland, well exceeding the recommended ratio of 1.8 hectares per 1,000 people. These parkland areas include Penn Lake Park, Peninsula Golf Course and various school properties. Marathon's parkland provides designated areas and facilities for a wide variety of four-season recreational activities including hiking, snowshoeing, cross-country skiing and mountain biking.

Marathon has a beautiful, public 9-hole golf course overlooking Lake Superior that was designed by Stanley Thompson, CGA. A licensed club house and concession, rental equipment, pro shop and CPGA Pro are all on site.

Located just east of Marathon on Highway 17, Superior Slopes is a skill hill operation that offers 12 downhill runs with a 350-foot vertical, night skiing, ski rentals and ski chalet with fireplace. Lessons and special events run throughout the ski season.

Marathon also offers a world class cross-country ski facility. This facility was the training site for the Canadian Team in preparation for the 1995 Nordic World Ski Championships. The trail

system contains over 14 kilometres of groomed classic and skate skiing trails, including lit trails for night skiing. Equipment rentals, lessons and group rates are available.

In addition to cross-country skiing trails, over 200 kilometres of groomed snowmobile trails lead to and from Marathon offering some of the most spectacular scenery in Northwestern Ontario. Ontario Federation of Snowmobile Clubs (OFSC) trail permits are required on the Marathon trail systems.

Marathon also provides numerous indoor recreation facilities. The Port Hole Pool in Marathon is an indoor pool with 5 lanes and is 25 metres long and also includes a therapeutic hot pool and sauna. The Community Services Department offers a full range of pool programming, including the Canadian Red Cross Aquaquest water safety program, Lifesaving Society programs, advanced training and courses, aquafitness, family and open swims and school programs.

The Marathon Arena is home to Kris Wirtz, two-time Canadian Pairs Figure Skating Champion and Olympian. Weekday hockey and figure skating, weekend tournaments and special events and public skating times make the Marathon arena a very busy facility from August to April.

The Marathon Bowling Lanes are located in the lower level of Lakeview Community Hall. This facility offers 6 lanes of 5 pin bowling, a licensed concession and equipment rentals.

Marathon's curling club is owned and operated by its members. Four sheets of ice, a licensed bar and concession, nightly women's, men's, mixed and junior play, annual bonspiels, private rentals and special functions make the curling club one of Marathon's busiest facilities.

2.1.10. Transit, Transportation and Transport

Marathon is located on TransCanada Highway 17; the primary land corridor linking Canada from east to west. United States border crossings at Sault Ste. Marie, Ontario (east) and Pigeon River, Ontario (west) are four hours away. Marathon maintains 34.3 kilometres of paved and 16 kilometres of gravel roads within the municipal boundaries. No public transit is available but a private company provides local taxi service and Greyhound Canada bus service is available in Marathon.

Marathon is located on Peninsula Harbour, a deep water harbour on Lake Superior. Great Lakes and ocean-going vessels have the capacity to dock at the harbour, delivering or picking up cargo. Canadian Pacific Railway (CPR) operates freight cartage out of Marathon.

The Marathon Municipal Airport is located along Highway 17, 5 kilometres from downtown Marathon. The runway of the airport is 30 metres wide by 1,200 metres long with a 61-metre

displace threshold. There is currently no regular air service but landing and fuel services are available.

Marathon is serviced by one major cartage company operating inter-provincial and international transportation services. Several national courier services guarantee immediate, bonded delivery from Marathon to most destinations across Canada and North America. Several locally operated firms providing a range of delivery and direct mail services at rates competitive to national suppliers service Marathon and the surrounding region.

2.1.11. Utilities

Marathon's major energy source is electricity as there is no natural gas distribution system on the Northshore. It is provided through the services of Hydro One. Large operations requiring bulk amounts of hydro must apply to the Independent Electricity Market Operator to become market participants.

Marathon's potable water source is raw groundwater that is rated amongst the most pure fresh water sources in Ontario. Five wells pump 3,935 cubic metres of water per day. Marathon's water reservoir has a capacity of 4,950 cubic metres. The potable water infrastructure system in Marathon was designed to accommodate a population of approximately 5,500 people. The city's wastewater collection system includes 26 kilometres of sanitary sewer pipe and 4.4 kilometres of storm sewer piping. Wastewater is treated at the Marathon Wastewater Treatment Plant via an activated sludge process. The design capacity of the effluent treatment system is 4,400 m³/d. At present, monthly average final effluent discharge rates are in the range of 1,000 to 1,200 m³/d. Treated municipal effluent is discharged into Lake Superior south of the town.

Bulk propane is provided by two suppliers. A private company maintains bulk storage of fuel oil for heating and diesel power within Marathon.

Marathon operates a landfill site within the municipal boundaries. The current site is close to capacity and will not meet the long term needs of the community. Obtaining the environmental approvals required to establish and operate a land fill site is time consuming and difficult in the province of Ontario.

Marathon is applying to designate the new landfill site as a regional landfill site that will accept domestic waste generated by surrounding communities, such as Schreiber, Terrace Bay and Manitouwadge. The Marathon PGM-Cu Project development will generate domestic waste at the site and could utilize a regional landfill site. Consequently, the municipality is applying to expand the current boundaries of the landfill site while seeking approvals for a new site.

2.1.12. Community Well-Being and Quality of Life

The Community Well-Being (CWB) Index is a means of measuring socio-economic well-being in First Nations, Inuit and other Canadian communities. CWB Index scores are derived from Canada's Censuses of Population. The CWB Index was developed by Aboriginal Affairs and Northern Development Canada (AANDC) primarily to help measure the quality of life in Aboriginal communities across Canada. AANDC also determines CWB scores for non-Aboriginal communities across Canada to provide a relative measure on which to track the progress of Aboriginal communities. As such, the CWB Index is available for a number of communities, Aboriginal and non-Aboriginal, including the municipalities in the Project area.

A community's score is a single number that can range from a low of 0 to a high of 100. It is composed of data on income, education, housing conditions and labour force activity. The methodology for the CWB index is provided below:

The income component of the CWB Index is defined in terms of total income per capita. The community's income score can be calculated in three steps:

1. To calculate the per capita income every dollar of income received by community members is divided by the total population of the community.
2. Per capita income is then transformed into its logarithm. This is done to account for "the diminishing marginal utility of income." According to this principle, those who occupy lower income strata will benefit more from additional income than those at higher income levels.
3. The logarithm of per capita income is converted to a scale of 0 -100, like the other components of the index. To do this, a "theoretical range" of total income was established to approximate the 0 - 100 range within which the other components naturally fall. A range of \$2,000 to \$40,000 dollars was used because it coincides with the approximate lowest and highest incomes per capita found in Canadian communities.

These three steps are summarized by the formula below:

$$\text{Income Score} = \left(\frac{\text{Log}(\text{income per capita}) - \text{Log}(\$2,000)}{\text{Log}(\$40,000) - \text{Log}(\$2,000)} \right) \times 100$$

For instance, the calculation below illustrates how an income score is calculated for a community with \$10,000 per capita income:

$$\text{Income Score} = \left(\frac{\text{Log}(\$10,000) - \text{Log}(\$2,000)}{\text{Log}(\$40,000) - \text{Log}(\$2,000)} \right) \times 100$$

$$\text{Income Score} = \left(\frac{4 - 3.30103}{4.60206 - 3.30103} \right) \times 100$$

$$\text{Income Score} = \left(\frac{0.069897}{1.30103} \right) \times 100$$

$$\text{Income Score} = 53.79$$

The education component is comprised of the following two variables:

1. "High school plus": the proportion of a community's population, 20 years and over, that has obtained at least a high school certificate.
2. "University": the proportion of a community's population, 25 years and over, that has obtained a university degree at the bachelor's level or higher.

The housing component comprises indicators of housing quantity and quality. Housing quantity is defined as the proportion of the population living in dwellings that contain no more than one person per room. The ratio of persons to rooms is calculated by dividing the number of household members by the number of rooms in the dwelling they occupy. Housing quality is defined as the proportion of the population living in dwellings that are not in need of major repairs.

The labour force component is comprised of the following two variables:

1. Labour force participation: the proportion of the population, aged 20-65, that was involved in the labour force in the week prior to census day.
2. Employment: the percentage of labour force participants, aged 20-65, that was employed in the week prior to census day.

Well-being means different things to different people. For some, well-being includes health, wealth and happiness. For many Aboriginal communities, well-being includes culture and language. Some of these indicators are easier to measure than others and because the census

contains only a limited number of variables related to well-being, the CWB cannot capture all aspects of well-being. Nevertheless, it is a useful tool to assess community well-being.

2006 CWB scores for the municipalities and First Nations in the Project area, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Project are summarized in Table 2.1.12.1.

Table 2.1.12.1. Community Well Being (CWB) scores for relevant communities.

Community	Income Score	Education Score	Housing Score	Labour Force Score	CWB
Pic Moberg FN					53
Pic River FN	71	48	84	81	71
Pays Plat FN					62
Thunder Bay	87	58	96	85	82
Sault Ste. Marie	87	57	96	84	81
Shuniah	93	63	97	82	84
Dorion	89	52	91	80	78
Red Rock	90	56	93	78	79
Nipigon	85	47	96	83	78
Schreiber	88	50	93	77	77
Terrace Bay	97	57	99	76	82
Marathon	95	57	96	88	84
Manitouwadge	93	55	95	85	82
White River	88	48	92	91	80
Michipicoten	88	56	93	85	81

Source: INAC 2006

2.2. Economic Factors

Marathon describes itself as the economic hub between Thunder Bay and Sault Ste. Marie. Historically, the economic sectors of the town were resource-based industries, namely mining and forestry. A well-developed small- and medium-sized business sector has built up around these industry drivers, as well as the educational and health care services needed to serve a population of about 5,500.

Mining (including mineral exploration and development) has been a part of the history of the Marathon area throughout the post-World War II period. At present, only the Hemlo Gold Camp, which comprises the Williams (open pit and underground facilities) and David Bell (open pit) operations, continues to function. The Hemlo Gold Camp is within commuting distance to several area communities, including Marathon, and has a current workforce of about 650. The camp is slated for closure in, or about 2015. There are several closed mines in the area including the:

- Geco Mine (Manitouwadge), a copper-zinc mine that operated between 1957 and 1995;

- Willroy Mine (Manitouwadge), a copper-zinc mine that operated between 1955 and 1977;
- Winston Lake Mine (Schreiber), a zinc mine that operated between 1988 and 1998; and
- Zenmac/Zenith Mine (Schreiber), a zinc mine that operated between 1898-1902 and 1966-1970.

Forestry, and in particular pulp production, had been an integral part of the local economy for several decades. The pulp mill operated in Marathon more or less continually between 1946 and 2009. In 2009, the Marathon Pulp Inc. (MPI) mill closed and subsequently went into receivership. It is unclear whether the mill will re-opened in the future.

A recent study commissioned by Marathon investigated redevelopment options for the pulp mill site (Milley, 2009), including pulp production, power generation based on current technologies and equipment and power generation based on new technologies and combined with biorefinery components. At this point in time, most wood supply and industry experts in the forest sector do not forecast the reopening of the pulp mill in Marathon; leaving a significant gap in the local industrial sector.

2.2.1. Labour Force, Labour Participation and Employment

The total labour force in Marathon is estimated to be 2,360 individuals with a labour force participation rate of 74 percent (78.2 percent for males and 69.1 percent for females). The 2006 census data indicates an employment rate of 69.1 percent and an unemployment rate 6.4 percent.

The existing labour force characterized by occupation is shown in Figure 2.2.1.1. Both 2001 and 2006 census data is included for comparison purposes. More than one-quarter of the labour force is engaged in sales and services occupations. The second and third most reported occupations are characterized as those being related to the trades, transport and equipment operators and those related to primary industries, such as mining and forestry. This trend is consistent between 2001 and 2006 with a slight increase in education and business, finance and administration fields.

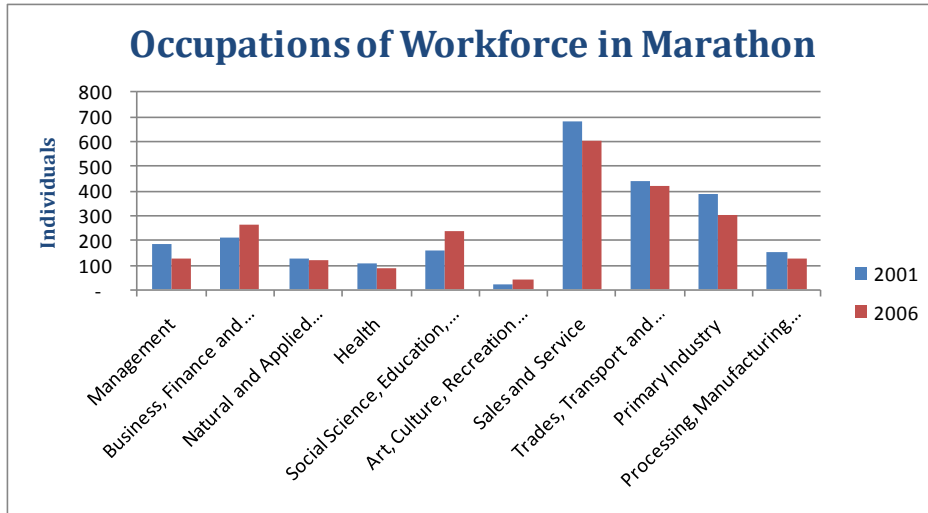


Figure 2.2.1.1. Labour force in Marathon categorized by occupation.

Source: Statistics Canada, 2006 Census Community Profile for Marathon, Ontario.

Based on industry type, nearly one-quarter of the labour force is employed in resource-based industries (Figure 2.2.1.2). Several other industries comprise more than 10 percent of the labour force, including manufacturing, retail, educational services and other services.

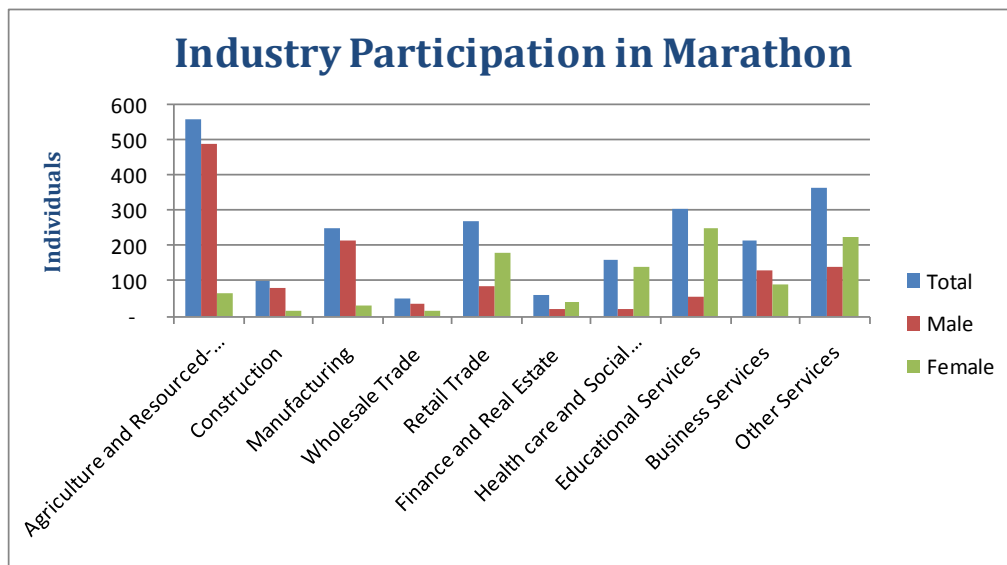


Figure 2.2.1.2. Industry participation in Marathon by gender.

Source: Statistics Canada, 2006 Census Community Profile for Marathon, Ontario.

The most current census data available predates the closure of the pulp mill in Marathon. With periodic interruptions, the pulp operated continually from 1946 to 2009; however, it could not survive the catastrophic downturn of the pulp and paper sector in Canada. On February 13th, 2009, Marathon Pulp Inc. filed a Notice of Intention to Make a Proposal (NOI) pursuant to the *Bankruptcy and Insolvency Act* and PricewaterhouseCoopers Inc. was named as Trustee under the NOI.

On February 17th, 2009, the trustee mailed a copy of the Notice to Creditors to all known creditors of Marathon Pulp Inc., including all former employees, pursuant to the provisions of the Act. On March 17th, 2009, MPI failed to file a proposal with the Trustee within the period of 30 days after the day on which the NOI was filed. As a consequence of the failure to file the proposal, MPI was deemed to have made an assignment pursuant to subsection 50.4 (8) of the Act forcing approximately 258 active employees out of work.

Removing 258 individuals from the employed labour force in Marathon drastically altered the characteristics of labour force participation. In addition, the individuals employed by Marathon Pulp Inc. were paid well with comprehensive benefits packages. The loss of these good paying jobs will also impact the household income and overall finances of homes affected by the mill closure.

Overnight, these households required a disproportionate amount of their total income on shelter costs. Households paying more than 30 percent of before-tax income on shelter costs are considered to have financial difficulties. Shelter costs include mortgage payments (principal and interest), property taxes and any condominium fees, along with payments for electricity, fuel, water and other municipal services. The closure of the pulp mill and other forest sector-related bankruptcies altered the socioeconomic conditions in Marathon; the effects of which are not captured in the 2006 census data.

2.2.2. Income Levels

In Marathon, median household and family incomes are higher than provincial averages. Provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and
- Median family income = \$72,734.

Median household and family incomes in Marathon are summarized as follow:

- Median household income = \$82,991; and
- Median family income = \$92,940.

Full time income levels on an individual basis are shown in Figure 2.2.2.1. Approximately 38 percent of employed individuals in Marathon earn an in excess of \$60,000 per year while slightly more than 20 percent earns less than \$10,000 per year. There is a relatively wide margin between men and women in each of the higher income level categories. The income for more than 50 percent of the males is greater than \$50,000, whereas only 5 percent of the females earn more than \$50,000 per year.

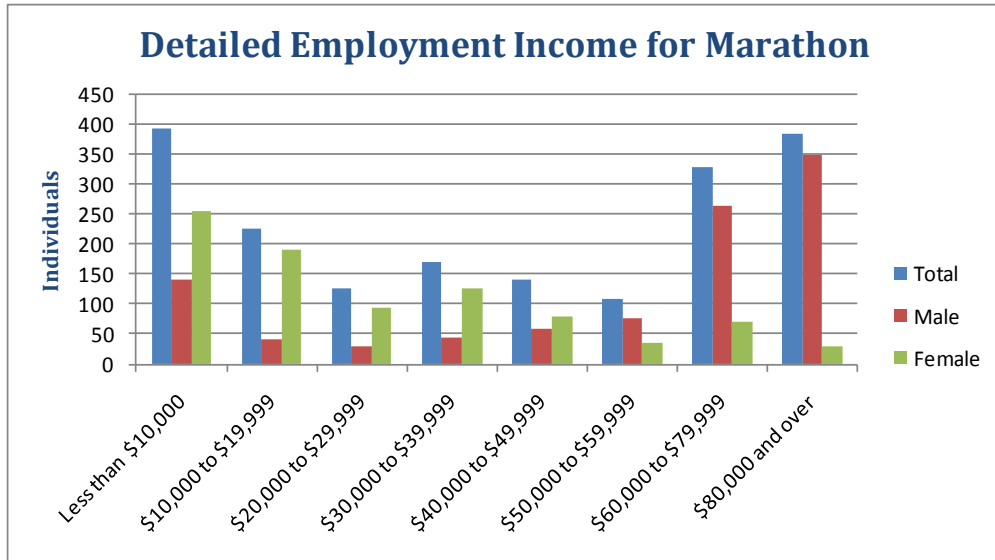


Figure 2.2.2.1. Detailed employment income for Marathon by gender.

Source: Statistics Canada, 2006 Census Community Profile for Marathon, Ontario.

2.2.3. Cost of Living

Specific cost-of-living data is unavailable for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the consumer price index (CPI), provide insight into the change of commodity group pricing over time and are available on a regional and provincial basis. The major commodity groups or “All-items CPI” consist of: food; shelter; household operations; furnishings and equipment, clothing and footwear; transportation; health and personal care; recreation; education and reading; and, alcoholic beverages and tobacco products. Figure 2.2.3.1 illustrates the 60-month change in the CPI for Ontario and Thunder Bay.

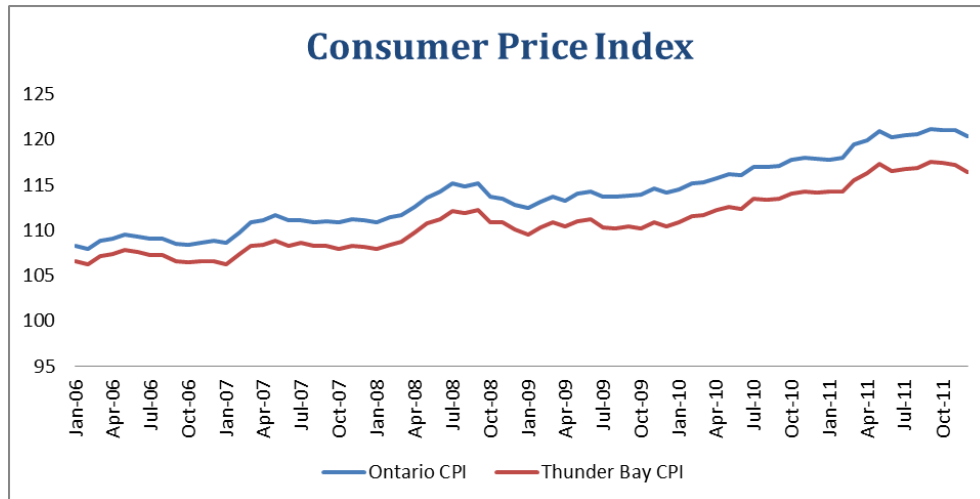


Figure 2.2.3.1. The 60 month change in the Consumer Price Index (CPI) for all commodity groups in Ontario and Thunder Bay.

Source: Data from CANSIM Table 326-0020

CPI values for the province and the Region (as represented by Thunder Bay) are congruent on month-to-month basis; however, on average, the CPI values are lower in Thunder Bay than those for the province as a whole. The discrepancy reflects the offsetting of the slightly higher costs for some consumer related goods in the Region, such as fuel and food by the lower housing costs.

2.2.4. Real Estate

Prior to December, 2010, the residential real estate market in Marathon was considered a buyer’s market; that is, there was currently more supply (houses on the market) than demand (buyers for houses). In December, a significant number of houses sold and now there are a limited number of listings. The number of currently available listings by price are displayed in Figure 2.2.4.1.

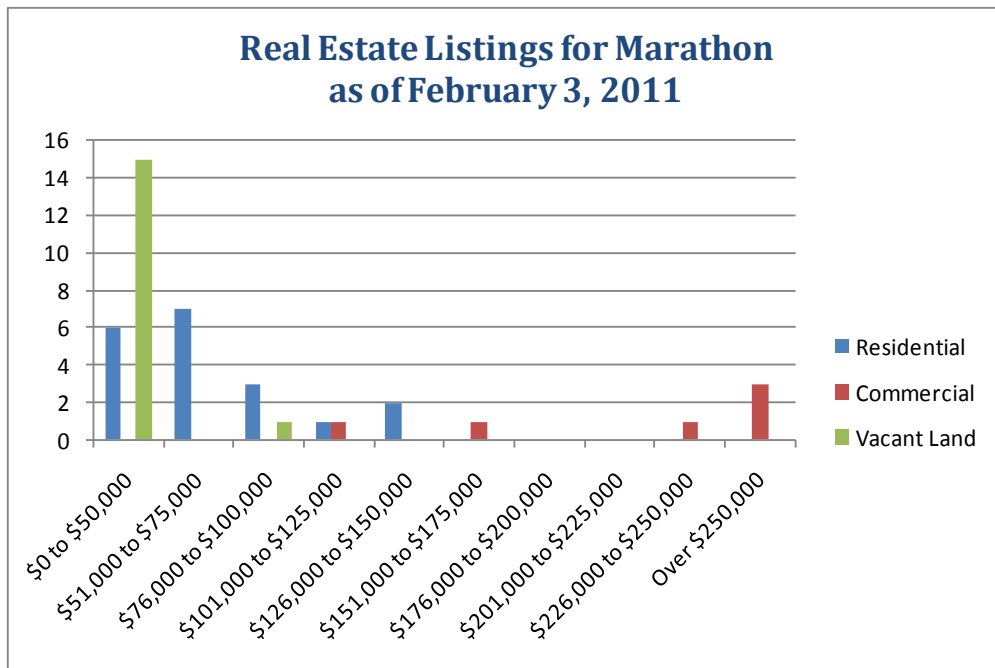


Figure 2.2.4.1. Real estate listings in Marathon as shown on the Multiple Listing Service website, as of February 3, 2011.

Source: MLS Listings February 3, 2011

Housing prices in Marathon currently range at the low end from \$40,000 (3 bedroom, detached garage) to \$85,000 at the high end (3 bedroom, attached garage, large yard). There are building lots available to expand the existing housing market.

With respect to commercial and industrial real estate, there are a limited number of options immediately available; however, Marathon owns and maintains a 6.5 hectare, fully-serviced Industrial Park in the upper eastern limits of the municipality. Currently, the municipally-owned property of the Industrial Park is fully developed. Two continuous lots of land in the Industrial Park are privately owned by Imperial Oil Limited, but have never been developed.

The Industrial Park is zoned for light industrial usage and services provided include piped water, sewer/septic systems, communications hook-ups and electrical power. The Industrial Park is located in close proximity to the existing transportation network, including road, rail, water and air. Current Industrial Park activities include tire sales, general contracting, heavy equipment rentals, full service of bits and steel, sales and service of drills and drilling tools, retailing in mining and logging supplies, bulk fuel distributors and appliance sales.

2.2.5. Economic Development

Within the municipal government of Marathon, the Community Services and Economic Development Department is responsible for the development and administration of a community economic development strategy, including economic and community development

initiatives and projects, business retention and expansion and the promotion of industrial and commercial development. The department is also responsible for community tourism projects, as well as operating the Marathon Visitor Information Centre.

The Marathon Community Development Assistance Fund (CDAF) is a community development assistance program funded and administered by the municipality. The purpose of the CDAF is to provide financial or monetary assistance to community development projects and events that meet the following criteria:

- Projects that would require some initial financial support or *seed money* to attract direct financial involvement from other levels of government and/or the private sector;
- Projects that have a direct, measurable economic benefit to the community; and
- Events that require some form of monetary assistance to succeed.

The Marathon Economic Development Corporation (MEDC), a newly created entity, is an Ontario registered, not-for-profit corporation with an independent Board of Directors funded by the municipality to promote economic development and diversification and to provide support for enterprises, institutions and entrepreneurs engaged in the economic, cultural and social development within Marathon. The MEDC has developed a Strategic Action Plan (SAP) that is meant to:

- Identify barriers to economic development within and around Marathon and develop strategies to overcome such barriers;
- Facilitate the enhancement of the economic base within and around Marathon for the economic and social benefit of its citizens;
- Promote economic development and diversification objectives in line with Marathon's Strategic Plan priorities;
- Provide support for enterprises, institutions and entrepreneurs engaged in the economic, cultural and social development within Marathon;
- Cooperate with neighbouring municipalities and First Nations in the development and implementation of economic development and diversification objectives when such agreements are beneficial to the citizens of Marathon.

The SAP identifies eight economic themes that will be the cornerstones upon which Marathon's economic sustainability and future prosperity will be built and anchored including:

- Mining;
- Forestry;
- Health;
- Transportation;

- Energy;
- Education;
- Retail; and
- Government.

2.2.6. Government Funding

Marathon collects the majority of operating finances through annual taxes levied on its property owners. These funds are applied towards the administration of all municipal departments for the provision of many essential services: police and fire protection; road maintenance; sewage and drainage; parks and recreation; economic development; and, tourism. The total tax rate comprises municipal services and education levy components.

It is important to note that the educational tax levy is not set by the municipality. The province annually directs all the municipalities in Ontario what levy is applied to rate payers within their jurisdiction. The tax rates for various classes of rate payers are provide below in Table 2.2.6.1.

Table 2.2.6.1. Tax rates for rate payers in Marathon.

Rate Payer Class	2010 Final Tax Rate
Residential	3.237339%
Multi-Residential	3.536973%
Commercial	5.175424%
Commercial Vacant / Excess Land	3.622797%
Industrial	8.171763%
Industrial Vacant / Excess Land	5.311646%
Large Industrial	8.171763%
Large Industrial Vacant / Excess Land	5.311646%
Shopping Center	5.175424%

Source: Marathon municipal office

3.0 Terrace Bay

Terrace Bay is located on TransCanada Highway 17 and is approximately 2 hours or 210 kilometres from the major metropolitan area of Thunder Bay. The municipality is located within the District of Thunder Bay and is situated on the Northern shore of Lake Superior. The closest municipality is the Township of Schreiber, which is 10 minutes or 14 kilometres away and shares a great deal of its municipal services. The Township of Terrace Bay is approximately 75 kilometres from the Project site (Figure 2.1.1.1).

Terrace Bay refers to itself as the Gem of the North Shore and is named after the sand and gravel terraces in the region that were left behind when glaciers receded about 20,000 years ago. The area is surrounded by the rugged beauty of the Northern Ontario's landscape.

The town is a planned community with the decision to develop first conceived in the early 1940s by the Longlac Pulp and Paper Company. In 1947, Terrace Bay was granted status as an improvement district, which became a municipality on July 1st, 1959. Terrace Bay has a population of 1,625 residents and nearby Schreiber is estimated at approximately 901 people.

In 1972, the Kimberly Clark Pulp and Paper Company Ltd. and Kimberly Clark of Canada Ltd. merged. From 1972 to 1977 the population of Terrace Bay increased from 1,755 to 2,299 persons directly attributed to Kimberly Clark's expansion program. The pulp mill has been an economic cornerstone in the region. In 2005, Kimberly Clark sold the mill to Neenah Paper Company of Canada who then sold the facility to the Buchanan group of companies in 2006 and the mill was renamed to its current name, Terrace Bay Pulp Inc. (TBPI).

3.3. Social Factors

Residents of Terrace Bay consider their quality of life to be superior. Terrace Bay has become known as a favourite for retirees due to its outstanding healthcare, low crime rate, variety of activities for older adults and reasonably low cost of living. The Aguasabon Medical Clinic has a full component of family physicians and all new residents are immediately assigned a physician upon visiting the clinic for the first time. Terrace Bay is regularly in the lowest rate per capita for crime statistics and is viewed as a safe and caring community.

3.3.1. Administration

Terrace Bay is a lower tier municipality within the District of Thunder Bay. The municipal government of Terrace Bay includes a democratically elected mayor and council. Council is comprised of five members including a full-time Chief Administrative Officer (CAO). The role of council is to: represent the public and to consider the interests of the municipality; to develop policies; to decide on what services are provided; to ensure Council decisions are implemented; and, to maintain the financial integrity of the municipality. In accordance with provincial laws,

municipal elections are held every four years with the next Ontario municipal election scheduled for November, 2014.

Town services are provided through a number of primary departments and their respective managers, including:

- Administration – Carmelo Notarbartolo, Chief Administrative Officer;
- Finance – Stan Spadoni, Treasurer;
- Public Works – Terry Hanley, Public Works Supervisor;
- Fire Department – Moe Stark, Fire Chief;
- Community Development – Dean Main, Community Development Supervisor;
- Terrace Bay-Schreiber Action Centre – Don McArthur, Coordinator.

3.3.2. Population

According to the Statistics Canada 2011 census data, the population of Terrace Bay is 1,471, which is representative of a 9.5 percent decrease from the 2006 census data (Figure 2.1.2.1). The population decrease in the last 10 years is attributed to the 1999 closure of the Inmet Mine in Schreiber (150 direct jobs lost) and downsizing efforts in the pulp mill in Terrace Bay (300 direct jobs lost).

While the population is roughly equally divided based on gender, there are significant differences in the age class distribution. Figure 3.3.2.1 displays the current age class distribution in Terrace Bay by 5-year age classes and gender for 2006.

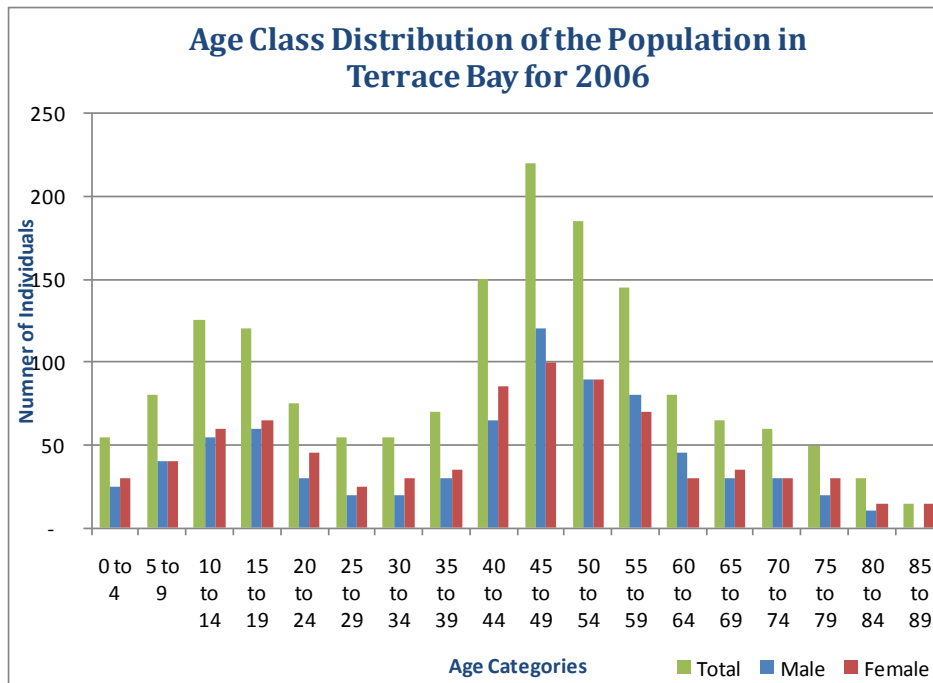


Figure 3.3.2.1 Age class distribution of the population in Terrace Bay

Source: Statistics Canada, 2006 Census Community Profile for Terrace Bay

The data indicates significant shifts in the composition of Terrace Bay’s population between 2001 and 2006 with the young adult population in the 20-39 bracket experiencing a significant decline (Table 3.3.2.1). The 25-44 years of age bracket declined by 46.3 percent. At the same time, the older adult population in the 55-64 years of age bracket increased by 36.4 percent.

Table 3.3.2.1. Population in Terrace Bay by age class from the 2001 and 2006 Census Community Profiles.

Years	Terrace Bay		
	Total	Male	Female
Total population	1,625	785	840
0 to 4	55	25	30
5 to 9	80	40	40
10 to 14	125	55	60
15 to 19	120	60	65
20 to 24	75	30	45
25 to 29	55	20	25
30 to 34	55	20	30
35 to 39	70	30	35
40 to 44	150	65	85
45 to 49	220	120	100
50 to 54	185	90	90
55 to 59	145	80	70
60 to 64	80	45	30
65 to 69	65	30	35
70 to 74	60	30	30
75 to 79	50	20	30
80 to 84	30	10	15
85 to 89	15	-	15
Median age of the population	45.6	46.3	44.8
Percent aged 15 and over	84.3%	84.1%	84.4%

Source: Statistics Canada, 2006 Census Community Profiles for Terrace Bay

This population demographic trend is not isolated in Terrace Bay; it is a phenomena associated with the baby boomer generation as it ages into retirement. Throughout its economic history in the forestry and mining sectors, Terrace Bay has attracted and maintained a significant number of individuals within the same age class. As this cohort of individuals age, it creates an increase in older age classes while simultaneous youth outmigration results in a deficit in younger age classes (Figure 3.3.2.1).

The Terrace Bay area suffered numerous loses in the local forest industry through the bankruptcy of Buchanan Forest Products Limited (BFPL) and prolonged Companies Creditors Arrangement Act (CCAA) protection of TBPI, which affected employees, subcontractors and suppliers. Uncertainty continues in the forestry sector as the economy in Northwestern Ontario begins to recovers, Terrace Bay was one of the only communities in the region with an operational forest resource processing facility until December 2011 when the facility announced that it will suspend operations for three months. As displayed in Figure 3.3.2.1, there is a significant dip in the 20 to 39 age bracket in the population of Terrace Bay.

To attract youth back to the area, the communities must offer meaningful employment. As the population ages in Terrace Bay, there will be numerous positions available in a variety of sectors, including mining, green energy, manufacturing and health care. As employment opportunities like the Project emerge, Terrace Bay and surrounding communities will have an opportunity to attract their youth back to the area and rectify the imbalanced population demographic into the future.

3.3.3. Housing

The households, including types and values, in Terrace Bay are presented in Table 3.3.3.1. The comparison of population and dwelling data shows expected similarities, as the population in Terrace Bay decreased by 17 percent and the number of occupied private dwellings decreased by 9 percent. As of the 2006 census, there were 838 total private dwellings in Terrace Bay, which represents a 4 percent decrease from 876 dwellings in 2001.

Table 3.3.3.1. Housing supply by tenure and value in Terrace Bay from the 2001 and 2006 Census Community Profiles.

	Terrace Bay		
	2001	2006	% Change
Total private dwellings	876	838	-4%
Occupied private dwellings	760	690	-9%
Single-detached houses (%)	n/a	89.9%	
Semi-detached houses (%)	n/a	3.6%	
Row houses (%)	n/a	1.4%	
Apartments, duplex (%)	n/a	0.0%	
Less than 5 storeys apartments (%)	n/a	5.8%	
More than 5 storeys apartments (%)	n/a	0.0%	
Other dwellings (%)	n/a	0.0%	
Number of owned dwellings	660	610	
Number of rented dwellings	105	80	-24%
Average value of owned dwelling	\$ 77,526	\$ 75,918	-2%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Terrace Bay

Generally, housing vacancy rates of 5 percent for rental units and 2 percent for ownership stock are thought to be sufficient for accommodating reasonable housing choices (Karakas, 2009). Utilizing the current listings on the MLS website operated by the CREA, Terrace Bay has 22 residential listings, which equates to a vacancy rate of 3.6 percent; however, the difference between total private dwellings and occupied private dwellings indicates an overall vacancy rate of more than 17 percent.

This vacancy rate for owned dwellings is well above the desired level of 2 percent. In addition, the municipality has 15 building lots available that are considered *shovel ready*. There are 7

building lots within the Southridge Area that would require some additional planning and 55 planned lots but would require the extension of services and the construction of roads.

There are two large apartment complexes in Terrace Bay: the Ridgewood Apartments with 40 total apartments; and, the Kenogami Apartments with 42 total apartments. Between these two apartment complexes, there are 16 empty apartments. This translates into a rental vacancy rate of 19.5 percent for Terrace Bay, which can offer appropriate accommodations for short-term residents like construction workers.

Rental units can also provide new, permanent residents attracted by the Stillwater mining development with adequate time to select an existing house on the market or build a new home. There are also 97 hotel and motel rooms available in Terrace Bay to accommodate an influx of temporary workers during the construction phase of the Stillwater mining development project. The number of rooms and average prices are included in Table 3.3.3.2 below.

Table 3.3.3.2. Hotel and motel rooms available in Terrace Bay.

Location	Available Rooms	Average Price
Terrace Bay		
Imperial Motel	21	\$59-\$89
Norwood Motel	16	\$65-\$77
Red Dog Inn	41	\$79-\$99
Coach House Motel	11	\$49-\$73
Jackfish Lake Motel Efficiency Cottages	8	\$65-\$89

Source: Communications with Economic Development Officers and establishments

Examining the ownership characteristics of the housing stock in Terrace Bay can provide additional insight into vacancy rates. Figure 3.3.3.1 displays the private occupied dwellings ownership characteristics in Terrace Bay.

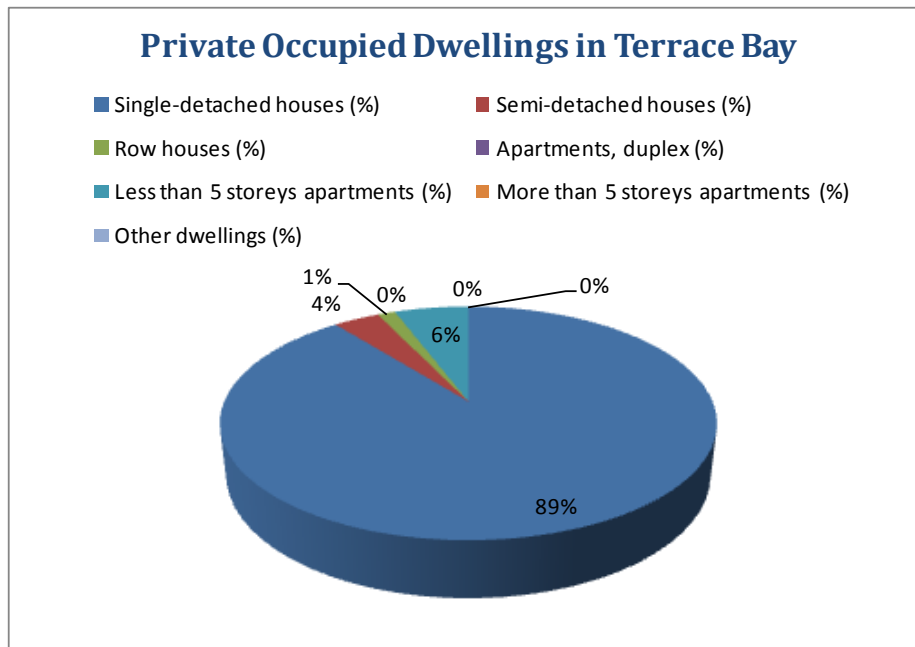


Figure 3.3.3.1. Characteristics of private occupied dwellings in Terrace Bay.

Source: Statistics Canada, 2006 Census Community Profile for Terrace Bay

As mentioned in previous sections, in Ontario, 71 percent of dwellings are owned and 29 percent are rented (Statistics Canada, 2006 Census). In contrast, Terrace Bay has 88.4 percent owned dwellings and 11.6 percent rented; a significantly higher percentage of owned dwellings and significantly lower percentage of rented dwellings. This may be partially attributed to higher median incomes in Terrace Bay than the provincial median, allowing more people the ability to buy rather than rent.

3.3.4. Education

Terrace Bay offers education programs at the primary and secondary levels. Primary education is provided at three locations including an English public school (Terrace Bay Public School), an English catholic school (St. Martin Catholic School) and a French catholic school (École catholique Franco-Terrace). Secondary education is provided at an English public school (Lake Superior High School).

These 4 schools are administered by 3 different school boards, including Superior-Greenstone District School Board, Superior North Catholic District School Board and Conseil scolaire de district catholique des Aurores boreales. Table 3.3.4.1 indicates the board responsible for each school, the current enrolment and estimated capacity. All school boards indicated they had significant capacity to accept new students that may be attracted to the area by the Project.

Table 3.3.4.1. Schools, enrolment and capacity information for Terrace Bay.

Municipality	District School Board	School	Type	Enrollment	Capacity
Terrace Bay	Superior-Greenstone	Terrace Bay Public	Elementary	41	219
	Superior-Greenstone	Lake Superior High	Secondary	134	303
	Superior North Catholic	St. Martin	Elementary	57	300
	des Aurores boreales	catholique Franco-Terrace	Elementary	15	60

Source: Communications with school board officials

Lakehead University and Confederation College are both within a 200 kilometre (2 hour drive) of Terrace Bay. Lakehead University was established in 1965 and offers a broad range of degree and diploma programs attained through traditional classroom mode or by distance education within the following nine faculties:

- Business Administration;
- Education;
- Engineering;
- Forestry and the Forest Environment;
- Graduate Studies;
- Medical School;
- Science and Environmental Studies;
- Social Sciences and Humanities; and,
- Professional Studies.

Lakehead University had a 2006-2007 enrolment of 7,529 students at its Thunder Bay campus with 5,537 full time undergraduate, 1,439 part time undergraduate, 453 full time graduate and 100 part time graduate students. The University has a staff of 2,250, including 290 faculty members and boasts total alumni of 39,171.

Lakehead University is a progressive institution as witnessed by the creation of the Northern Ontario School of Medicine in 2005, the construction of the Advanced Technology and Academic Centre in 2004, the development of the Orillia campus in 2006 and the steps toward establishing a law school in 2010-2011.

Confederation College was established in 1967 and has a satellite campus in Marathon. The college offers a full range of programs and educational services: full time post-secondary programs; part time credit/non-credit courses; specialty programs for business/industry, pre-employment and skills training programs; apprenticeship programs; and, cooperative/workplace training programs. Many of these educational services utilize a combination of traditional and distance modes of delivery. In 2006-2007, the College had 4,000 full time and 8,000 part time students with a staff of approximately 800 and over 30,000 alumni.

The educational statistics of Terrace Bay demonstrate that residents are well-trained and highly educated. The labour force of the Terrace Bay region is rich with tradesmen and a strong work ethic. The major industries in Terrace Bay are forestry, healthcare, municipal government and education. The municipality has been attempting to attract investment in forestry and value-added manufacturing, healthcare, energy, tourism and information technology.

Terrace Bay can offer a significant number of skilled and knowledgeable workers; an asset to any industry seeking to establish operations in or near Terrace Bay. The skills and trades of the workforce in Terrace Bay can easily accommodate different natural resource development sectors, such as mining, forestry and green energy industries.

Approximately 90 percent of Terrace Bay’s population aged 25 to 34 years has attained education or training at or beyond the high school level. This includes 20 percent with high school certificates or equivalent, 10 percent who have received an apprenticeship or trade certificate or diploma, 30 percent who have received a college equivalent certificate or diploma and 25 percent who have received a university diploma or degree. Table 3.3.4.2 lists education attainment data for all other age classes.

Table 3.3.4.2. Education attainment for individuals in Terrace Bay by age class.

Terrace Bay	15 and over		15-24 yrs		25-34 yrs		35-64 yrs	
	Total	%	Total	%	Total	%	Total	%
Total population	1,350		195		100		835	
No certificate, diploma or degree	335	25%	80	41%	10	10%	140	17%
High school certificate or equivalent	350	26%	90	46%	20	20%	190	23%
Apprenticeship or trades certificate or	230	17%	-	0%	10	10%	195	23%
College, CEGEP or other non-university	245	18%	10	5%	30	30%	165	20%
University certificate or diploma below the	35	3%	-	0%	-	0%	35	4%
University certificate, diploma or degree	150	11%	10	5%	25	25%	105	13%

Source: Statistics Canada, 2006 Census Community Profile for Terrace Bay

3.3.5. Health Services and Programs

Terrace Bay and Schreiber have a thriving healthcare community. McCausland Hospital is a modern, fully accredited 23-bed facility servicing the immediate region with tertiary care available in Thunder Bay. A 22-bed long term care facility was completed in 2010. Services offered include:

- Full laboratory;
- Radiology;
- Cardiac stress testing;
- Ultrasound;
- Physiotherapy;
- Chemotherapy;
- Emergency room;
- Ambulance services;
- Day surgery;
- Diabetes education;
- Dietary counselling; and,
- Tele-health.

Related community services include:

- Dentistry;
- Public health;
- Optometry;
- Speech therapy;
- Chiropractic services;
- Mental health;
- Home care; and,
- Meal on wheels.

The Aguasabon and J. E. Stokes Medical Clinics are part of the North Shore Family Health Team, which was established in 2006. The Aguasabon Clinic is located within McCausland Hospital in Terrace Bay, while the J. E. Stokes Clinic is situated in Schreiber on Scotia Street. There are currently 3 physicians and staff shared between the two sites, which include:

- Nurse practitioner;
- Social health worker;
- Dietician; and,
- Nurse.

Each clinic is fully computerized and has access to the regional hospital database. There are also two to three exam rooms per physician and emergency wait times are usually a maximum of 20 to 30 minutes with air ambulance and ground ambulatory service available for transport to the nearest tertiary care facility, which is Thunder Bay Regional Hospital (215 kilometres west of Terrace Bay).

There are two dentists operating in the area with Dr. Mark Albus providing general dentist services from the Terrace Bay Dental Clinic, located in Simcoe Plaza in Terrace Bay and Dr. Steve Trusswell situated in the Stokes Medical Clinic in Schreiber.

McCausland Hospital houses the largest physiotherapy department in the region and offers a wide variety of treatments, including hydrotherapy, SWD, ultrasound, traction, interferential current therapy and ultra-pulsation. A physiotherapist from the hospital is available for home visits. Heritage Physiotherapy is another clinic located in Terrace Bay and shares a location with Northern Acupuncture. A registered massage therapist also offers services locally.

Dr. John Lubberdink operates a chiropractic practice in Terrace Bay and his services promote the health and well-being of the spinal column and musculoskeletal frame through postural evaluation, spinal mobilization, muscular flexibility/strength and dietary considerations. He also assists with structural foot arch collapse through dispensing custom made arch supports (orthotics).

North of Superior Program is a mental health program that has an office in Schreiber and offers assessments, referrals and counselling services. The Mental Illness Support Network is also available and provides adult mental health/addictions support, advocacy, information and education.

Karen Figliomeni is a certified speech pathologist and operates an office out of Schreiber. Superior Speech Services provides education, assessment and treatment of all communication disorders, including articulation, voice, fluency, language and swallowing.

3.3.6. Emergency Services

Emergency services in Terrace Bay are provided by the Ontario Provincial Police (OPP) Nipigon Detachment – Schreiber Satellite Detachment for policing services, Terrace Bay Fire Department for fire protection services and Superior North Emergency Medical Services (EMS) through the Terrace Bay EMS Station for ambulance services, which are all accessible on the 911 network. Terrace Bay is extremely proud of the dedication and level of professionalism it receives from the men, women and their families associated with the delivery of emergency services.

The Terrace Bay fire department provides a volunteer basis service with coverage throughout the boundaries of Terrace Bay (Schreiber fire department similarly covers their region). Hydrants are located throughout town and the organization is conducted within Ontario regulations for this type of service.

The fire department has an organizational structure that includes a fire chief, deputy chief, captain, lieutenants and fire fighters with a 2008 roster of approximately 20 people. The fire department has two fire engines, a triple combination pumper, a vehicle extraction truck and a Suburban for carrying personnel as required.

Superior North EMS operates a base in Terrace Bay and has 3 full time and 2 part time primary care paramedics on staff. The Terrace Bay station uses a 2003 Demers Type I Single Stretcher ambulance and has a service area 7 kilometres west of Terrace Bay, 40 kilometres east and north to Mill Road.

In 2007, the Terrace Bay station received 209 calls and has a 90th percentile response time of 10.05 minutes, which means that 90 percent of all emergency calls (code 4 – life threatening circumstances) responded to had an ambulance at the scene in 10.05 minutes or less and in 10 percent of the calls it took an ambulance longer than 10.05 minutes to arrive at the scene.

3.3.7. Crime and Justice

Policing services for the Township of Terrace Bay are provided by the Nipigon Detachment – Schreiber Satellite Detachment of the OPP. These services are described in Section 5.1.7.

3.3.8. Poverty and Social Issues

As mentioned in earlier sections, housing is fundamental to quality of life, in addition to sufficient food and clothing, people expect to have a decent dwelling that is in good condition and large enough to accommodate the household members. But, some households face problems affording good housing and find themselves forced to choose between appropriate shelter and other life necessities. The term acceptable housing refers to housing that is adequate in condition, suitable in size and affordable.

The following analysis reviews the income and housing needs of local residents in Terrace Bay. The most recent housing cost data available was analyzed to determine affordable housing trends in the area. The percent change in median income, rental payments and mortgage payments for Terrace Bay were reviewed over a 5-year period from the 2001 to 2006 censuses. The results of the comparison are displayed in Table 3.3.8.1.

The Terrace Bay area has also suffered economic hardships with the downturn in the local forest industry. Through the bankruptcy of BFPL and prolonged Companies' Creditors Arrangement Act (CCAA) proceedings of Terrace Bay Pulp Inc. (TBPI), many employees, subcontractors and suppliers were negatively impacted. Uncertainty continues in the forestry sector as the economy in Northwestern Ontario begins to recover. Terrace Bay was one of the only communities in the Region with an operational forest resource processing facility; until

January 2012 when the facility once again petitioned the court for protection from its creditors through CCAA and was put up for sale.

Terrace Bay and Schreiber have an average of 70 Ontario Works caseloads per year for all categories (family, single and single with dependant) (Table 2.1.8.1). Terrace Bay has a Transient Assistance Program and an Emergency Assistance Program that is designed to assist individuals in a crisis or emergency situations. Terrace Bay administers the Provincial Rent Bank Program to help individuals pay their rent. Terrace Bay also administers the Residential Rehabilitation Assistance Program (RRAP) and has a rental geared to income program. Although Terrace Bay has a Food Bank, usage data are unavailable at this time.

Table 3.3.8.1. Income and housing cost information for Terrace Bay.

	Terrace Bay		
	2001	2006	Percent Change
Median household income (\$) - All households	\$ 77,754	\$ 80,240	3%
Median monthly payments for rented dwellings	\$ 447	\$ 526	18%
Median monthly payments for owner-occupied dwellings	\$ 766	\$ 600	-22%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Terrace Bay

The analysis highlights several trends in the availability of affordable housing. Between 2001 and 2006, median household incomes increased by 3 percent in Terrace Bay. This increase over a five-year period does not maintain pace with average inflation rates in Canada during that period.

During that same period, rental payments increased by 18 percent in Terrace Bay, while mortgage payments decreased by 22 percent. It is also important to note that house values in Terrace Bay decreased by 2 percent (Table 3.3.3.1). This trend is unlike trends in other areas in Northern Ontario where house values rose significantly, as much as 28 percent in areas such as Dryden, Ontario.

The significant increase in rental payments versus the significant decrease in mortgage payments highlights an economic gap between the owners and the renters group in Terrace Bay. The financial situation of families in owner-occupied dwellings improved by 22 percent in the 5-year period; while the financial situation of families in rented dwellings worsened by 18 percent with only a 3 percent increase in median household income.

The population demographic may also help to explain these statistics, as the majority of age classes below 45 years decreased while those above 45 years increased. The longer a homeowner stays in their dwelling, the closer they are getting to paying off their mortgage. This may help to explain the significant decrease in mortgage payments.

Also, the downsizing at the pulp mill in Terrace Bay may have forced some individuals to sell their homes and seek rental housing, which may have exerted pressure on the rental market and forced monthly rental payments to increase. With the reopening of the mill, the situation seems to have corrected itself, as there is now a rental vacancy of 19.5 percent. Even with the increase in rental rates, current prices are comparable to neighbouring communities such as Marathon (\$501).

3.3.9. Community Services Programs and Facilities

Terrace Bay and the surrounding area offer an array of community services in the form of support groups, services and assistance. The programs and supports listed below range from services for children, families, adults, women and seniors and are funded through various levels of government (municipal, provincial and federal):

- Al-Anon Family Groups;
- Alcoholics Anonymous;
- Alzheimers Society;
- Breast Screening;
- Canadian Cancer Society;
- Canadian Mental Health Association;
- Community Care Access Centre (home care);
- Confederation College Job Connect;
- Diabetes Support Group;
- Early Intervention Program;
- Healing Hearts Grief Support;
- Heart & Stroke Foundation;
- Hospice Northwest;
- Majorie House Outreach (Women's Crisis Service);
- Northern Cancer (in memoriums);
- Northern Travel Health Grant;
- North Shore Harvest Cupboard;
- Handi Transit;
- Managing Your Debt;
- Thrift Store – St. John's Anglican Church (Schreiber)
- Childcare Subsidy;

- Ontario Disability Support Program;
- Emergency Assistance;
- Transient Assistance;
- Northern Home Repair Program;
- Energy Emergency Fund (EEF);
- Provincial Rent Bank Program;
- TOPS (Taking off Pounds Sensibly);
- Residential Rehabilitation Assistance Program;
- Victorian Order of Nurses;
- Métis Nation of Ontario (housing); and,
- Social Housing.

The Town of Terrace Bay also offers its residents many social, specialty, hobby, sports and professional service clubs, including:

- Adult Learning Centre;
- Aguasabon Boaters Association;
- Aguasabon Chamber of Commerce;
- Aguasabon Golf Club;
- Auxiliary of McCausland Hospital;
- Casque Isle Hiking Club;
- Catholic Women’s League;
- Community Choir “Northshore Singers”
- Curling Club;
- The Family Place (Early Years Centre);
- Figure Skating Club;
- Knights of Columbus;
- Superior Girl’s Hockey;
- Lake Superior Family Snowgoers;
- Minor Hockey;
- Multicultural Association;
- Navy League;
- N.B.C. Hockey;
- Old Timers Hockey;
- Power Sail & Squadron;
- Royal Canadian Legion Branch #223;
- Royal Canadian Legion Ladies Auxiliary;
- Sea Cadets;

- Shooting Club;
- Superior Classic Car Club;
- Superior Cross Country Ski Club;
- Superior North Shore Métis Council;
- Superior Seniors Club;
- Superior Special Olympics Club;
- Tae Kwon Do;
- Terrace Bay Community Church Auxiliary;
- Terrace Bay/Schreiber Lions Club; and,
- Trestle Ridge Downhill Ski Club.

The following churches are in Terrace Bay:

- St. Martin of Tours Catholic Church;
- Terrace Bay Community Church;
- Terrace Bay Gospel Assembly; and,
- Church of Jesus Christ of Latter Day Saints.

The Township of Terrace Bay offers a wide variety of activities and facilities to satisfy the needs of its residents. The Terrace Bay Community Centre is a multi-purpose building designed to host a variety of activities. It features a fitness room, saunas and change rooms, a squash and racquetball court, an activity and games lounge, an arena, a curling club, bowling alley, meeting rooms and a library.

The arena is the setting for numerous events, including figure skating and hockey. The curling club is another popular destination for active residents and features curling on four sheets of ice with a licensed lounge.

Outside of the main complex, Terrace Bay offers other recreational facilities including a swimming pool, two baseball diamonds, newly renovated tennis courts, playgrounds and a skateboard park. The heated outdoor pool with diving board and slide is open from the end of June until the end of August. Swim lessons, swim club, aquabics and other programs are offered and the pool is available for rentals.

For young families, there are three recently renovated playgrounds in Terrace Bay, located on Poplar Crescent, Southridge Crescent and Superior Avenue. Older kids will enjoy the skateboard park situated by the swimming pool.

Golfing is a popular activity among residents and visitors alike and Terrace Bay features the Aguasabon Golf Course, a picturesque 9-hole course located on one of the lower terraces in

town. The course offers multi-grade layouts with elevated tees, elevated greens and sloped fairways in all directions. Services provided by the club house include a driving range, putting green, pro shop, club storage, power cart rentals, pull cart rentals, golf club rentals, a certified golf instructor, a fully licensed restaurant and bar and a service patio deck. The club house can be rented out for special occasions and catering services are available.

The Terrace Bay region is known as an ideal locale for hikers. The Casque Isles Hiking Trail, which begins at Aguasabon Falls, provides some of the most spectacular scenery and challenging adventures to be found in the area. This trail extends from Terrace Bay to Rosspport, a total distance of 52 kilometres and is divided into five units; each with its own unique features and difficulty levels.

The Steel River, located just 24 kilometres east of Terrace Bay, provides the perfect opportunity for a leisurely canoe trip. The fast water is classified as a 1.5, with one being the easiest and 3 being the most difficult. There are several versions of the canoe route ranging from 3 to 10 days. The Steel River Circle Route takes between 7 to 10 days and features some very challenging portages.

Snowmobiling is one of the most popular winter activities in Northern Ontario. Both Terrace Bay and Schreiber have member clubs in the North of Superior Snowmobile Association (NOSSA) and have trails situated on the East Loop. The head office of NOSSA is located in Nipigon. Local OFSC trails are maintained by the Lake Superior Snowgoers Club; however, back country snowmobile trails are neither signed nor groomed.

There are two popular locations for cross country skiing in the Terrace Bay area. The Nordic Trails are located between Terrace Bay and Schreiber and include 8 kilometres of well groomed trails.

The Rainbow Falls Trails are located 19 km west of Terrace Bay, close to Rosspport and include 6 kilometres of trails. The Superior Cross Country Ski Club is a not-for-profit organization run by local volunteers and memberships can be purchased from the Terrace Bay and Schreiber recreation centres.

Some of the most picturesque beaches in Northern Ontario are located here along the shores of Lake Superior. Perhaps the most noticeable feature of these areas is the rough, rugged shoreline, which was formed when the glaciers retreated. There are also several sandy beaches located in Terrace Bay.

Trestle Ridge Ski Hill is located in Terrace Bay and offers five ski runs ranging from beginner to intermediate/advanced. For snowboarders, a terrain park is offered as well. Trestle Ridge also

features a fully equipped rental shop including snowboards and lessons are available. For the more adventurous, night skiing is also offered.

Terrace Bay Curling Club is located on the west end of the recreation complex on the corner of Selkirk Avenue and Hwy 17. League curling is very popular in Terrace Bay and the club offers a variety of services to accommodate the needs of local curlers. It features four curling sheets, jet ice and an experienced ice maker. There is a licensed bar and an excellent entertainment system.

3.3.10. Transit, Transportation and Transport

Terrace Bay is within relative close proximity to major Canadian and American markets and provides excellent transportation options. The Township of Terrace Bay is situated on the Hwy 17. Hwy 17 is mostly two-lane and the nearest four-lane highway portion is the TransCanada Hwy 11-17, which is approximately 212 kilometres west in Thunder Bay.

The highway accommodates goods of all types with frequent trips involving wind turbine blades, modular housing and large scale equipment. A wide variety of professional, experienced trucking companies are available, including:

- McKevitt Trucking;
- Arnone Transport Limited;
- Quik X Transportation;
- Erb Transport Ltd.;
- Freight Managers Inc.; and,
- Courtesy Freight.

The regional head office of CPR is located in Schreiber and service is provided throughout different locations in the area, including Terrace Bay. There is no passenger rail service running through Terrace Bay.

The nearest international airport is Thunder Bay International Airport, which is located 224 kilometres west of Terrace Bay. Marathon Municipal Airport is the closest airport to offer domestic flights. The Terrace Bay airport was closed in 2005 due to rising costs and declining demand; however, it still offers a heliport with the capability to service air ambulance.

Terrace Bay is located on the Greyhound bus route and coaches travel east and west twice daily. There is no taxi service in Terrace Bay; however, there is a Handi-Transit shuttle that runs between Terrace Bay and Schreiber for the elderly and special needs individuals.

The township's proximity to Lake Superior provides opportunities for shipping goods and services through the water. TBPI is currently constructing a deep water port in Hydro Bay (large

bay between Terrace Bay and Schreiber) and may be open to shipping partnerships. The next closest port is Peninsula Harbour, which was operated by Marathon Pulp Inc. and is located 75 km East of Terrace Bay.

The Port of Thunder Bay is located at the head of the Great Lakes/St. Lawrence Seaway System. A one-way voyage through the Seaway to Thunder Bay takes about five days with ships 222.5 metres in length, 23.1 metres in width with a draft of 8.2 metres being elevated some 180 metres through 16 of the most efficient locks in the world.

3.3.11. Utilities

The water treatment plant in Terrace Bay was commissioned in 2005 and meets all of the provincial drinking water regulations. The system uses a slow sand filtration with in-pipe ultraviolet and sodium hypo-chloride disinfection and has treated water storage. The plant is located in the industrial park in a fenced area.

A significant advantage of the system is that it has been set up with a dual source capability. The main source of water is Lake Superior; however, the system can easily change to its backup source of nearby Hays Lake, if required during an emergency.

The water treatment plant operation is currently contracted to the Ontario Clean Water Agency. The design capacity of the plant is 3,880 cubic metres per day with current levels being approximately 50 percent of total capacity.

The Terrace Bay landfill is operated by the Township of Terrace Bay and user agreements have been established with the Township of Schreiber. The landfill is located 7 kilometres west of the Terrace Bay town centre and has an expected life of over 30 years. There is currently no industrial class recycling facility in the township and the closest location is in Thunder Bay. The site area includes a scrap metal transfer and dewatering area for processed sewage and septic waste.

In 2007, the Township of Terrace Bay sold its power utility to Hydro One. Effective November 1, 2008, the first 1,000 kilowatt hours (kWh) of electricity used is priced at 5.6 cents per kWh for residential customers. Each kWh used above 1,000 kWh per month is priced at 6.5 cents per kWh. For small business customers, the first 750 kWh of electricity is priced at 5.6 cents per kWh. Each kWh utilized above 750 kWh per month is priced at 6.5 cents per kWh. Every 6 months, the price of electricity may change based on the Ontario Energy Board's forecast for electricity prices. Industrial and large energy users that use more than 250,000 kWh of electricity a year pay the hourly wholesale price.

Terrace Bay does not have access to natural gas and utilizes heating oil, wood or electricity for residential heating.

3.3.12. Community Well-Being and Quality of Life

2006 CWB scores for the Township of Terrace Bay, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Project are summarized in Table 2.1.12.1 in Section 2.1.12. The CWB score for Terrace Bay is 82, at the high end of the range for small communities in the region and slightly higher than the average Canadian community in 2006.

3.4. Economic Factors

Terrace Bay has a history in the forest sector, pulp production in particular, as the town was purposely established to support the operation of the pulp mill. The facility has suffered three prolonged shutdowns since 2005. The pulp mill in Terrace Bay recently exited CCAA protection on September 15, 2010 and resumed operations on October 4, 2010. TBPI restarted its facility with a workforce of 300 individuals. In previous years, former owners employed over 450 individuals at the mill site.

In October of 2011, the mill was closed for repairs due to an explosion that was later extended due to poor market conditions. In January 2012, the facility once again petitioned the court for protection from its creditors and was put up for sale. Interested parties are going through the court approved purchasing process to take ownership of the operation. A new owner could be put in place as early as April, 2012.

3.4.1. Labour Force, Labour Participation and Employment

The total labour force in Terrace Bay is estimated to be 815 individuals with a labour force participation rate of 60.4 percent (61.5 percent for males and 59.6 percent for females). The 2006 census data indicates an employment rate of 45.9 percent and an unemployment rate 27.7 percent. It is important to note that during the data collection phase for the 2006 census, the pulp mill was shutdown, which would account for the staggering unemployment rate.

The existing labour force characterized by occupation is shown in Figure 3.4.1.1. Both 2001 and 2006 census data is included for comparison purposes. More than 50 percent of the labour force is engaged in sales and service and trades, transport and equipment. The second and third most reported occupations are characterized as those being related to social science, education and government and business, finance and administration. This trend is consistent between 2001 and 2006 with an increase in social science, education and government occupations. Again, given the shutdown of the pulp mill, the processing, manufacturing and utilities occupation suffered a dramatic decrease from 19.7 percent to just 5.5 percent.

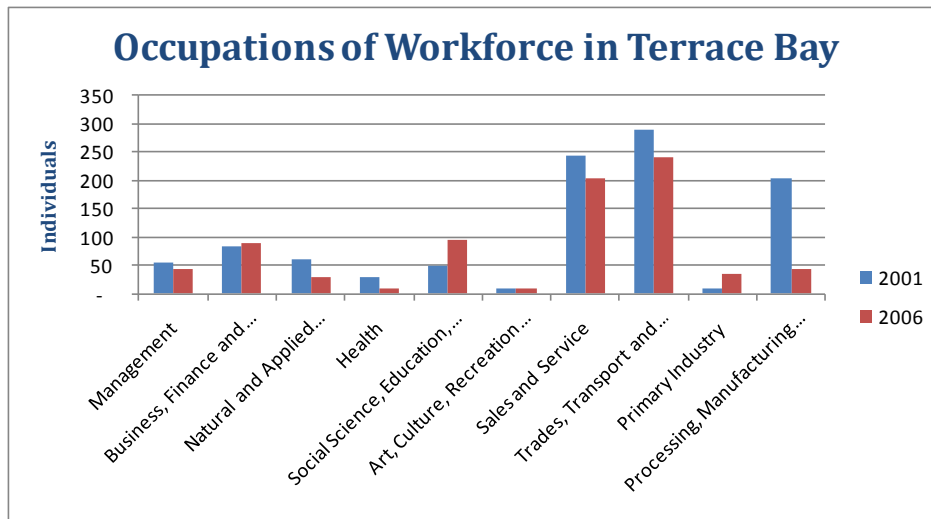


Figure 3.4.1.1. Labour force in Terrace Bay categorized by occupation.

Source: Statistics Canada, 2006 Census Community Profile for Terrace Bay

Based on industry type, 31.6 percent of the labour force is employed in manufacturing industries (Figure 3.4.1.2). Two other industries comprise more than 10 percent of the labour force; educational services and other services.

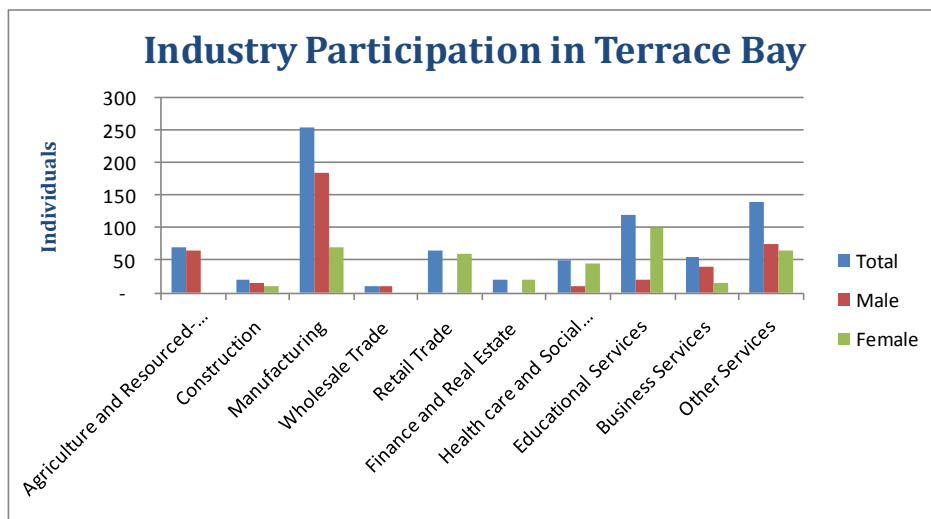


Figure 3.4.1.2. Industry participation in Terrace Bay by gender.

Source: Statistics Canada, 2006 Census Community Profile for Terrace Bay

The most current census data available captured the closure of the pulp mill in Terrace Bay. With periodic interruptions, the pulp operated continually from 1948 to present. The facility is currently running at capacity and will be reflected in the data collected for the 2011 census.

3.4.2. Income Levels

In Terrace Bay, median household and family incomes are higher than provincial averages. Ontario Provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and
- Median family income = \$72,734.

Median household and family incomes in Terrace Bay are summarized as follow:

- Median household income = \$80,240; and
- Median family income = \$89,676.

Full time income levels on an individual basis are shown in Figure 3.4.2.1. Approximately 36 percent of employed individuals in Terrace Bay earn in excess of \$60,000 per year while 19.8 percent earn less than \$10,000 per year. There is a relatively wide margin between men and women in each of the higher income level categories. The income for more than 78 percent of the males is greater than \$50,000, whereas only 18.6 percent of the females earn more than \$50,000 per year.

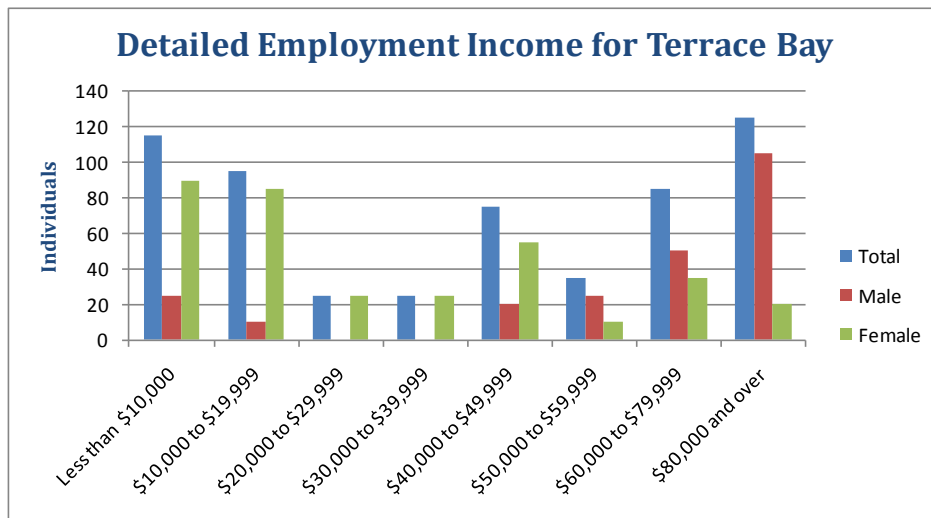


Figure 3.4.2.1. Detailed employment income for Terrace Bay by gender.

Source: Statistics Canada, 2006 Census Community Profile for Terrace Bay

3.4.3. Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the CPI are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 2.2.3.1 in Section 2.2.3.

3.4.4. Real Estate

Terrace Bay has available housing in home and apartment units. The average price for a home in Terrace Bay is \$68,847 (based on 2007 MPAC assessment) and rental for a single bedroom apartment is on average \$400 per month with utilities not included. Property taxes on a house appraised at \$50,000 are approximately \$1,500 per year.

The number of currently available listings by price are displayed in Figure 3.4.4.1. There are also approved plans for subdivisions to expand the existing housing market.

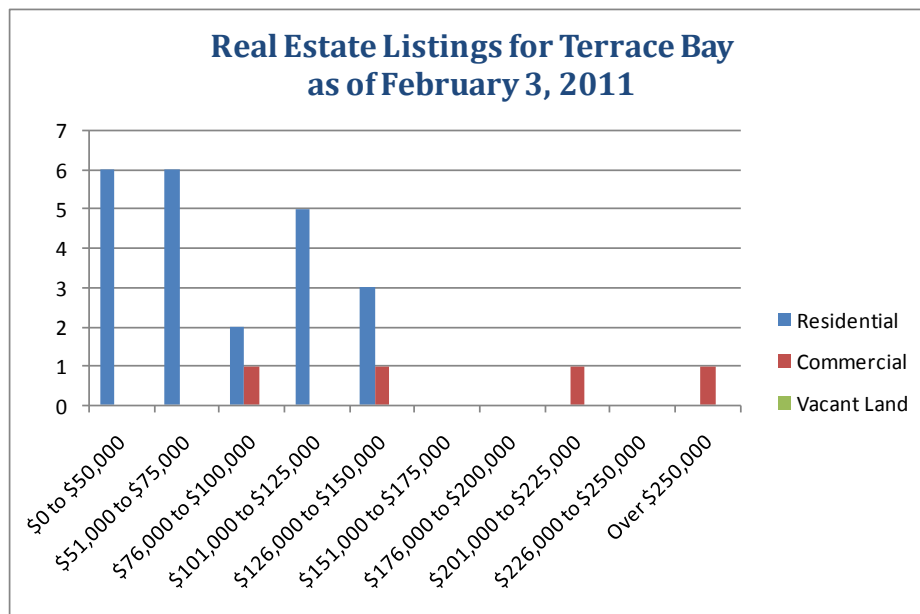


Figure 3.4.4.1. Real estate listings in Terrace Bay as shown on the Multiple Listing Service website, as of February 3, 2011.

Source: MLS Listings, February 3, 2011

With respect to commercial and industrial real estate, the Industrial Park in Terrace Bay is off of Mill Road on South Camp Road and has properties for sale in the industrial class range.

3.4.5. Economic Development

Terrace Bay is proud to have been named the Entrepreneurial Community of the Year by the Northern Ontario Business Awards for 2010-2011. The Terrace Bay economy includes the TBPI mill, the McCausland Hospital, various educational insitutions and the service industry that serves the residents and tourists. A variety of major economic capital projects are currently being completed in the municipality, including the \$8 million McCausland Hospital Long-Term Care project, the \$3 million Downtown Revitalization project and the \$2 million Cultural Centre project.

The local economy has seen investment in the forestry industry with \$25 million in loan guarantees in 2010 and \$45 million in 2008 for the development of energy cogeneration capabilities for the TBPI facility.

The healthcare industry has experienced a \$7 million investment in 2009-2010 for the McCausland Hospital Long-Term Care expansion (current).

The Superior North Catholic District School Board and Conseil scolaire de district catholique des Aurores boreales invested in the education industry when the St. Martins Catholic and Ecole Catholique Franco Terrace School (co-located at the same site) were built in 2007 at an estimated cost of \$5.5 million (including a new daycare).

The service industry saw an investment of \$2 million for the construction of a highway commercial property that is now complete with full services available. The municipality has also reinvested a great deal in its water infrastructure in partnership with the federal and provincial government for the recently completed \$13 million Water Treatment Plant Construction and Upgrades.

3.4.6. Government Funding

Terrace Bay collects the majority of operating finances through annual taxes levied on its property owners. These funds are applied towards the administration of all municipal departments for the provision of many essential services: police and fire protection; road maintenance; sewage and drainage; parks and recreation; economic development; and, tourism. The total tax rate comprises municipal services and education levy components.

The tax rates for various classes of rate payers are provide below in Table 3.4.6.1.

Table 3.4.6.1. Tax rates for rate payers in Terrace Bay.

Rate Payer Class	2010 General Municipal Tax Rates	Education Tax Rates
Residential/Farm - (all classes)	2.621845%	0.2410000%
Residential PIL - General - NS	2.621845%	
Multi-Residential (all classes)	6.135117%	0.2410000%
Commercial (all classes)	4.745539%	1.4300000%
Vacant Unit/Excess Land/Land	3.321877%	1.001000%
PIL - Full - No Support	4.745539%	1.430000%
PIL - General - No Support	4.745539%	
Industrial	6.816797%	1.430000%
Vacant Land	4.771758%	1.001000%
PIL - Full	6.816797%	1.430000%
Large Industrial	6.816797%	1.430000%
Vacant Unit/Excess Land	4.771758%	1.001000%

Source: Terrace Bay municipal office

4. Manitouwadge

Manitouwadge is located in the centre of Ontario and lies halfway between Thunder Bay and Sault Ste. Marie. Nestled on the shores of Manitouwadge Lake, north of Lake Superior, it is situated at the end of Highway 614, approximately 50 kilometres north of the Hwy 17. The Township of Manitouwadge is approximately 95 kilometres from the Project site (Figure 2.1.1.1)

Manitouwadge, named from the Ojibway *manitouwadj*, meaning *cave of the great spirit*, has a past rich with the history of mining. Over 50 years ago, three prospectors shook hands and sealed a partnership that led to the first mining operation in the community. Manitouwadge was built by Noranda (now a part of Xstrata) to support the Geco copper mine.

In the early 1980s, gold was discovered at Hemlo 50 kilometres south of the community. Noranda later acquired the mining rights to a significant portion of the land in that area and built the Golden Giant Mine that offered housing to many of its employees in Manitouwadge.

With a population of approximately 2,300, the Township of Manitouwadge is a welcoming community that offers a full range of opportunities for residents and visitors. This community is compact in size, measuring a total of 5 square kilometres. The downtown commercial core of Manitouwadge is only 1 block away from the shores of beautiful Lake Manitouwadge. The community is bilingual with a significant portion of the population speaking both official languages.

When the Geco mine closed in 1995, the population of Manitouwadge decreased significantly. After peaking at nearly 4,000 people in the early 1990s, it decreased to less than 3,000 by 2001. With the closing of the Golden Giant Mine in 2006, the population dropped to 2,300.

4.1. Social Factors

In Manitouwadge, the scenery is spectacular; the quality of life is high; and, the people are friendly. Manitouwadge offers a variety of opportunities for four season recreation and leisure. The serene beauty of Ontario's north, first class health care facilities and affordable housing makes Manitouwadge an attractive place to live.

4.1.1. Administration

Manitouwadge is a lower tier municipality within the District of Thunder Bay. The municipal government of Manitouwadge includes a democratically elected mayor and council. Council is comprised of the mayor and 4 councillors. The role of council is to: represent the public and to consider the interests of the municipality; to develop policies; to decide on what services are provided; to ensure Council decisions are implemented; and, to maintain the financial integrity

of the municipality. In accordance with provincial laws, municipal elections are held every four years with the next Ontario municipal election scheduled for November, 2014.

Town services are provided through a number of primary departments and their respective managers, including:

- Administration – Cecile Kerster, Municipal Manager Clerk;
- Finance – Margaret Hartling, Treasurer/Deputy Clerk;
- Building Department – Owen Cranney, Chief Building Official;
- Public Works – Omer Collin, Public Works Superintendent;
- Fire Department – Owen Cranney, Fire Chief;
- Community Services – Dave Raymond, Director of Community Services; and,
- Economic Development – Dave Raymond, Economic Development Officer.

4.1.2. Population

According to the Statistics Canada 2011 census data, the population of Manitouwadge is 2,105, which is representative of an 8.5 percent decrease from the 2006 census data (Figure 2.1.2.1). As the life of the mines in the area expired, the labour force required to operate the mine decreased; however, given recent metal price trends, Barrick has extended operation of the Hemlo mine. The extension of the mine's life at Hemlo has served to stabilize the population of both Manitouwadge and Marathon.

While the population is roughly equally divided based on gender, there are significant differences in the age class distribution. Figure 4.1.2.1 displays the current age class distribution in Manitouwadge by 5-year age classes and gender in 2006.

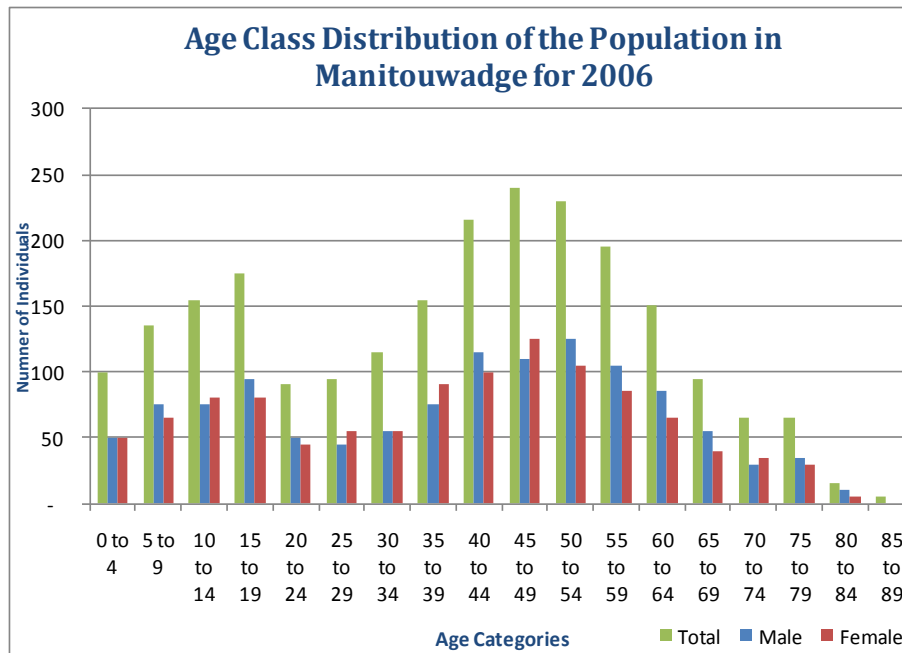


Figure 4.1.2.1. Age class distribution of the population in Manitowadge.

Source: Statistics Canada, 2006 Census Community Profile for Manitowadge

The data indicates significant shifts in the composition of Manitowadge’s population between 2001 and 2006 with the young adult population in the 20-44 age bracket experiencing a significant decline (Table 4.1.2.1). The 20-24 age bracket declined by 45.5 percent and the 25-44 year age bracket declined by 40.2 percent. At the same time, the older adult population in the 55-64 age bracket increased by 35.3 percent.

Table 4.1.2.1. Population in Manitouwadge by age class from the 2001 and 2006 Census Community Profiles.

	Manitouwadge		
	2001	2006	% Change
Total Population	2,950	2,300	-22%
Age 0-4	180	100	-44.4%
Age 5-14	440	290	-34.1%
Age 15-19	250	175	-30.0%
Age 20-24	165	90	-45.5%
Age 25-44	970	580	-40.2%
Age 45-54	510	470	-7.8%
Age 55-64	255	345	35.3%
Age 65-74	135	160	18.5%
Age 75-84	35	80	128.6%
Age 85 and over	5	5	0.0%
Median age of population	36.6	42.8	16.9%
Percent aged 15 and over	79.0%	83.0%	5.1%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Manitouwadge

The population demographic of Manitouwadge is similar to both Marathon and Terrace Bay; indicative of the aging baby boomer generation. Throughout its economic history in the mining sector, Manitouwadge has attracted and maintained a significant number of individuals within the same age class. As this cohort of individuals' age, it creates an increase in older age classes while youth outmigration results in a deficit in younger age classes (Figure 4.1.2.1).

The Manitouwadge area suffered numerous losses in the local forest sector through the bankruptcy of Buchanan Forest Products Limited, which affected employees, subcontractors and suppliers within the community. As the economy in Northwestern Ontario recovers and the baby boomer generation continues to age, public and private sectors will require a workforce to fill the positions that will be vacated by the significant number of retirees. As displayed in Figure 4.1.2.1, there is a significant dip in the 20 to 39 age bracket in the population of Manitouwadge.

4.1.3. Housing

The households, including types and values, in Manitouwadge are presented in Table 4.1.3.1. The comparison of population and dwelling data shows expected similarities, as the population in Manitouwadge decreased by 22 percent and the number of occupied private dwellings decreased by 15 percent. As of the 2006 census, there were 1,212 total private dwellings in Manitouwadge, which represents an 8 percent decrease from 1,317 dwellings in 2001.

Table 4.1.3.1. Housing supply by tenure and value in Manitouwadge from the 2001 and 2006 Census Community Profiles.

	Manitouwadge		
	2001	2006	% Change
Total private dwellings	1,317	1,212	-8%
Occupied private dwellings	1,130	955	-15%
Single-detached houses (%)	n/a	81.7%	
Semi-detached houses (%)	n/a	4.7%	
Row houses (%)	n/a	3.7%	
Apartments, duplex (%)	n/a	0.0%	
Less than 5 storeys apartments (%)	n/a	4.2%	
More than 5 storeys apartments (%)	n/a	0.0%	
Other dwellings (%)	n/a	5.8%	
Number of owned dwellings	945	740	-22%
Number of rented dwellings	185	210	14%
Average value of owned dwelling	\$ 38,006	\$ 127,696	236%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Manitouwadge

Generally, housing vacancy rates of 5 percent for rental units and 2 percent for ownership stock are thought to be sufficient for accommodating reasonable housing choices (Karakas, 2009). Utilizing the current listings on the MLS website operated by the CREA, Manitouwadge has 37 residential listings, which equates to a vacancy rate of 5 percent. The difference between total private dwellings and occupied private dwellings indicates an overall vacancy rate of more than 21.2 percent. Manitouwadge also has approximately 50 planned lots for housing development that are already approved and part of the official plan.

This vacancy rate for owned dwellings is well above the desired level of 2 percent and suggests that Manitouwadge can accommodate an influx of individuals into the community.

There are approximately 15-25 vacant rental units in Manitouwadge, which translates to a rental vacancy rate of 10-15 percent. The number fluctuates monthly but remains within this range. Not included in this number are 2 multi-residential complexes that are empty. These complexes offer 8 – 2 bedroom units and 10 – 1 bedroom units. These units are in good condition; however, the demand does not warrant keeping them open. If there was a need to rent these units, they could be open relatively quickly.

The vacancy rate for rented dwellings can offer appropriate accommodations for short-term residents like construction workers. Rental units can also provide new, permanent residents attracted by the Project with adequate time to select an existing house on the market or build a new home.

There are no hotels or motels currently operating in Manitowadge; however, there are several smaller bed and breakfast-type accommodations for visitors to the municipality. In total, there are 31 rooms available for rental on a daily, weekly or monthly basis.

Examining the ownership characteristics of the housing stock in Manitowadge can provide additional insight into vacancy rates. Figure 4.1.3.1 displays the private occupied dwellings ownership characteristics in Manitowadge.

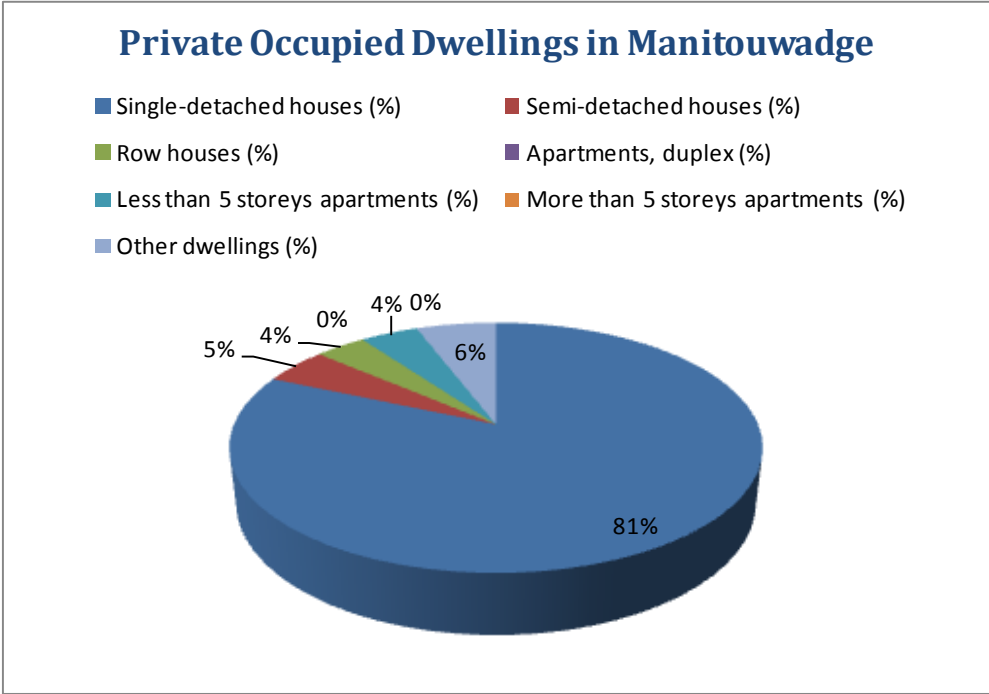


Figure 4.1.3.1. Characteristics of private occupied dwellings in Manitowadge.
 Source: Statistics Canada, 2006 Census Community Profile for Manitowadge

As mentioned in previous sections, in Ontario, 71 percent of dwellings are owned and 29 percent are rented (Statistics Canada, 2006 Census). In contrast, Manitowadge has 77.5 percent owned dwellings and 22 percent rented; slightly higher percentage of owned dwellings and slightly lower percentage of rented dwellings. This may be partially attributed to higher median incomes in Manitowadge than the provincial median, allowing more people the ability to buy rather than rent.

4.1.4. Education

Manitowadge offers its residents plenty of choices when it comes to educational programs at the primary and secondary levels. Primary education is provided at three locations, including an English public school (Manitowadge Public School), an English catholic school (Our Lady of Lourdes Catholic School) and a French public school (Ecole publique Franco-Manitou). Secondary education is provided at an English public school (Manitowadge High School).

These 4 schools are administered by 3 different school boards, including Superior-Greenstone District School Board, Superior North Catholic District School Board and Conseil Scolaire Public du Grand Nord de l'Ontario. Table 4.1.3 indicates the board responsible for each school, the current enrolment and estimated capacity. All school boards indicated they had significant capacity to accept new students that may be attracted to the area by the Stillwater mining development.

Table 4.1.4.1. Schools, enrolment and capacity information for Manitouwadge.

Municipality	District School Board	School	Type	Enrollment	Capacity
Manitouwadge	Superior-Greenstone	Manitouwadge Public	Elementary	67	316
	Superior-Greenstone	Manitouwadge High	Secondary	117	369
	Superior North Catholic	Our Lady of Lourdes	Elementary	125	300
	du Grand Nord de l'Ontario	publique Franco-Manitou	Elementary	24	81

Source: Communications with school board officials

For post-secondary learning, Manitouwadge is within close proximity to Lakehead University and Confederation College in Thunder Bay, Algoma University and Sault College in Sault Ste. Marie and Northern College in Timmins. Confederation College operates a satellite campus in Marathon, which acts as the coordinating focal point for college level education programming. Residents can also obtain a post-secondary education by taking advantage of Contact North, which offers access to university and college courses through distance learning and online education.

The educational statistics of Manitouwadge demonstrate that residents are well-trained and highly educated. Manitouwadge can offer a significant number of skilled and knowledgeable workers; an asset to any industry seeking to establish operations in or near Manitouwadge. The skills and trades of the workforce in Manitouwadge can accommodate different natural resource development sectors, such as mining, forestry and green energy industries.

Approximately 87 percent of Manitouwadge's population aged 25 to 34 years has attained education or training at or beyond the high school level. This includes 30 percent with high school certificates or equivalent, 14 percent who have received an apprenticeship or trade certificate or diploma, 27 percent who have received a college equivalent certificate or diploma and 16 percent who have received a university diploma or degree. Table 4.1.4.2 lists education attainment data for all other age classes.

Table 4.1.4.2. Education attainment for individuals in Manitouwadge by age class.

Manitouwadge	15 and over		15-24 yrs		25-34 yrs		35-64 yrs	
	Total	%	Total	%	Total	%	Total	%
Total population	1,855		230		185		1,210	
No certificate, diploma or degree	440	24%	85	37%	25	14%	275	23%
High school certificate or equivalent	575	31%	115	50%	55	30%	360	30%
Apprenticeship or trades certificate or	305	16%	25	11%	25	14%	195	16%
College, CEGEP or other non-university	345	19%	10	4%	50	27%	245	20%
University certificate or diploma below the	45	2%	-	0%	10	5%	20	2%
University certificate, diploma or degree	135	7%	-	0%	20	11%	110	9%

Source: Statistics Canada, 2006 Census Community Profile for Manitouwadge

4.1.5. Health Services and Programs

A leader in the region when it comes to health care, Manitouwadge has a community hospital with 3 full time physicians who are supported by a competent team of medical personnel. The hospital has a laboratory and imaging department and also offers 24-hour Emergency Medical Services (EMS) coverage, including air ambulance transfer, helicopter first response capability and off-road rescue.

The Manitouwadge General Hospital was constructed to replace an outdated facility. The new hospital was designed as a health care centre for the entire community; housing not only the hospital but several other specialized health care services.

The building is situated so that almost all of the patient rooms have a view of Lake Manitouwadge and the hills beyond. In the north wing, there are 9 private patient rooms, 5 private chronic rooms, birthing room, paediatrics, isolation room, patient lounge, as well as both an open air and screened terrace.

The central core contains the emergency ward, exam rooms, trauma room, reception area, gift shop, doctor's lounge, pharmacy, nursery, medical records and offices. The south wing contains the medical labs, food preparation, dining room, maintenance, mechanical, laundry, housekeeping, staff room, physiotherapy and several other specialized services.

Also offered through this facility are an orthopaedic specialist, physiotherapy services, paediatric services, a dentist, a chiropractor and a full service pharmacy.

4.1.6. Emergency Services

Emergency services in Manitouwadge are provided by the OPP Marathon Detachment for policing services, Manitouwadge Fire Department for fire protection services and Superior North EMS through the Manitouwadge EMS Station for ambulance services, which are all accessible on the 911 network.

The Manitouwadge Fire Department operates from one fire hall that is adjoined to the municipal office located in the middle of town at 1 Mississauga Drive. Staffing is provided by a full time Fire Chief and 22 volunteer fire fighters.

Service is provided with two triple combination pumpers with ratings of 1,050 gallons per minute (gmp). A rescue unit that carries a crew of 8 is equipped with a 20 kilavolt ampere (KVA) on-board generator and light tower along with auto extrication and water/ice rescue equipment. This unit doubles as a mobile command post with seating and table space for 6.

The Fire Department has 15 self-contained breathing apparatuses (SCBA) and its own compressor. The hall is also equipped with Auto-Extrication Equipment and a Pet Ventilation System. The dispatch office is set up with stand-by power to operate the lights, heat and communications equipment. Water for firefighting is provided throughout the community with 153 hydrants.

The Fire Department is responsible for the surrounding area of Manitouwadge. This area includes Highway 614, Industrial Road to Caramat and Camp 70 as far as Hillsport.

Superior North EMS operates a base in Manitouwadge and has 4 full time and 2 part time primary care paramedics on staff. The Manitouwadge station uses a 2000 Demers Type I Dual Stretch 4x4 ambulance and a 2008 Demers Type Dual Stretcher ambulance. The station services all of Highway 614 north to the Canadian National Railway, surrounding bush roads, the Township of Manitouwadge and all bush roads north up to Caramat.

In 2009, the Manitouwadge station received 160 calls and has a 90th percentile response time of 10.29 minutes, which means that 90 percent of all emergency calls (code 4) responded to had an ambulance at the scene in 10.29 minutes or less and in 10 percent of the calls it took an ambulance longer than 10.29 minutes to arrive at the scene.

The Manitouwadge EMS Station Training Centre offers the following Red Cross programs:

- First Aid and CPR;
- Babysitter Program;
- First Aid Basics;
- First Responder; and,

- Wilderness Response Unit.

4.1.7. Crime and Justice

Policing services for the Township of Manitouwadge are provided by the Marathon Detachment of the OPP. These services are described in Section 2.1.7.

4.1.8. Poverty and Social Issues

As mentioned in earlier sections, housing is fundamental to quality of life, in addition to sufficient food and clothing, people expect to have a decent dwelling that is in good condition and large enough to accommodate the household members. But, some households face problems affording good housing and find themselves forced to choose between appropriate shelter and other life necessities. The term acceptable housing refers to housing that is adequate in condition, suitable in size and affordable.

The following analysis reviews the income and housing needs of local residents in Manitouwadge. The most recent housing cost data available was analyzed to determine affordable housing trends in the area. The percent change in median income, rental payments and mortgage payments for Manitouwadge were reviewed over a 5-year period from the 2001 to 2006 censuses. The results of the comparison are displayed in Table 4.1.8.1.

Table 4.1.8.1. Income and housing cost information for Manitouwadge.

	Manitouwadge		
	2001	2006	Percent Change
Median household income (\$) - All households	\$ 70,921	\$ 78,894	11%
Median monthly payments for rented dwellings	\$ 493	\$ 530	8%
Median monthly payments for owner-occupied dwellings	\$ 945	\$ 516	-45%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Manitouwadge

The analysis highlights several trends in the availability of affordable housing. Between 2001 and 2006, median household incomes increased by 11 percent in Manitouwadge. This increase over a five-year period generally corresponds with average inflation rates in Canada during that period.

During that same period, rental payments increased by 8 percent in Manitouwadge, while mortgage payments decreased by 45 percent. It is also important to observe that house values

in Manitouwadge increased by a staggering 236 percent (Table 4.1.3.1). This anomaly is difficult to explain, as it is unrealistic for houses to appreciate by this percentage over a 5-year period.

The modest increase in rental payments, which is reflective of the effects of inflation and the remarkable decrease in mortgage payments suggest that the housing in Manitouwadge is both available and affordable. Combined with the 11 percent increase in median household income, the majority of households in Manitouwadge can sufficiently meet their housing needs.

Marathon and Manitouwadge have an average of 170 Ontario Works caseloads per year for all categories (family, single and single with dependant) (Table 2.1.8.1). Both Marathon and Manitouwadge have a food bank and not-for-profit housing; however, usage data are unavailable at this time.

4.1.9. Community Services, Programs and Facilities

Manitouwadge offers an array of community services in the form of support groups/services and assistance. The programs and supports listed below range from services for children, families, adults, women and seniors and are funded through various levels of government (municipal, provincial and federal):

- Centre de Formation Manitouwadge Learning Centre;
- Manitouwadge Education and Employment Services;
- Ontario Works;
- Diabetes Health and Wellness Program;
- Handi-Action/Neighbour to Neighbour;
- Mental Illness Support Network;
- North of Superior Programs;
- Manitouwadge Nursery;
- Manitouwadge Food Bank;
- Ontario Early Years Centre;
- Marjorie House Outreach; and,
- Emergency Shelter.

The following churches are in Manitouwadge:

- Bethany Pentecostal Chapel;
- Our Lady of Lourdes Church (Catholic); and,
- St. Paul's United Church.

The Township of Manitouwadge offers a wide variety of activities and facilities to satisfy the needs of its residents.

The Manitouwadge Community Centre, opened in 1964, houses many facilities within its building and surrounding area. In the summer, programs such as the Drop-In for teens and youth and the Playground Program for younger children are held here. Adjacent to the Community Centre is the Manitouwadge Oasis Outdoor Pool where fully qualified lifeguards/instructors offer swimming lessons and a variety of public swimming opportunities and special events throughout the summer months.

Two tennis courts are located outside the Community Centre, as well as a baseball field complete with lighting that may be rented for tournaments. In addition to summer programming, the Community Centre houses a full service fitness facility available to all citizens, the Manitouwadge Public Library, the Ministry of Transportation Ontario (MTO) Office and an auditorium for community and user groups for private functions of various sorts.

During the winter months, the Community Centre boasts a variety of winter activities. The arena hosts figure skaters, public skaters and hockey players of all ages. The Manitouwadge Minor Hockey Association and the Manitouwadge Figure Skating Club continue to offer their services to the youth of Manitouwadge. The Manitouwadge Curling Club offers various leagues for curling participants and a licensed lounge overlooking the ice. Also during the winter months, various programs may be offered in the auditorium. Such programs as ballroom dancing, badminton for youth and adults, yoga and aerobics have all been offered in the past.

The Manitouwadge Municipal Golf Course is a 9-hole course measuring 3,193 yards for men's play and 2,475 yards for ladies. The course offers a picturesque setting and a combination of undulating and flat fairways with small, well-positioned greens.

Kiwissa Ski Centre is owned and operated by the Township of Manitouwadge and is open Friday through Sunday. In 2008-2009, Kiwissa was able to utilize their newly purchased snowmaking equipment for ski hill operations for the first time and will continue to do so in upcoming years; enabling the ski season to be extended. In addition to this, the Kiwissa Club offers full rentals of ski and snowboarding equipment.

4.1.10. Transit, Transportation and Transport

Manitouwadge is located in the centre of Ontario; halfway between Thunder Bay and Sault Ste. Marie. It is situated at the end of Highway 614 approximately 50 kilometres north of Hwy 17. International travel can be accommodated at Thunder Bay International Airport and various Canadian flights can be scheduled at the Sault Ste. Marie Airport. Manitouwadge also operates a registered municipal airport facility (IATA designation YMG).

The airport property consists of 1 asphalt runway, which is 3,600 feet long by 100 feet wide. It provides services for many business and personal aircrafts, including fire services, air

ambulance, chartered flights and private aircrafts. Jet A-1 fuel and parking is available 24 hours per day.

Manitouwadge is in close proximity to rail service; however, neither the Canadian Pacific nor Canadian National Railways directly service Manitouwadge. The Canadian National Railway can be accessed in Caramat (90 kilometres) and the CPR can be accessed in Marathon (95 kilometres).

4.1.11. Utilities

The water system in Manitouwadge consists of five groundwater wells, a treatment plant and 900,000 gallon reservoir. The distribution network consists of 21 kilometres of water main, 1,250 water service connections and 136 fire hydrants. Service pumps operate in a programmable logic control relay sequence to meet distribution system pressure and flow demands with firm pumping capacity to meet the peak hour demand for a 20-year design population of 6,000 persons.

The waste water collection system has 19 kilometres of gravity sewer mains collecting from 1,220 sewer lateral connections to a pumping station located between the old High School and the old Trailer Park. Two very large pumps push everything through 3.5 kilometres of force main to sewage lagoons beside Rudder Lake. Two facultative aerated lagoons are designed for average flows from a population of 6,000 persons.

Public Works utilizes a 25-yard garbage packer to collect weekly from residential areas and three times weekly from commercial customers. Waste is hauled to the municipal landfill site located 7 kilometres east on Caramat Road at Rudder Creek. The landfill site was established ten years ago and, at present volumes of use, the area provided for cell development is sufficient for at least twenty years into the future. The municipality has a derelict motor vehicle site at the end of Sault Road. J & J Equipment Rentals Incorporated operates from this scrap metal yard.

4.1.12. Community Well-Being and Quality of Life

2006 CWB scores for the Township of Manitouwadge, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Project are summarized in Table 2.1.12.1 in Section 2.1.12. The CWB score for Manitouwadge is 82, at the high end of the range for small communities in the region and slightly higher than the average Canadian community in 2006.

4.2. Economic Factors

In Manitouwadge, there are available office spaces, serviced industrial lots downtown and retail storefronts waiting to accommodate the needs of future businesses. The downtown is typical of most small communities across Ontario. A mixture of shops, restaurants, hotels and

businesses provide a full range of services, conveniences and amenities to residents and visitors alike.

The local economy is based on the extreme location, rugged natural beauty and vast natural resources. In addition to the established mining and forestry industries, opportunities exist for value-added wood products industries. Tourism businesses that cater to the wilderness outdoor adventure market such as outdoor outfitters, equipment rental and hospitality continue to grow in the community.

To help encourage local prospecting activities, the Manitouwadge Economic Development Corporation (ManEDC) has purchased a Beep Mat with grant funding made available from the Community Stabilization Fund. The Beep Mat is an instrument that anyone can use with minimal training to identify base metals in the ground.

This technology is already utilized by prospectors and has been successful in discovering base metal mineralization in the Manitouwadge area. Until now, the high cost of the equipment or difficulty finding one available to rent made it almost impossible for prospectors to access a Beep Mat. Now a Beep Mat is kept available in Manitouwadge for anyone to use in the hope that minerals will be identified and a new mine may one day open in the region.

4.2.1. Labour Force, Labour Participation and Employment

The total labour force in Manitouwadge is estimated to be 1,230 individuals with a labour force participation rate of 66.5 percent (72.8 percent for males and 59.8 percent for females). The 2006 census data indicates an employment rate of 62.4 percent and an unemployment rate 6.5 percent.

The existing labour force characterized by occupation is shown in Figure 4.2.1.1. Both 2001 and 2006 census data is included for comparison purposes. Nearly 65 percent of the labour force is engaged in sales and service, trades, transport and equipment and primary industry. This trend is consistent between 2001 and 2006 with a decrease in trades, transport and equipment and primary industry occupations.

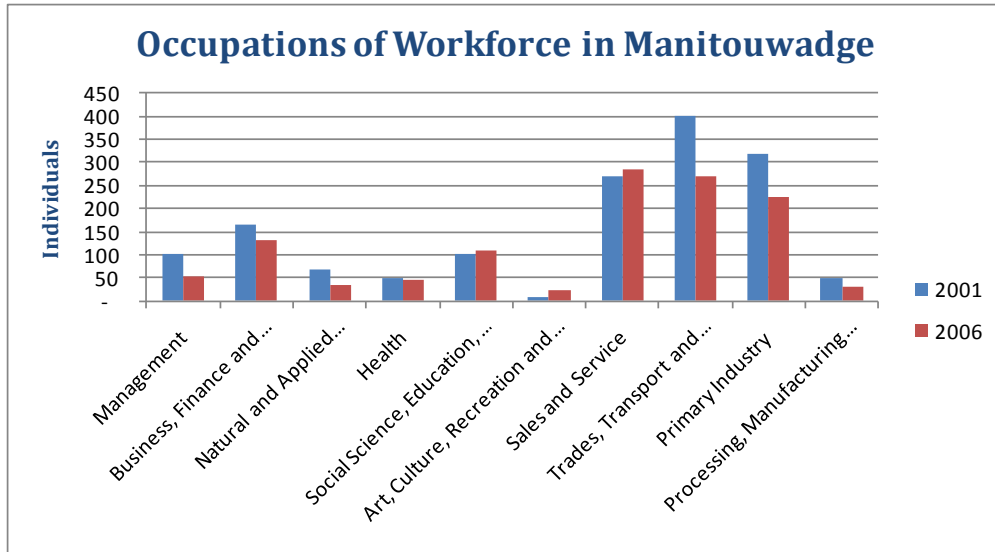


Figure 4.2.1.1. Labour force in Manitouwadge categorized by occupation.

Source: Statistics Canada, 2006 Census Community Profile for Manitouwadge

Based on industry type, 34 percent of the labour force is employed in agriculture and resource-based industries (Figure 4.2.1.2). Four other industries comprise at least 10 percent of the labour force: retail trade; educational services; business services; and, other services.

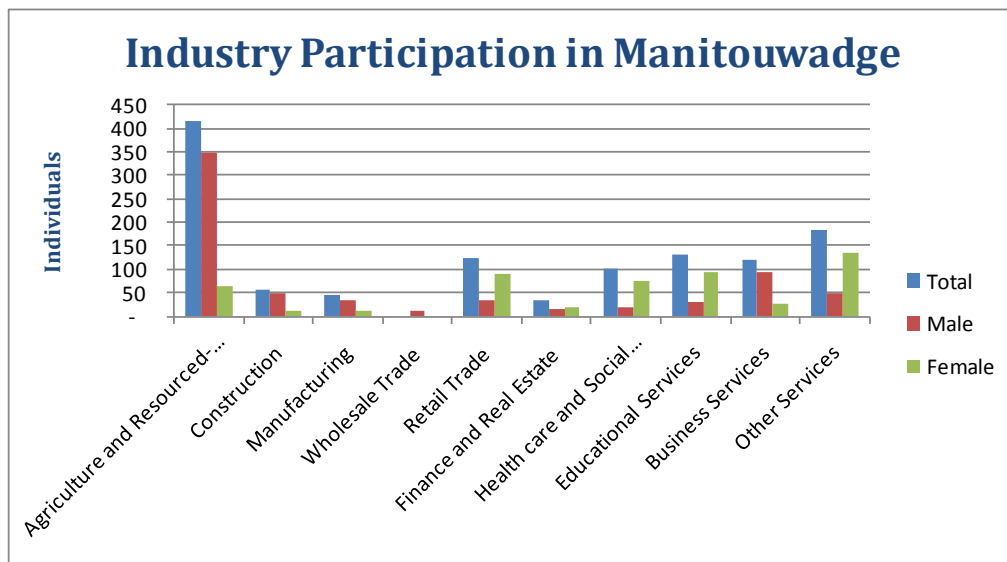


Figure 4.2.1.2. Industry participation in Manitouwadge by gender.

Source: Statistics Canada, 2006 Census Community Profile for Manitouwadge

4.2.2. Income Levels

In Manitouwadge, median household and family incomes are higher than provincial averages. Provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and
- Median family income = \$72,734.

Median household and family incomes in Manitowadge are summarized as follow:

- Median household income = \$78,894; and
- Median family income = \$83,409.

Full time income levels on an individual basis are shown in Figure 4.2.2.1. Approximately 23.4 percent of employed individuals in Manitowadge earn in excess of \$60,000 per year while 24.6 percent earn less than \$10,000 per year. There is a relatively wide margin between men and women in each of the higher income level categories. The income for more than 50 percent of the males is greater than \$50,000, whereas only 15.4 percent of the females earn more than \$50,000 per year.

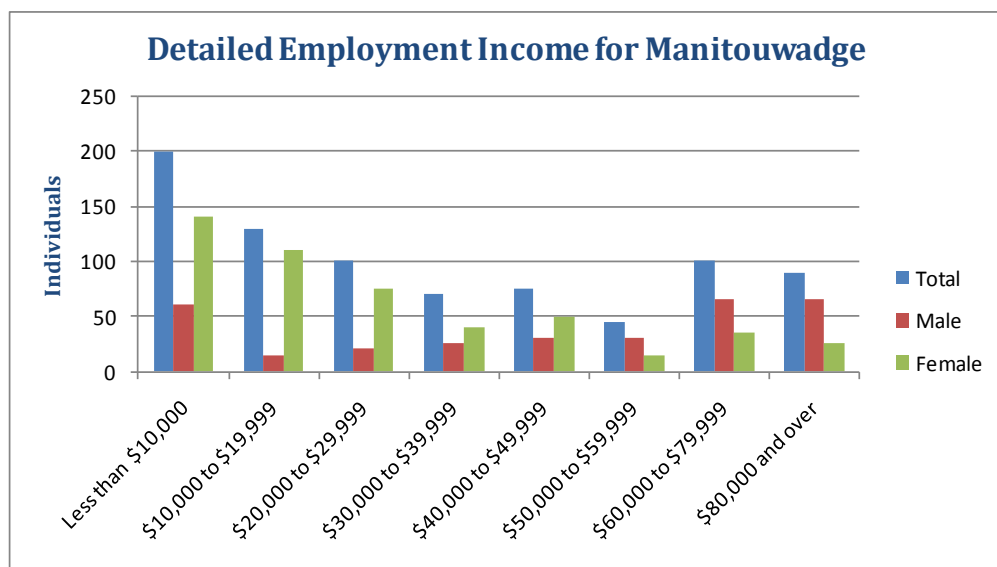


Figure 4.2.2.1. Detailed employment income for Manitowadge by gender.

Source: Statistics Canada, 2006 Census Community Profile for Manitowadge

4.2.3. Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the consumer price index (CPI) are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 2.2.3.1 in Section 2.2.3.

4.2.4. Real Estate

Offering some of the lowest housing prices in the country, Manitowadge provides its residents with a low cost of living and a high quality of life. The average price of a single family dwelling in Manitowadge is approximately \$39,000. Local realtors offer numerous options for detached or semi-detached homes, apartments and cottages.

It is important to note the average value of owned dwellings as stated in Table 4.1.3.1 refers to the dollar amount expected by the owner if the dwelling were to be sold. Although the average

homeowner expects to receive \$126,000 for their dwelling, currently houses in Manitowadge are listing for approximately \$39,000.

The number of currently available listings by price are displayed in Figure 4.2.4.1. There are also approved plans for subdivisions to expand the existing housing market.

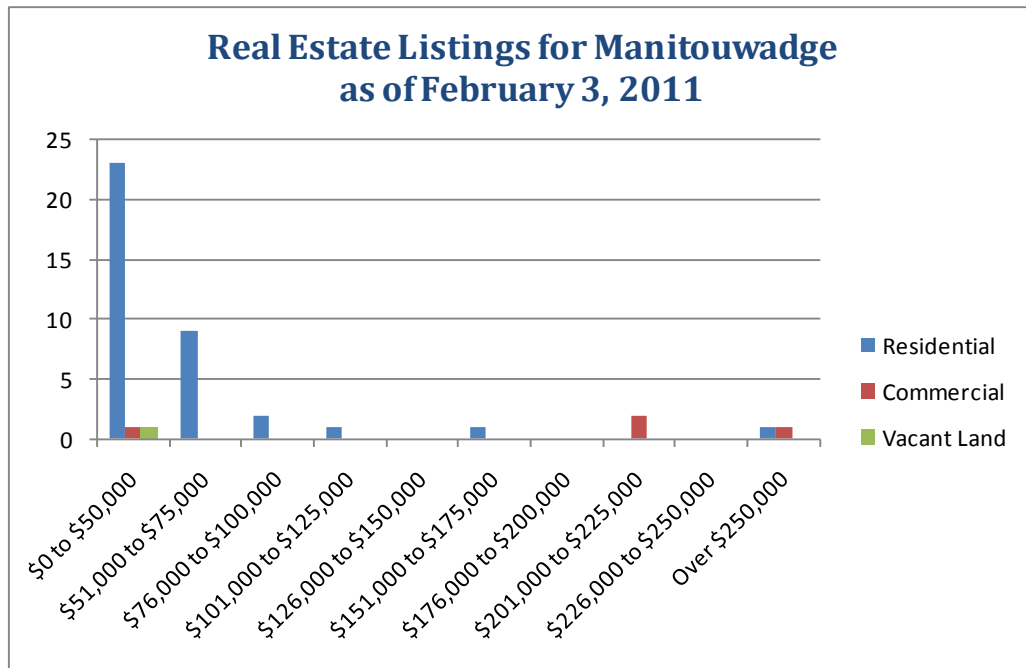


Figure 4.2.4.1. Real estate listings in Manitowadge as shown on the Multiple Listing Service website, as of February 3, 2011.

Source: MLS Listings, February 3, 2011

4.2.5. Economic Development

Manitowadge prides itself on being a progressive community and makes every effort to provide a great quality of life for its residents. Upcoming projects include the rehabilitation of select municipal and private buildings and land to give the architecture in the scenic lakeside community a facelift.

Upgrades are also scheduled to be made at the local airport to install new infrastructure that is intended to attract new businesses. Improvements are being made to the wastewater treatment facility to increase the capacity for commercial and industrial growth.

Manitowadge is currently undergoing a study of its tourism sector to determine potential opportunities.

The Town of Manitowadge supports and enhances business in the community and is looking for ways to improve communications with the business sector. The Economic Development Office (EDO) works directly with clients, site selectors and real estate professionals to help

facilitate business development and the site selection process. The EDO provides information and services to help businesses grow and prosper in Manitowadge.

4.2.6. Government Funding

Manitouwadge collects the majority of operating finances through annual taxes levied on its property owners. These funds are applied towards the administration of all municipal departments for the provision of many essential services: police and fire protection; road maintenance; sewage and drainage; parks and recreation; economic development; and, tourism. The total tax rate comprises municipal services and education levy components.

The tax rates for various classes of rate payers are provide below in Table 4.2.6.1.

Table 4.2.6.1. Tax rates for rate payers in Manitowadge.

Property Class	2010 Final Tax Rate
Residential	6.152224%
Multi-Residential	6.742246%
Commercial	8.490246%
Commercial Vacant/Excess Land	5.943172%
Industrial	8.740246%
Industrial Vacant/Excess Land	5.681160%
Large Industrial	8.740246%
Large Industrial Vacant/Excess Land	5.681160%

Source: Manitowadge municipal office

5. Schreiber

Schreiber is located approximately 200 kilometres (2 hours) from the major metropolitan area of Thunder Bay. Schreiber is located within the District of Thunder Bay and is situated on the Northern shore of Lake Superior. The Township of Schreiber is approximately 90 kilometres from the Project site (Figure 2.1.1.1)

The town was named after Sir Collingwood Schreiber, a railway engineer, founding member of the Canadian Society of Civil Engineers and Deputy Minister of Railways and Canals from 1892 to 1905. It lies on the northernmost point of Lake Superior.

Founded in the 1883 as a railway construction camp, steamships loaded with supplies for building the railway docked at this location, known then as Isbester's Landing. The location was named for railway contractor, James Isbester, who was in partnership with Robert Gillespie Reid, who was responsible for many of the bridges built for the CPR along the north shore of Lake Superior.

Isbester's Landing grew from a construction camp to a railway division point. A station, roundhouse, car shops, icehouse and stock yard soon followed. The town was renamed Schrieber in 1887. The town was officially incorporated on July 13th, 1901. The CPR moved the divisional office from White River to Schreiber in 1912. The CPR remains as one of the town's biggest employers. The town's economy is also sustained by the pulp mill in Terrace Bay, which is located 15 minutes away.

The town was the site of one of the four work camps established for Japanese-Canadian internees in World War II. Several Prisoner of War camps for Axis soldiers, sailors and air force personnel were also built nearby. The town is near the main exposure of the Gunflint Chert, which contains rare single-celled proterozoic fossils.

5.1. Social Factors

The Township of Schreiber has a proud railroad history since 1885 and is currently home to approximately 900 residents. The township is located in a valley surrounded by rugged hills and on one of the most northerly points of Lake Superior. Residents have direct access to recreation, community events and numerous outdoor activities.

5.1.1. Administration

Schreiber is a lower tier municipality within the District of Thunder Bay. The municipal government of Schreiber includes a democratically elected mayor and council. Council is comprised of the mayor and 4 councillors. The role of council is to: represent the public and to consider the interests of the municipality; to develop policies; to decide on what services are provided; to ensure Council decisions are implemented; and, to maintain the financial integrity

of the municipality. In accordance with provincial laws, municipal elections are held every four years with the next Ontario municipal election scheduled for November, 2014.

Town services are provided through a number of primary departments and their respective managers, including:

- Administration – Jon Hall, Clerk/Deputy Treasurer;
- Finance – Marlene Bottomley, Treasurer/Deputy Clerk;
- Public Works – Tom Webster, Superintendent;
- Fire Department – Pat Bourguinon, Fire Chief; and,
- Community Development – Anthony Freidrich, Community Development Officer.

5.1.2. Population

According to the Statistics Canada 2011 census data, the population of Schreiber is 1,126, which is representative of a 25 percent increase from the 2006 census data. With the exception of age brackets 5-9, 45-49 and 75-79, the population is roughly equally divided based on gender (Figure 5.1.2.1). In the 5-9 age and 45-49 age brackets, there are more males than females while in the 75-79 age bracket there are more females than males in 2006.

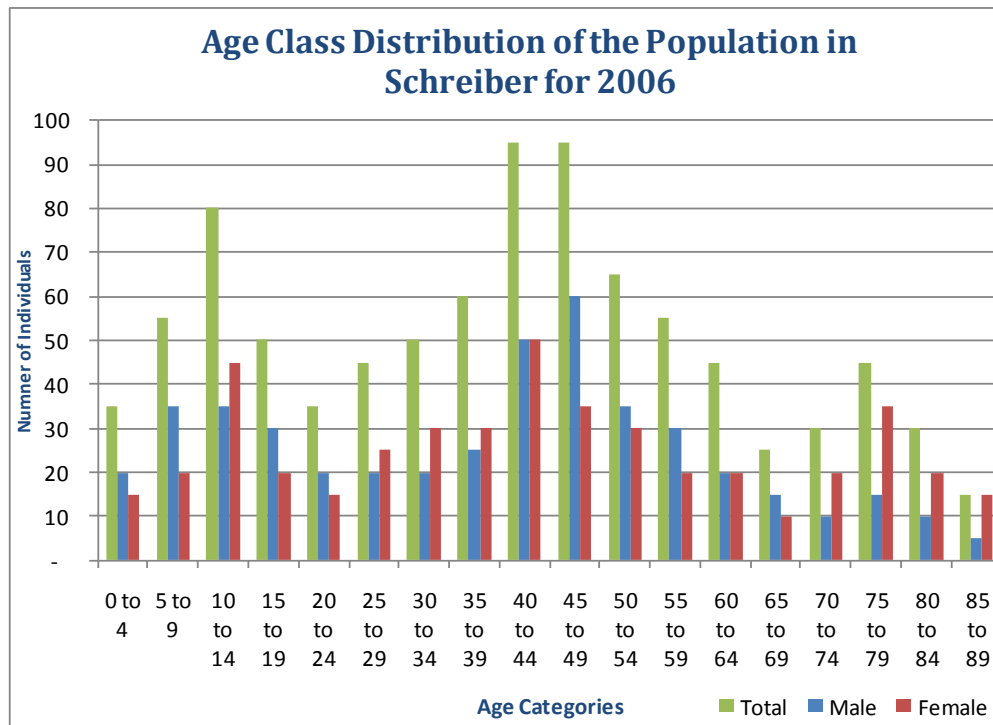


Figure 5.1.2.1. Age class distribution of the population in Schreiber

Source: Statistics Canada, 2006 Census Community Profile for Schreiber

There are also significant differences in the age class distribution. Figure 5.1.2.1 displays the current age class distribution in Schreiber by 5-year age classes and gender. As Table 5.1.2.1 indicates, there are significant declines in virtually every age class of Schreiber's population. Of most significance, the 0-4 age bracket declined by 58.8 percent, the 15-19 age bracket declined by 56.5 percent and the 25-44 age bracket declined by 46.8 percent. At the same time, the older adult population in the 55-64 age bracket also decreased by 20 percent.

Table 5.1.2.1. Population in Schreiber by age class from the 2001 and 2006 Census Community Profiles.

	Schreiber		
	2001	2006	% Change
Total Population	1,450	901	-38%
Age 0-4	85	35	-58.8%
Age 5-14	195	135	-30.8%
Age 15-19	115	50	-56.5%
Age 20-24	60	35	-41.7%
Age 25-44	470	250	-46.8%
Age 45-54	190	160	-15.8%
Age 55-64	125	100	-20.0%
Age 65-74	110	55	-50.0%
Age 75-84	75	75	0.0%
Age 85 and over	15	15	0.0%
Median age of population	38.5	42.9	11.4%
Percent aged 15 and over	81.0%	81.1%	0.1%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Schreiber

The population in Schreiber experienced a significant reduction between 2001 and 2006; consequently, numerous age classes displayed significant decreases. From the data, it appears that the individuals that remained in the community were concentrated in the older age classes, which resulted in a dip in the younger age brackets.

Throughout its economic history in the mining, railway and forestry sectors, Schreiber has attracted and maintained a significant number of individuals within the same age class. As this cohort of individuals' age, it creates an increase in older age classes while youth outmigration results in a deficit in younger age classes (Figure 5.1.2.1).

There are other factors that lead to imbalanced population demographics. As mines were closed and railway traffic experienced significant reduction, older workers were often maintained while younger workers were laid off according to the rules of seniority. If there are limited employment and economic opportunities close to home, young people leave to seek out employment or attend post-secondary education institutions. If young adults cannot secure employment in their desired occupation, they will not return home.

5.1.3. Housing

The households, including types and values, in Schreiber are presented in Table 5.1.3.1. The comparison of population and dwelling data shows expected similarities, as the population in Schreiber decreased by 38 percent and the number of occupied private dwellings decreased by 32 percent. As of the 2006 census, there were 594 total private dwellings in Schreiber, which represents a 19 percent decrease from 734 dwellings in 2001.

Table 5.1.3.1. Housing supply by tenure and value in Schreiber from the 2001 and 2006 Census Community Profiles.

	Schreiber		
	2001	2006	% Change
Total private dwellings	734	594	-19%
Occupied private dwellings	590	400	-32%
Single-detached houses (%)	n/a	82.5%	
Semi-detached houses (%)	n/a	5.0%	
Row houses (%)	n/a	0.0%	
Apartments, duplex (%)	n/a	2.5%	
Less than 5 storeys apartments (%)	n/a	10.0%	
More than 5 storeys apartments (%)	n/a	0.0%	
Other dwellings (%)	n/a	2.5%	
Number of owned dwellings	475	330	-31%
Number of rented dwellings	110	70	-36%
Average value of owned dwelling	\$ 71,916	\$ 52,395	-27%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Schreiber

Generally, housing vacancy rates of 5 percent for rental units and 2 percent for ownership stock are thought to be sufficient for accommodating reasonable housing choices (Karakas, 2009). Utilizing the current listings on the MLS website operated by the CREA, Schreiber has 5 residential listings, which equates to a vacancy rate of 1.5 percent. However, the difference between total private dwellings and occupied private dwellings indicates an overall vacancy rate of more than 32.6 percent.

The vacancy rate for owned dwellings is slightly below the desired level of 2 percent. The municipality also has available and planned building lots. At the time of this report, the municipality has not completed its inventory of available lots; however, the information will be included in subsequent drafts of this document.

The Community Development Officer contacted apartment building managers to determine current vacancy rates in Schreiber. There are approximately 36 vacant rental units available within apartment buildings. This translates to a rental vacancy rate of 51 percent.

The vacancy rate for rented dwellings can offer appropriate accommodations for short-term residents like construction workers. Rental units can also provide new, permanent residents attracted by the Stillwater mining development with adequate time to select an existing house on the market or build a new home.

There are also a number of hotel and motel rooms available in Schreiber to accommodate an influx of temporary workers during the construction phase of the Marathon PGM-Cu Project. The number of rooms and average prices are included in Table 5.1.3.2 below. Included in the

available motel rooms are 24 kitchenettes or apartment-type accommodations available for longer term rental.

Table 5.1.3.2. Hotel and motel rooms available in Schreiber.

Location	Available Rooms	Average Price
Schreiber		
Birch Grove Housekeeping Motel	12	\$62
Circle Route Motel	20	\$49.95-\$59.95
Filane's Cosiana Inn	18	\$69.95-\$79.95
Filane's Fallen Rock Motel	18	\$69.95-\$79.95
Norwest Motel	10	\$52 and up
Sunset Motel	10	\$45 and up
Villa Bianca Inn	30	\$49-\$79

Examining the ownership characteristics of the housing stock in Schreiber can provide additional insight into vacancy rates. Figure 5.1.3.1 displays the private occupied dwellings ownership characteristics in Schreiber.

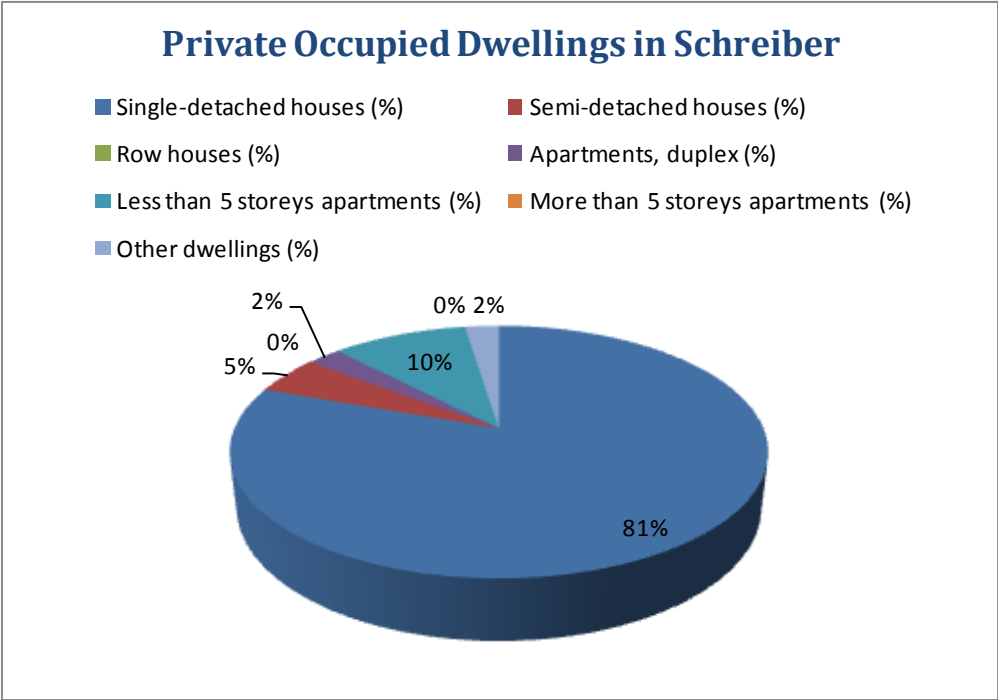


Figure 5.1.3.1. Characteristics of private occupied dwellings in Schreiber.

Source: Statistics Canada, 2006 Census Community Profile for Schreiber

As mentioned in previous sections, in Ontario, 71 percent of dwellings are owned and 29 percent are rented (Statistics Canada, 2006 Census). In contrast, Schreiber has 82.5 percent owned dwellings and 17.5 percent rented; significantly higher percentage of owned dwellings and much lower percentage of rented dwellings. This may be partially attributed to higher

median incomes in Schreiber than the provincial median, allowing more people the ability to buy rather than rent.

5.1.4. Education

Schreiber offers its residents primary and secondary education choices both within the community and in the neighbouring community of Terrace Bay. Primary education is provided at two locations in Schreiber, including an English public school (Schreiber Public School) and an English catholic school (Holy Angles School). Secondary education is provided at an English public school in Terrace Bay (Lake Superior High School). There is also a French catholic school available to students from Schreiber in Terrace Bay.

The 2 schools in Schreiber are administered by 2 different school boards, Superior-Greenstone District School Board and Superior North Catholic District School Board. Table 5.1.4.1 indicates the board responsible for each school, the current enrolment and estimated capacity. Both school boards indicated they had significant capacity to accept new students that may be attracted to the area by the Stillwater mining development.

Table 5.1.4.1. Schools, enrolment and capacity information for Schreiber.

Municipality	District School Board	School	Type	Enrollment	Capacity
Schreiber	Superior-Greenstone	Schreiber Public	Elementary	33	181
	Superior North Catholic	Holy Angles	Elementary	66	300

Source: Communications with school board officials

For post-secondary learning, Schreiber is within close proximity to Lakehead University and Confederation College in Thunder Bay or at the college satellite campus in Marathon. Residents can also obtain a post-secondary education by taking advantage of Contact North for a variety of business, trades and other programs through distance learning and online education.

The educational statistics of Schreiber demonstrate that residents are well-trained and highly educated. Schreiber can offer a significant number of skilled and knowledgeable workers; an asset to any industry seeking to establish operations in or near the community. The skills and trades of the workforce in Schreiber can easily accommodate different natural resource development sectors, such as mining, forestry and green energy industries.

Approximately 94 percent of Schreiber’s population aged 25 to 34 years has attained education or training at or beyond the high school level. This includes 33 percent with high school certificates or equivalent, 11 percent who have received an apprenticeship or trade certificate or diploma, 28 percent who have received a college equivalent certificate or diploma and 22 percent who have received a university diploma and degree. Table 5.1.4.2 lists education attainment data for all other age classes.

Table 5.1.4.2. Education attainment for individuals in Schreiber by age class.

Schreiber	15 and over		15-24 yrs		25-34 yrs		35-64 yrs	
	Total	%	Total	%	Total	%	Total	%
Total population	745		85		90		435	
No certificate, diploma or degree	240	32%	35	41%	-	0%	115	26%
High school certificate or equivalent	215	29%	40	47%	30	33%	130	30%
Apprenticeship or trades certificate or	70	9%	-	0%	10	11%	35	8%
College, CEGEP or other non-university	110	15%	10	12%	25	28%	65	15%
University certificate or diploma below the	35	5%	10	12%	-	0%	25	6%
University certificate, diploma or degree	75	10%	-	0%	20	22%	60	14%

Source: Statistics Canada, 2006 Census Community Profile for Schreiber

5.1.5. Health Services and Programs

Together, Schreiber and Terrace Bay pool their health care resources and offer residents exemplary services. Section 3.3.5 describes the health services and programs available in both communities.

5.1.6. Emergency Services

Emergency services in Schreiber are provided by the OPP Nipigon Detachment – Satellite Schreiber Detachment for policing services, Schreiber Fire Department for fire protection services and Superior North EMS through the Schreiber EMS Station for ambulance services, which are all accessible on the 911 network.

The OPP Nipigon Detachment is located on the north shore of Lake Superior, approximately 1 hour drive east of Thunder Bay on Highway 11/17. Schreiber Detachment is a satellite of Nipigon OPP and is located approximately 93 kilometres east of Nipigon on Highway 17. Nipigon OPP provides policing services to the First Nation communities of Lake Helen (Red Rock Indian Band) OPP First Nations policing program, Pays Plat First Nation (PPFN), the communities of Dorion, Hurkett, Nipigon and Schreiber. The Nipigon OPP also polices the municipalities of Terrace Bay and Red Rock under contract.

Nipigon OPP polices approximately 220 kilometres of Hwy 17 and Hwy 11/17 east and west. They also police approximately 90 kilometres of Hwy 11 to Beardmore and other secondary provincial highways.

The Schreiber Volunteer Fire Department operates from the Centennial Fire Station. Staffing is provided by a full time Fire Chief and 23 volunteer fire fighters.

Superior North EMS operates a base in Schreiber and has 4 full time and 1 part time primary care paramedics on staff. The Schreiber station uses a 2008 Demers Type Dual Stretcher ambulance. The station services Schreiber, Rosspport, PPFN, Cavers Cove and Gravel River.

In 2009, the Schreiber station received 167 calls and has a 90th percentile response time of 25.15 minutes, which means that 90 percent of all emergency calls (code 4 – life threatening circumstances) responded to had an ambulance at the scene in 25.15 minutes or less and in 10 percent of the calls it took an ambulance longer than 25.15 minutes to arrive at the scene.

The Schreiber EMS Station Training Centre also participates in the following events:

- Schreiber Heritage Days; and,
- Pays Plat Health Fair.

5.1.7. Crime and Justice

For the three-year period 2007-2009, the number of violent crimes has decreased by 22 percent and the clearance rates for these crimes remains well above the national clearance rate. The number of property crimes has remained constant. The clearance rates for these crimes also remain above the national clearance rate. The overall calls for service have remained relatively constant from 2007 to 2009.

The number of motor vehicle collisions (MVC) continues to be of concern within the detachment area. Officers with specialized training in the area of traffic enforcement and commercial vehicle inspection continue to deal with these traffic issues and public safety matters relating to traffic. The addition of the Highway Safety Division (HSD) to the North West Region (NWR) will improve visibility and enforcement initiatives in the Nipigon/Schreiber area. A concerted effort will again be placed on aggressive driving, stunt driving, seatbelt compliance and Reduce Impaired Driving Everywhere (RIDE) programs throughout the year.

Traffic enforcement continues to be a priority to ensure the safety of the travelling public. With an emphasis on commercial motor vehicle (CMV) enforcement, particularly along the Highway 11/17 corridor between Nipigon and Thunder Bay, the Nipigon OPP is committed to meeting the goals and objectives of the OPP.

The Nipigon Detachment prepares 3-year Business Plans with annual plans that outline goals and actions to make the entire area it serves safer for its residents. The detachment schedules annual meetings with residents to consult with the community on the goals and actions for the upcoming year.

5.1.8. Poverty and Social Issues

As mentioned in earlier sections, housing is fundamental to quality of life, in addition to sufficient food and clothing, people expect to have a decent dwelling that is in good condition and large enough to accommodate the household members. But, some households face problems affording good housing and find themselves forced to choose between appropriate shelter and other life necessities. The term acceptable housing refers to housing that is adequate in condition, suitable in size and affordable.

The following analysis reviews the income and housing needs of local residents in Schreiber. The most recent housing cost data available was analyzed to determine affordable housing trends in the area. The percent change in median income, rental payments and mortgage payments for Schreiber were reviewed over a 5-year period from the 2001 to 2006 censuses. The results of the comparison are displayed in Table 5.1.8.1.

Table 5.1.8.1. Income and housing cost information for Schreiber.

	Schreiber		
	2001	2006	Percent Change
Median household income (\$) - All households	\$ 57,497	\$ 42,513	-26%
Median monthly payments for rented dwellings	\$ 455	\$ 416	-9%
Median monthly payments for owner-occupied dwellings	\$ 684	\$ 634	-7%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for Schreiber

The analysis highlights several trends in the availability of affordable housing. Between 2001 and 2006, median household incomes decreased by 26 percent in Schreiber. This decrease over the five-year period may be attributed to the full impacts of the closure of Inmet copper and zinc mine in Schreiber. At the time of the 2001 census, workers were still employed with the decommissioning operations at the mine, while at the time of the 2006 census, these operations were complete. In addition, through downsizing efforts at the pulp mill in Terrace Bay, over 300 jobs were eliminated in the area.

During that same period, rental payments decreased by 9 percent in Schreiber, while mortgage payments decreased by 7 percent. It is also important to observe that house values in Schreiber decreased by 27 percent (Table 5.1.3.1). The modest decrease in both mortgage and rental payments suggests that the housing in Schreiber is both available and affordable;

however combined with the 26 percent decrease in median household income, households in Schreiber may encounter difficulty in meeting their housing needs.

Terrace Bay and Schreiber have an average of 70 Ontario Works caseloads per year for all categories (family, single and single with dependant) (Table 2.1.8.1). Social assistance data for Schreiber is analyzed together with data for Terrace Bay, as this represents an amalgamated administrative zone for Thunder Bay DSSAB. Terrace Bay has a Transient Assistance Program and an Emergency Assistance Program that is designed to assist individuals in a crisis or emergency situations. Terrace Bay administers the Provincial Rent Bank Program to help individuals pay their rent. Terrace Bay also administers the Residential Rehabilitation Assistance Program (RRAP) and has a rental geared to income program. Although Terrace Bay has a Food Bank, usage data are unavailable at this time.

5.1.9. Community Services, Programs and Facilities

As with their health services and programs, Schreiber pools their community services, programs and facilities with Terrace Bay. The community services offered by Schreiber and Terrace Bay are described in Section 3.3.9.

The following churches are in Schreiber:

- St. John the Evangelist Anglican Church of Canada;
- Grace Baptist Church;
- Holy Angels Roman Catholic Church; and
- St. Andrew's United Church.

5.1.10. Transit, Transportation and Transport

Schreiber is serviced by many forms of transportation:

- Hwy 17 – the national highway provides an excellent thoroughfare for private automobile service. Bus and car rental service is also available on Hwy 17;
- Railway services through CPR are operated within Schreiber;
- Thunder Bay International Airport is the third busiest airport in Ontario and provides air service to over half a million passengers a year;
- Greyhound Canada bus service;
- Construction has begun (2007-2008) on a deep water port in Terrace Bay; and,
- Several trucking companies provide local, regional, national and international service.

5.1.11. Utilities

Electricity in Schreiber is provided to residents by Hydro One. Natural gas is not available in the municipality and residents utilize heating oil, wood or electricity to heat their homes.

Schreiber has a modern, full treatment water facility. The water system is more than adequate to meet the business and residential needs of the community. The system functions at 53 litres per second or 4,540 cubic metres per day. Schreiber also has a modern sanitary and sewer system capable of a peak flow rate of 4,500 cubic metres per day with an average daily flow rate of 1,300 cubic metres per day. The system is operating at less than 50 percent capacity and can accommodate a considerable increase in usage.

5.1.12. Community Well-Being and Quality of Life

2006 Community Well Being (CWB) scores for the Township of Schreiber, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Stillwater mining development are summarized in Table 2.1.12 in Section 2.1.12.1. The CWB score for Schreiber is 77, slightly below the average rating for communities in the region and the average Canadian community in 2006.

5.2. Economic Factors

The Township of Schreiber has excellent transportation infrastructure through its location on the Hwy 17 and longstanding relationship with CPR. The area offers affordable real estate for business development and knowledgeable community development staff able to assist the industrial sector.

There are numerous economic factors of Schreiber for businesses to consider:

- Low worker health benefits in comparison to the US and other countries;
- Available, affordable commercial/industrial land;
- Available, affordable residential real estate;
- High potential for renewable energy alternatives;
- Excellent transportation options through highway, railway and access to Lake Superior;
- Regional trades labour; and,
- Strong regional education options through Lakehead University, Confederation College, and the Schreiber Training Centre.

5.2.1. Labour Force, Labour Participation and Employment

The total labour force in Schreiber is estimated to be 420 individuals with a labour force participation rate of 56.4 percent (57.9 percent for males and 54.2 percent for females). The 2006 census data indicates an employment rate of 45.6 percent and an unemployment rate 19 percent. Employment reductions in both the mining and forestry sectors have resulted in a high unemployment rate in Schreiber.

The existing labour force characterized by occupation is shown in Figure 5.2.1.1. Both 2001 and 2006 census data is included for comparison purposes. Nearly 53 percent of the labour force is

engaged in sales and service and trades, transport and equipment. This trend is consistent between 2001 and 2006 with significant decreases in both sales and service and trades, transport and equipment industry occupations.

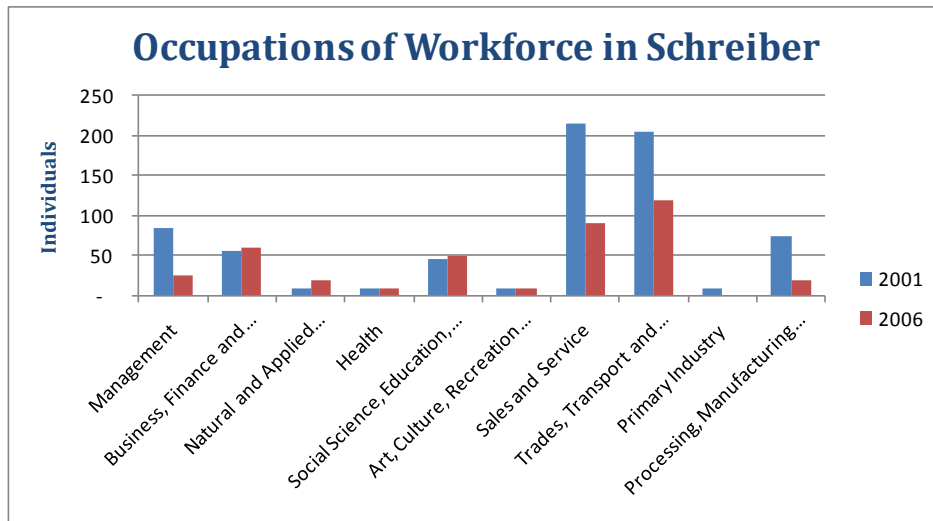


Figure 5.2.1.1. Labour force in Schreiber categorized by occupation.

Source: Statistics Canada, 2006 Census Community Profile for Schreiber

Based on industry type, 34 percent of the labour force is employed in agriculture and resource-based industries (Figure 5.2.1.2). Four other industries comprise at least 10 percent of the labour force; retail, trade, educational services, business services and other services.

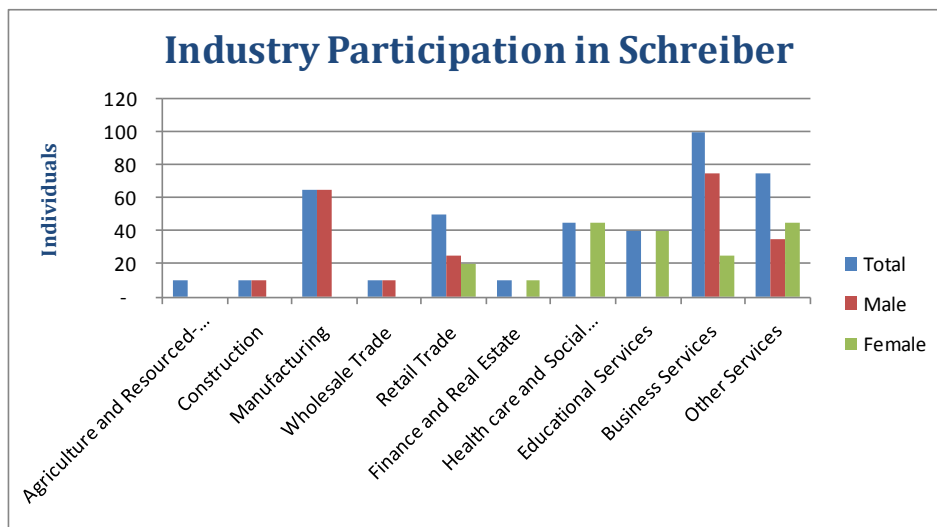


Figure 5.2.1.2. Industry participation in Schreiber by gender.

Source: Statistics Canada, 2006 Census Community Profile for Schreiber

5.2.2. Income Levels

In Schreiber, the median family income is higher than provincial average, while the median household income is well below. Ontario Provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and
- Median family income = \$72,734.

Median household and family incomes in Schreiber are summarized as follow:

- Median household income = \$46,680; and
- Median family income = \$79,642.

Full time income levels on an individual basis are shown in Figure 5.2.2.1. Approximately 24.32 percent of employed individuals in Schreiber earn in excess of \$60,000 per year while only 12.9 percent earn less than \$10,000 per year. The 2006 census data for Schreiber did not provide information concerning the income differential between males and females.

At the time of data collection for the 2006 census, Schreiber reported an unemployment rate of 19 percent. This partially explains the lower median household incomes; however, the family median income is well above the provincial average. This suggests other economic factors are associated with the household median income.

Over the past 20 years, the median age in Ontario rose from 33 in 1989 to 39 in 2009, reflecting the aging of the baby boom generation, low fertility rates and increasing life expectancy. Seniors aged 65 and over now account for 13.7 percent of Ontario's population or 1.8 million up from 1.1 million people and an 11.9 percent share in 1989. At the same time, falling fertility rates reduced the share of children aged 0 to 14 in Ontario's population from 20.1 percent in 1989 to 16.9 percent in 2009 (Ministry of Finance, 2010).

Lower median household incomes in Schreiber may be attributed to an aging population reaching or entering into retirement. The high number of potential retirees is a result of the baby boomer demographic aging into the eligibility requirements and both the private and public sectors facilitating the retirement of individuals to meet workforce reduction targets.

The accelerated retirements in the public and private sectors have also increased the number of individuals in lower income levels. Pension or retirement income is considerably lower than working income, which may partially contribute to the lower median incomes in Schreiber.

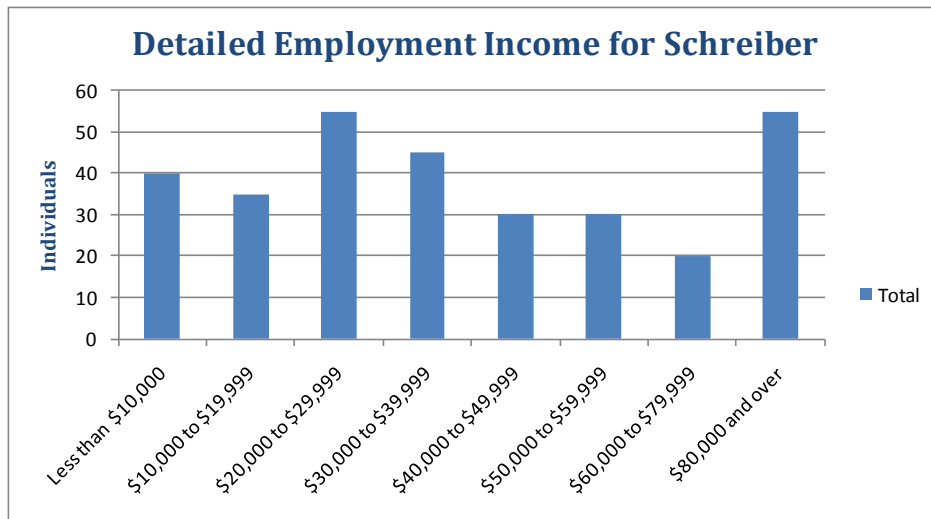


Figure 5.2.2.1. Detailed employment income for Schreiber.

Source: Statistics Canada, 2006 Census Community Profile for Schreiber

5.2.3. Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the consumer price index (CPI) are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 2.2.3 in Section 2.2.3.1.

5.2.4. Real Estate

The number of currently available listings by price are displayed in Figure 5.2.4.1. There are only 7 residential listings on the market. Three are within the \$0-50,000 range and two that are within the \$51-75,000 range. Two commercial listings are available in the \$126-175,000 range.

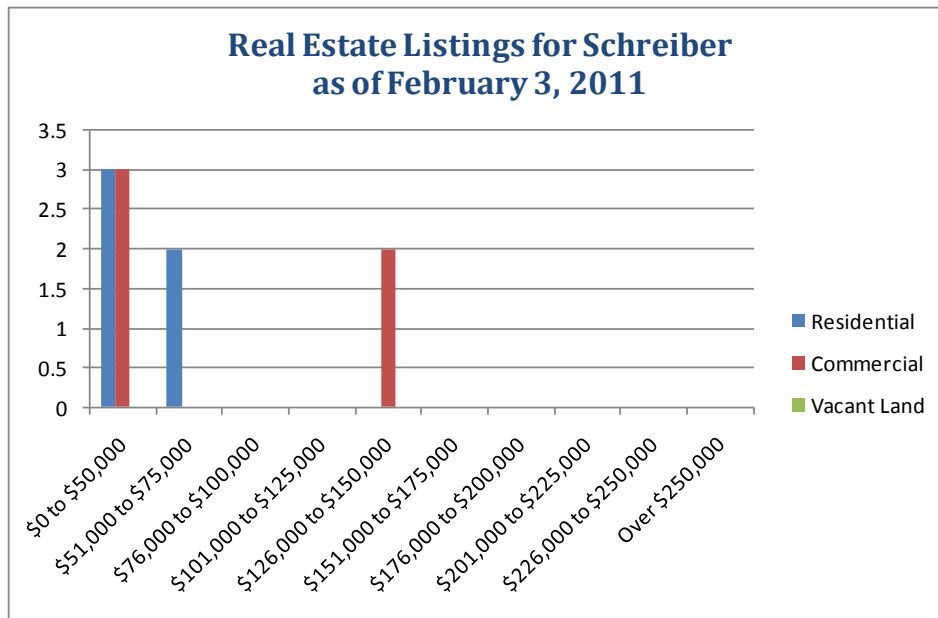


Figure 5.2.4.1. Real estate listings in Schreiber as shown on the Multiple Listing Service website, as of February 3, 2011.

Source: MLS Listings, February 3, 2011

5.2.5. Economic Development

The Township of Schreiber established a permanent economic development advisory committee. The Economic Development Committee (EDC) is comprised of Schreiber residents representing a diversified cross-section of the community. There are 2 ex-officio council members on the EDC.

The EDC meets a minimum of once a month or at the call of the Chair. Committee recommendations are reached by consensus where possible. Where consensus cannot be obtained, each member is entitled to one vote with the exception of support staff and ex-officio or council representatives.

The purpose of the EDC is to serve the Township of Schreiber as an advisory committee on initiating, planning, implementing and evaluating matters pertaining to economic development within the community.

The responsibilities of the EDC include:

- Be a positive catalyst for the community as it applies in the local, regional, national and global marketplace;
- To act and speak as one body;
- To have the authority to make decisions and take action;
- Interact with other associations and interest groups;

- Have a clear plan of action, including means for regularly reviewing its activities and evaluating the effectiveness of its initiatives;
- Identify, discuss and explore options and ideas relating to the economic betterment of the community and make recommendations to council regarding same;
- To foster a positive economic and business climate in the Township of Schreiber through liaison and advocacy;
- To provide valuable feedback to the Economic Development Department regarding projects and proposals; and
- To review and evaluate the terms of reference annually.

5.2.6. Government Funding

Schreiber collects the majority of operating finances through annual taxes levied on its property owners. These funds are applied towards the administration of all municipal departments for the provision of many essential services: police and fire protection; road maintenance; sewage and drainage; parks and recreation; economic development; and, tourism. The total tax rate comprises municipal services and education levy components.

The tax rates for various classes of rate payers are provide below in Table 5.2.6.1.

Table 5.2.6.1. Tax rates for rate payers in Schreiber.

Rate Payer Class	2010 Final Tax Rate
Residential/Farm Class	4.246050%
Multi-Residential	6.374170%
Commercial Occupied Class	8.407179%
Commercial Vacant/Excess Land Sub-class	5.885025%
Industrial Occupied Class	6.912570%
Industrial Vacant/Excess Land Sub-class	4.493170%

Source: Schreiber municipal office

6. White River

White River is located at the intersection of Hwy 17 and Hwy 631 and is the approximate midway point between Thunder Bay and Sault Ste. Marie. The Township of White River is located approximately 92 kilometres from the Project site (Figure 2.1.1.1).

The small community of White River came about because of its scenic landscape and abundant resources; however, location was a more important factor. Building rail towns in the Canadian Shield, with its harsh climate and difficult topography was a tedious but necessary task for the CPR. Northern Ontario was a connector between Central Canada, the Prairie Provinces and British Columbia.

William Van Horne picked what is now White River to be a stopover point for the Northwest division; a tiny spot he referred to as Snowbank. Although it was a CPR work camp in 1885, by 1886 it was a modern rail town with a deluxe station house, fine hotels and an ice house. As time passed, a stockyard to feed and water the livestock that regularly traveled through was constructed.

The population of White River increased from 10 families in 1886 to 42 families in 1906. The town continued to grow until it reached its present population of 840 people.

With the completion of the TransCanada Hwy in 1961, White River ceased to be exclusively a railway community. With the highway came new industries and businesses particularly relating to the tourism sector.

A new mode of transportation was established in the form of White River Airways. Slowly the railway became less dominant. In the 1970s, Abitibi Price established a lumber mill in White River, which was eventually sold to Domtar Forest Products. In July 2007, Domtar Forest Products indefinitely shut down the White River operations and has yet to reopen.

6.1. Social Factors

White River is set amongst a stunning landscape of lush boreal forest and abundant fresh water lakes and rivers. White River boasts rugged beauty and a hearty climate, where wildlife and adventure abound. Perhaps best known as the birthplace of *Winnie the Pooh*, White River holds an annual festival commemorating the bear cub that became the inspiration of author A.A. Milne.

Residents of the area enjoy a high quality of life. There is a real sense of community, where raising a family and enjoying the spectacular outdoors becomes a way of life. With tourism on the rise, White River's economy is increasing, making the town an ideal location to live and work.

6.1.1. Administration

White River is a lower tier municipality within the Algoma District. The Algoma District is a district and census division in Northeastern Ontario. The municipal government of White River includes a democratically elected mayor and council. Council is comprised of five members.

The Council has diverse responsibilities that include developing and implementing policy, managing revenue, directing municipal services and maintaining overall financial integrity of White River. In accordance with provincial laws, municipal elections are held every four years with the next Ontario municipal election scheduled for November, 2014.

Town services are provided through a number of primary departments, including:

- Environmental Services – manages municipal water, sewage and lagoon and municipal storm sewer system;
- Public Works – responsible for maintaining municipal roads;
- Parks and Recreation – consists of an ice rink and curing surface with 3 sheets of ice;
- Economic Development – assist with business plan preparation, grant and loan applications, research/feasibility studies, economic/social research and project implementation; and,
- Fire Department – consists of 22 volunteer firefighters.

6.1.2. Population

According to the Statistics Canada 2011 census data, the population of White River is 607, which is representative of a 27.8 percent decrease from the 2006 census data (Figure 2.1.2.1). With the exception of the 45-49 age bracket, the population is roughly equally divided based on gender; however, there are significant differences in the age class distribution. Figure 6.1.2.1 displays the current age class distribution in White River by 5-year age classes and gender in 2006.

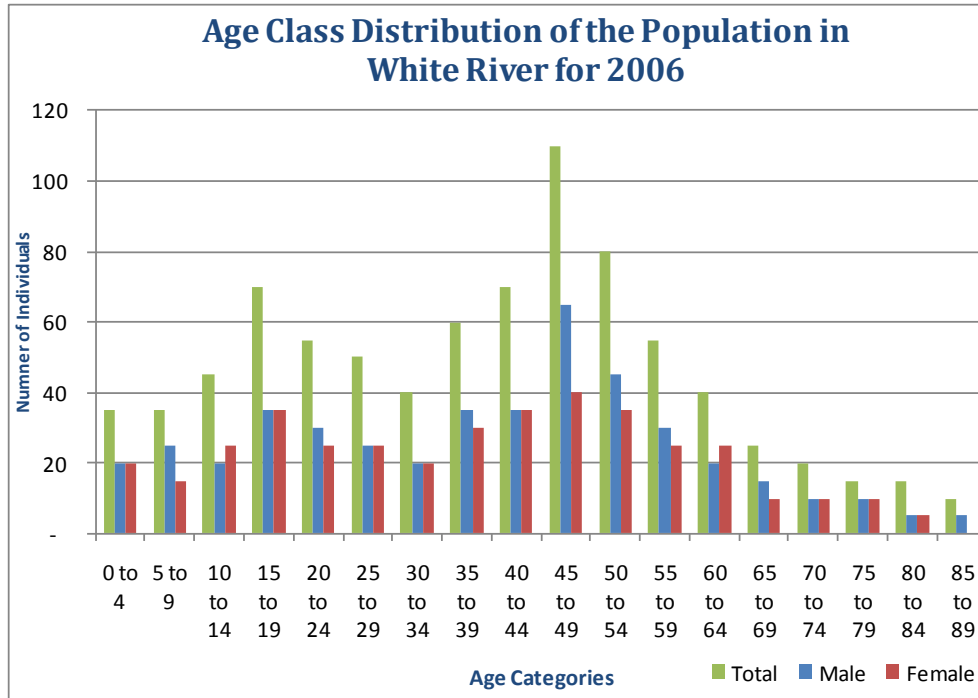


Figure 6.1.2.1. Age class distribution of the population in White River

Source: Statistics Canada, 2006 Census Community Profile for White River

The data indicates significant shifts in the composition of the population of White River between 2001 and 2006 with the young adult population in the 20-34 years of age experiencing a significant decline (Table 6.1.2.1). The 25-44 years of age bracket declined by 33.3 percent. At the same time, the older adult population in the 45-54 years of age bracket increased by 35.7 percent.

Table 6.1.2.1. Population in White River by age class from the 2001 and 2006 Census Community Profiles.

	White River		
	2001	2006	% Change
Total Population	995	841	-15%
Age 0-4	55	35	-36.4%
Age 5-14	155	80	-48.4%
Age 15-19	90	70	-22.2%
Age 20-24	80	55	-31.3%
Age 25-44	330	220	-33.3%
Age 45-54	140	190	35.7%
Age 55-64	75	95	26.7%
Age 65-74	45	45	0.0%
Age 75-84	25	30	20.0%
Age 85 and over	5	10	100.0%
Median age of population	34.1	42.2	23.8%
Percent aged 15 and over	79.4%	86.3%	8.7%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for White River

This population demographic trend is not isolated to White River; it is a phenomena associated with the baby boomer generation as it ages into retirement. As this cohort of individuals' age, it creates an increase in older age classes while simultaneously youth outmigration results in a deficit in younger age classes (Figure 6.1.2.1).

To attract youth back to the area, the communities must offer meaningful employment. As the population ages in White River, there will be numerous positions available in a variety of sectors, including mining, green energy, manufacturing and health care. As employment opportunities like the Marathon PGM-Cu Project emerge, White River and other surrounding communities will have an opportunity to attract their youth back to the area and rectify the imbalanced population demographic into the future.

6.1.3. Housing

The households, including types and values, in White River are presented in Table 6.1.3.1. The comparison of population and dwelling data shows similar trends, as the population in White River decreased by 15 percent and the number of occupied private dwellings decreased by 4 percent. As of the 2006 census, there were 443 total private dwellings in White River, which represents a 5 percent decrease from 468 dwellings in 2001.

Table 6.1.3.1. Housing supply by tenure and value in White River from the 2001 and 2006 Census Community Profiles.

	White River		
	2001	2006	% Change
Total private dwellings	468	443	-5%
Occupied private dwellings	370	355	-4%
Single-detached houses (%)	n/a	67.6%	
Semi-detached houses (%)	n/a	14.1%	
Row houses (%)	n/a	0.0%	
Apartments, duplex (%)	n/a	0.0%	
Less than 5 storeys apartments (%)	n/a	15.5%	
More than 5 storeys apartments (%)	n/a	0.0%	
Other dwellings (%)	n/a	2.8%	
Number of owned dwellings	260	255	-2%
Number of rented dwellings	110	100	-9%
Average value of owned dwelling	\$ 72,857	\$ 82,921	14%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for White River

Generally, housing vacancy rates of 5 percent for rental units and 2 percent for ownership stock are thought to be sufficient for accommodating reasonable housing choices (Karakas, 2009). Utilizing the current listings on the MLS website operated by the CREA, White River has 1 residential listing, which equates to a vacancy rate of less than 1 percent; however, the difference between total private dwellings and occupied private dwellings indicates an overall vacancy rate of more than 19 percent.

The Economic Development Officer indicated that there are a number of building lots available but they are not in one subdivision rather they are scattered throughout the municipality. White River is in the process of identifying all of the available properties as part of their strategic planning process. The information will be made available once it is completed.

The vacancy rate for owned dwellings in White River is well below the desired level of 2 percent. The difference between the total private dwellings and the occupied private dwellings in White River suggests that there are homes available in White River; however, there are virtually no active real estate listings. There are approximately 21 private listings for houses in White River, which results in a healthy 8 percent vacancy rate. These houses are not actively listed with Real Estate agents suggesting that they have been for sale for quite some time. Included with these listings are 7 building lots or property listings.

The sawmill in White River has been closed since 2007 and its closure forced many people to seek work elsewhere. As the lumber market is cyclical in nature, forest industry workers are accustomed to periodic shutdowns. If workers secured work elsewhere, it would not have been

a permanent move rather than just a temporary solution. Unfortunately, the sawmill in White River did not reopen, as the lumber market has yet to recover. As the closure persisted, individuals may have rendered their temporary move permanent.

Considering the devastating effects of the permanent rather than temporary closure of the sawmill, it would have been difficult to attract new residents to White River. Consequently, the real estate market in White River would have been volatile and difficult for home owners to obtain the true value of their houses. Instead of listing their houses on this market, displaced workers may be waiting for the real estate market in White River to recover to obtain the true value of their houses.

There are approximately 10 vacant apartments in White River. This equates to a vacancy rate for rented dwellings in White River of 10 percent, which can offer appropriate accommodations for short-term residents like construction workers. Rental units can also provide new, permanent residents attracted by the Project with adequate time to select an existing house on the market or build a new home.

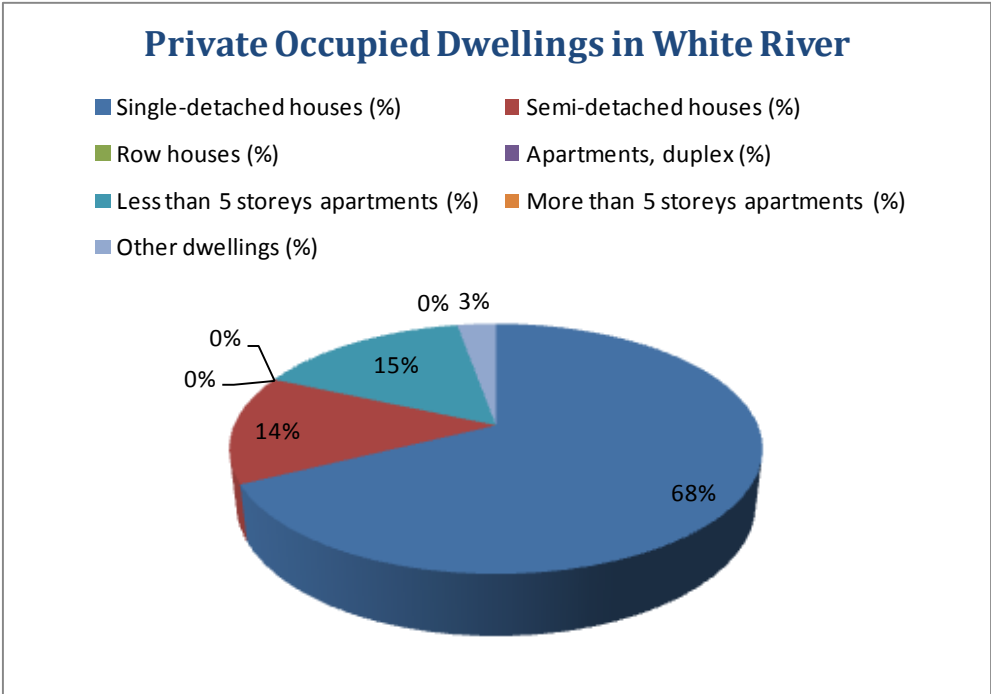


Figure 6.1.3.1. Characteristics of private occupied dwellings in White River.

Source: Statistics Canada, 2006 Census Community Profile for White River

As mentioned in previous sections, in Ontario, 71 percent of dwellings are owned and 29 percent are rented (Statistics Canada, 2006 Census). White River has 71.8 percent owned dwellings and 28.2 percent rented, which is in line with provincial averages.

6.1.4. Education

White River provides numerous education opportunities to the community and residents of all ages can enjoy learning in comfortable facilities. The community has a daycare facility, an English elementary school (St. Basil School) and secondary school students are bussed to a high school in Wawa (Michipicoten High School).

St. Basil School provides elementary education to approximately 24 students. In addition to these 24 students, 30 grade school students are bussed to Wawa, as they are from families that want their children taught in French. There is currently a unique situation at St. Basil, as the Pic Mobert School recently suffered an oil leak. As a result, Pic Mobert is utilizing 3 classrooms at St. Basil and educates 40 students in their program.

St. Basil School is administered by the Huron-Superior Catholic District School Board. The school board indicated they had significant capacity to accept new students that may be attracted to the area by the Stillwater mining development.

For post-secondary learning, White River is within close proximity to Lakehead University and Confederation College in Thunder Bay, Confederation Satellite College in Marathon, Algoma University and Sault College in Sault Ste. Marie and Northern College in Timmins. Residents also have access to an Adult Learning Centre and Contact North offers access to university and college courses through distance learning and online education.

White River can offer a significant number of skilled and knowledgeable workers; an asset to any industry seeking to establish operations in or near White River. The skills and trades of the workforce in White River can easily accommodate different natural resource development sectors, such as mining, forestry and green energy industries.

Approximately 68 percent of White River's population aged 25 to 34 years has attained education or training at or beyond the high school level. This includes 40 percent with high school certificates or equivalent, 16 percent who have received a college equivalent certificate or diploma and 12 percent who have received a university diploma or degree. Table 6.1.4.1 lists education attainment data for all other age classes.

Table 6.1.4.1. Education attainment for individuals in White River by age class.

White River	15 and over		15-24 yrs		25-34 yrs		35-64 yrs	
	Total	%	Total	%	Total	%	Total	%
Total population	695		95		125		435	
No certificate, diploma or degree	235	34%	40	42%	30	24%	140	32%
High school certificate or equivalent	220	32%	40	42%	50	40%	125	29%
Apprenticeship or trades certificate or	70	10%	15	16%	-	0%	50	11%
College, CEGEP or other non-university	140	20%	-	0%	20	16%	100	23%
University certificate or diploma below the	-	0%	-	0%	-	0%	10	2%
University certificate, diploma or degree	30	4%	-	0%	15	12%	15	3%

Source: Statistics Canada, 2006 Census Community Profile for White River

6.1.5. Health Services and Programs

The medical needs of residents are fulfilled by the White River Medical Centre. The centre was opened in 1972 and has a full time family physician and nurse practitioner on staff. The community also offers a dental facility, emergency, mental health and prescription services.

Community service programs such as diabetes and foot care clinics and programming provided by Red Cross are also offered. The White River health committee meets to address services needed in the community and works hard to implement initiatives, such as the Family and Friends CPR Anytime Program. The nearest hospital is the Lady Dunn Health Centre, approximately 80 kilometres away in Wawa.

6.1.6. Emergency Services

Emergency services in White River are provided by the OPP Superior East (Wawa) Detachment for policing services, White River Fire Department for fire protection services and Algoma District Services Administration Board through Algoma EMS for ambulance services, which are all accessible on the 911 network.

The White River Fire Department consists of 22 volunteer firefighters. Through professionalism, dedication, integrity and training, the White River Fire Department works to safeguard the lives and property and to enhance the quality of life of the people in and around White River. This is accomplished by providing a vast range of emergency services, strong public relations and fire safety education.

The fire department has an organizational structure that includes a fire chief, deputy chief and fire prevention officer.

Algoma EMS provides emergency medical care to residents and visitors in the community of White River. They provide ambulance services and assists residents and local healthcare organizations with low priority, inter-facility patient movement where an ambulance is the most suitable method of transportation.

In addition to the Township of White River, the two-bay facility provides coverage to the Hwy 17 corridor from the eastern border of the Thunder Bay District (50 kilometres west) to 50 kilometres north and 50 kilometres east of White River. The base is staffed with one ambulance on-site for 12 hours (0700h-1900h) and on standby for 12 hours (1900h-0700h).

6.1.7. Crime and Justice

The Superior East Detachment of the OPP is located on the eastern shore of Lake Superior. The detachment administrative office is located on Hwy 17 in Wawa, approximately 220 kilometres north of Sault Ste. Marie. Satellite offices are located in White River (90 kilometres north of Wawa); Hornepayne (100 kilometres north of White River on Highway 631); and, Chapleau (140 kilometres east of Wawa on Highway 101).

Superior East Detachment is responsible for the policing in these communities, along with Dubreuilville and several smaller unorganized communities, all within the Superior East tourism zone. The detachment is currently performing contract negotiations with the Town of Wawa to take over policing the municipality, which may take effect this coming year. This will add nine more officers and increase the workload of the detachment considerable.

Total calls for service (all types) continued to show an increase, until these past two years during which time they have decreased slightly. Whether the decrease in calls for service is a direct result of a drop in population and/or tougher economic times has yet to be determined.

Superior East Detachment is responsible for the policing of 220 kilometres of Highway 17, 1,535 kilometres of snowmobile trails and some 500 kilometres of secondary provincial highways. Traffic volumes on Highway 17 amount to an average of 2,100 vehicles daily. Volumes on secondary provincial highways are considerably less.

On average, half of the collisions occur on Highway 17 in this detachment area. Weather and animals (moose) play a major role in traffic issues. With Hwy 17 being a portion of the TransCanada Highway system, most of the traffic is commercial or transient in nature and not impacted by local public education efforts. Visibility and enforcement is relied upon to educate traffic on this highway.

Superior East deals with three different court jurisdictions. White River and Wawa deal with Saul Ste. Marie court house with Crown Attorneys coming from the Sault Ste. Marie office. Charges, like occurrences and populations, are dropping off each year. Members of the Superior East Detachment have had great success solving occurrences with the communities' help, showing a steady increase in the overall clearance rate for past years.

The Superior East Detachment of the OPP continues to do everything possible to promote safe communities in its area of policing responsibility. The OPP has committed to working in partnership with the communities they serve. During the development of business plans, efforts were made to engage in discussions with local community representatives to jointly determine key issues and priorities.

6.1.8. Poverty and Social Issues

The following analysis reviews the income and housing needs of local residents in White River. The most recent housing cost data available was analyzed to determine affordable housing trends in the area. The percent change in median income, rental payments and mortgage payments for White River were reviewed over a 5-year period from the 2001 to 2006 censuses. The results of the comparison are displayed in Table 6.1.8.1.

Table 6.1.8.1. Income and housing cost information for White River.

	White River		
	2001	2006	Percent Change
Median household income (\$) - All households	\$ 59,803	\$ 57,297	-4%
Median monthly payments for rented dwellings	\$ 582	\$ 550	-5%
Median monthly payments for owner-occupied dwellings	\$ 533	\$ 633	19%

Source: Statistics Canada, 2001 and 2006 Census Community Profiles for White River

The analysis highlights several trends in the availability of affordable housing. Not only have the median household incomes not maintained pace with inflation, they have actually decreased. Between 2001 and 2006, median household incomes decreased by 4 percent in White River.

During that same period, rental payments decreased by 5 percent in White River, while mortgage payments increased by 19 percent. It is also important to note that house values in

White River increased by 14 percent (Table 6.1.3.1). This trend is common in other small communities in Northern Ontario, as house values are rising to maintain pace with inflation.

The significant increase in mortgage payments could be explained by forestry workers refinancing their homes to help weather the impending economic storm in the forest sector. Laid off workers may have refinanced their mortgage to access the equity that built up over time in their homes.

This can also help explain why there are virtually no houses for sale in White River. Home owners must ensure the sale of their home maximizes its value. This is especially important with a sizable population in the 45-54 age brackets, a point at which people begin contemplating retirement.

In White River, median household incomes are below the provincial average while family incomes are higher. White River has an average of Ontario Works caseloads of 9 per year for all categories (family, single and single with dependant) and a Regional Employment Help Centre.

6.1.9. Community Services Programs and Facilities

The community service programs, groups and facilities in White River include:

- Royal Canadian Legion Branch #169 and Ladies Auxiliary;
- Crocker Lake Association;
- White River Seniors Harmony Club;
- White River District Historical Society;
- White River Museum;
- White River Figure Skating Club;
- Curling Club;
- Men's Hockey;
- Karate;
- White River Parks Development Committee;
- Rod and Gun Club;
- Crocker Lake Association;
- White River Policing Committee;
- White River Area Co-Management;
- Winnie's Hometown Festival Committee;
- Anglican Church Women;
- White River Lions Club; and,
- White River Snow Bank Rider.

The following churches are in White River:

- St. Basil's Catholic Church; and,
- All Saints Anglican Church.

6.1.10. Transit, Transportation and Transport

Transporting goods and services to and from White River is simplified by the community's proximity to major highways such as Hwy 17 and Hwy 631. The CPR and Via Rail both service White River, including passenger service from Sudbury to White River and Greyhound Canada provides passenger bus service to White River. International travel can be accommodated at the Thunder Bay International Airport and various Canadian flights can be scheduled at the Wawa and Sault Ste. Marie Airports. White River also operates its own airport, which is available for remote access flights only.

6.1.11. Utilities

In July of 2006, White River constructed a new surface water treatment plant that became the primary source of treated water for the town. The water treatment plant equipment includes low lift pumps at the Tukanee Lake intake and a backup generator. Treatment consists of ozonation, slow sand filtration and granular activated carbon (GAC) filtration. Primary disinfection is provided by ultraviolet light (UV). Secondary disinfection is provided by the addition of sodium hypochlorite. Additional chlorination equipment is used to provide and ensure secondary disinfection at the reservoir.

In 1985, the oldest section of the potable water distribution was upgraded while the rest of the system was originally installed in the 1970s. Pipes are constructed of PVC or ductile iron.

The potable water reservoir was also built in 1985. It is located on a hill adjacent to the community and is an in-ground concrete storage facility, covered in earth. The reservoir has a capacity of 1,350 cubic metres. Based on an average daily use of 1,212 cubic metres per day, this is slightly more than one day of storage. Water travels through the distribution system to the reservoir. During periods of high demand or shut down at the water plant, water flows from the reservoir back into the distribution system. A Miltonic level indicator is used at the reservoir to convey water levels to the water treatment plant.

The distribution system currently services a population of approximately 841 residents. The CPR rail yard is the main industry that is serviced by the system. There are approximately 400 homes and 70 fire hydrants on the distribution system.

Tukanee Lake is located 6 kilometers northwest of White River. The lake is approximately 3.5 kilometres long and 2.2 kilometres at its widest point. The water intake is located in 5 meters of water, 25 meters from shore. The shoreline and bottom of the lake are rocky. The lake is

utilized primarily for recreational purposes. There are no residential developments on the lake; however, there is one commercial enterprise; a seaplane base.

The White River sewage system consists of four pumping stations and a waste stabilization pond. The wastewater generated within the collection area of White River is collected into the sewer system and pumped to the stabilization pond by way of a 250-millimetre diameter force main.

The waste water treatment consists of a waste stabilization pond constructed in two cells, with influent and effluent works, interconnecting structures and two 250-millimetre diameter outflow sewers to the chain lakes creek.

There are four pumping stations that make up the wastewater collection system.

The Stanworth pumping station collects the wastewater from the Stanworth Subdivision and the arena. It consists of two horsepower ABS submersible pumps and a 40 kilowatt backup generator. This station pumps directly to the lagoons via a 150-millimetre diameter force main. The overflow for this station leads to the field out back. The Spadoni pumping station collects wastewater from Spadoni and Allaire streets. It has two 2.2 horsepower submersible pumps and no backup generator. Its overflow leads to a gravity manhole. This station pumps to the Dufferin St. pumping station via gravity.

The Dufferin pumping station collects wastewater from Hwy. 17, Ontario St. west and the Spadoni pumping station. It consists of two 5 horsepower submersible pumps and a 25 kilowatt backup generator. Its overflow leads to a gravity manhole. Its wastewater flows to the Durham St. pumping station.

The Durham St. pumping station collects wastewater from the downtown core, the trailer park and the Dufferin St. pumping station. It consists of two 29 horsepower submersible pumps. The main power and the backup 300 kilowatt generator are housed in the storm water building. Its overflow leads to the storm system. It pumps directly to the lagoons via a 250-millimetre diameter force main.

The Spadoni pumping station collects wastewater from Spadoni and Allaire streets. It has two 2.2 horsepower submersible pumps and no backup generator. Its overflow leads to a gravity manhole. This station pumps to a manhole that flows by gravity to the Dufferin St. pumping station.

The storm water pumping station is located at the corner of Lisgar St. and Superior St. It collects the storm water from the main downtown core. It consists of a 77 horsepower submersible pump and two 125 horsepower screw pumps. Its main purpose is to lift the storm

water up so then it can gravity feed to the White River via a 48-inch storm sewer. The 77 horsepower pump is the primary pump and can normally keep up with daily flows. The two screw pumps are to be used in emergency situations, such as the 77 horsepower failing or a flood situation. The pumps are controlled by a Miltronics level indicator located at the north end of the electrical panel. The facility houses a 300 kilowatt generator that provides backup power to the storm station and the Durham St. sewage pumping station.

6.1.12. Community Well-Being and Quality of Life

2006 CWB scores for the Township of White River, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Stillwater mining development are summarized in Table 2.1.12 in Section 2.1.12.1. The CWB score for White River is 80, at the midrange for small communities in the region and slightly lower than the average Canadian community in 2006.

6.2. Economic Factors

The White River Community Development Corporation, in conjunction with the Township of White River, is diligently working towards finalizing a Strategic Economic Plan. Also, the Township of White River is a partner of the Superior East Alliance, which completed a comprehensive Regional Investment Attraction Strategy in September of 2007.

6.2.1. Labour Force, Labour Participation and Employment

The total labour force in White River is estimated to be 590 individuals with a labour force participation rate of 84.9 percent (93.4 percent for males and 75.8 percent for females). The 2006 census data indicates an employment rate of 78.4 percent and an unemployment rate 7.6 percent.

The existing labour force characterized by occupation is shown in Figure 6.2.1.1. Both 2001 and 2006 census data is included for comparison purposes. More than 60 percent of the labour force is engaged in sales and service, trades, transport and equipment and processing, manufacturing and utilities. The second and third most reported occupations are characterized as those being related to business, finance and administration and social science, education and government. This trend is consistent between 2001 and 2006 with a decrease in sales and service and trades, transport and equipment and an increase in processing, manufacturing and utilities occupations.

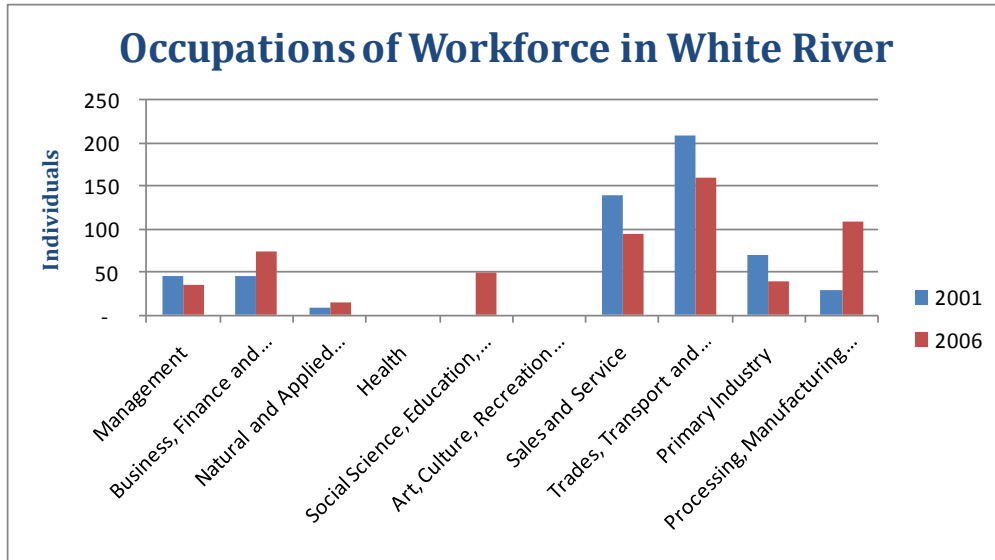


Figure 6.2.1.1. Labour force in White River categorized by occupation.

Source: Statistics Canada, 2006 Census Community Profile for White River

Based on industry type, 35 percent of the labour force is employed in manufacturing industries (Figure 6.2.1.2). Two other industries comprise more than 10 percent of the labour force; retail trade and other services.

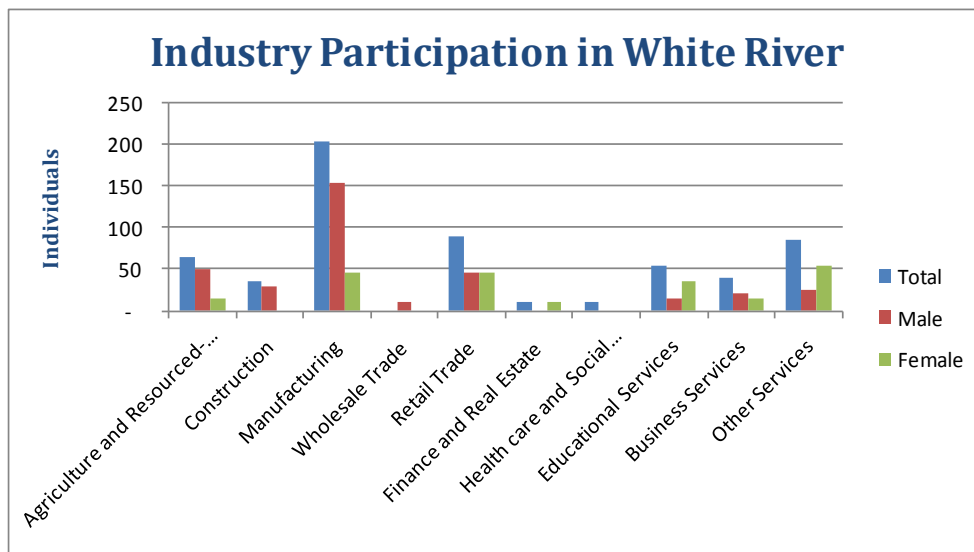


Figure 6.2.1.2. Industry participation in White River by gender.

Source: Statistics Canada, 2006 Census Community Profile for White River

It is important to note that during the data collection phase for the 2006 census, the Domtar sawmill was still operating. Consequently, these statistics are not indicative of the current labour force situation in White River.

6.2.2. Income Levels

In White River, median household incomes are below the provincial average while family incomes are higher. Provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and
- Median family income = \$72,734.

Median household and family incomes in White River are summarized as follow:

- Median household income = \$57,297; and
- Median family income = \$74,289.

Full time income levels on an individual basis are shown in Figure 6.2.2.1. Approximately 24 percent of employed individuals in White River earn in excess of \$60,000 per year while 13.1 percent earn less than \$10,000 per year. There is a relatively wide margin between men and women in each of the higher income level categories. The income for more than 52 percent of the males is greater than \$50,000, whereas only 11.7 percent of the females earn more than \$50,000 per year.

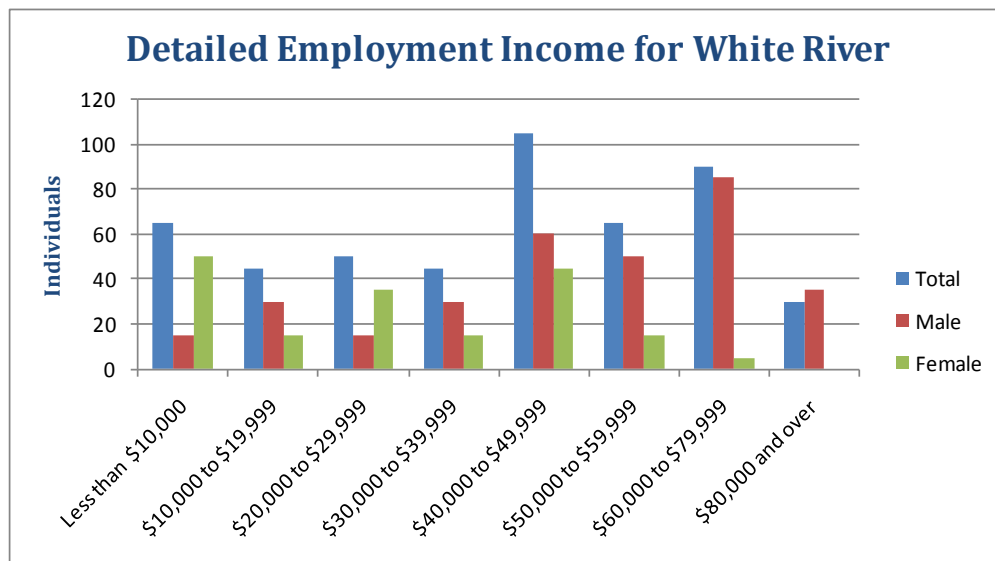


Figure 6.2.2.1. Detailed employment income for White River by gender.

Source: Statistics Canada, 2006 Census Community Profile for White River

6.2.3. Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the consumer price index (CPI) are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 2.2.3 in Section 2.2.3.1.

6.2.4. Real Estate

The average single family detached unit is approximately \$55,000 and the average semi-detached residential unit is approximately \$34,000. Currently, there is only 1 active residential real estate listing in White River; however, there are numerous private listings for houses in White River. There are 21 listings for 2 and 3 bedroom houses ranging in price from \$10,000 to \$89,900. Included in these listings are several advertisements that state they are open to offers.

White River also has affordable commercial and industrial real estate available, including 140 acres of industrial space that is located on Hwy 17. This industrial space is connected to the CPR through a spur line, has access to the electrical grid and is considered by many to be the emerging industrial park of White River.

6.2.5. Economic Development

White River's Economic Development Corporation strives to ensure the future of the community is bright, working closely with the Superior East Community Future Development Corporation and the Ontario Ministry of Northern Development, Mines and Forestry (MNDMF) to help accomplish goal.

White River prides itself on being a progressive community and makes every effort to provide a great quality of life for its residents. Recent accomplishments include a multi-million dollar water treatment plant that provides clean drinking water to the community and a sawmill purchased from Domtar that the community is working hard to reopen.

White River Forest Products purchased the former Domtar sawmill and has plans to fire up the sawmill, expand an existing co-generation plant for heat and power, add wood pellet technology and move towards value-added manufacturing. The entire project requires an investment of approximately \$90 million.

The ownership of the White River sawmill is a four-way partnership between White River's economic development department, the nearby community of Pic Mobert First Nation, a Sudbury private investor and new company president, Jeff Butler, who also runs a forestry consulting business in southern Ontario.

In the neighbouring community of Wawa, the township and Superior Aggregates Company are moving forward in developing a Lake Superior commercial dock in Michipicoten Bay. White River is excited about this project as it opens up opportunities for the community to start shipping out commodities by cheap marine transport.

Recent economic development accomplishments in White River include a multi-million dollar water treatment plant that provides clean drinking water to the community and a sawmill

purchased from Domtar that the community is working towards reopening. The entire project requires an investment of approximately \$90 million. Ownership of the White River sawmill is a four-way partnership between White River’s economic development corporation, the nearby community of Pic Mobert First Nation, a Sudbury private investor and the new company President, Jeff Butler. In the neighbouring community of Wawa, the Township and Superior Aggregates Company are moving forward in developing a Lake Superior commercial dock in Michipicoten Bay.

Further economic development projects in White River include a liquid biofuel plant. Rentech Inc. proposes to manufacture jet fuel from underutilized forest resources in a plant to be built in White River. The operation will directly employ approximately 100 individuals. The facility is at the proposal phase of development and is years away from permitting, approval and construction. The Rentech jet fuel plant will attract a different type of employee than the Project and is proposed to reemploy a portion of the former workforce from the Domtar Inc. sawmill in White River.

6.2.6. Government Funding

White River collects the majority of operating finances through annual taxes levied on its property owners. These funds are applied towards the administration of all municipal departments for the provision of many essential services: police and fire protection; road maintenance; sewage and drainage; parks and recreation; economic development; and, tourism. The total tax rate comprises municipal services and education levy components.

The tax rates for various classes of rate payers are provide below in Table 6.2.6.1.

Table 6.2.6.1. Tax rates for rate payers in White River.

Property Class	2010 Final Tax Rate
Residential/Farm	2.880828%
Multi-Residential	2.785681%
Commercial Occupied	6.319883%
Commercial Vacant/Excess	4.423918%
Industrial Occupied	7.613792%
Industrial Vacant/Excess	5.124150%
Farmlands/Managed Forests	0.720207%

Source: White River municipal office

7. Pic River First Nation

The Ojibway of the Pic River First Nation (PRFN) community was at one time called Begetikong. The Pic River Reserve is located on the north shore of Lake Superior at the mouth of the Pic River south of Marathon. The reserve is 316.6 ha in size and serves as the land-base for the PRFN. The PRFN is the only FN that has expressed a direct interest in the Project that has explicitly defined what they believe to be their traditional territory. They have defined their traditional territory in terms of an “exclusive claim area”, which comprises approximately 1 million ha, as well as a “shared claim area”, which comprises an additional approximately 2.7 million ha (Figure 2.1.1.1). PRFN initiated an application to the Ontario Superior Court in 2003 seeking exclusive title to the exclusive claim area and joint title to the shared claim area. The claim remains before the courts and no hearing date has been set to our knowledge.

The mouth of the Pic River has been a central place for trade and settlement for First Nation people of this area as it provided access to the northern lands and a canoe route to James Bay. As a halfway point for canoeists moving west and east, it was a strategic location in the region’s water transportation. “The Pic” first appeared on European maps in the mid seventeenth century, after First Nations’ trade began with French traders coming to the area in the late 1770s and setting up a permanent post by 1792. In 1821, the Hudson’s Bay Company set up a permanent post at Pic River that was relocated in 1888 due to encroaching settlement (Aboriginal Multi-Media Society, 2007; Pic River First Nation, www.picriver.com).

PRFN is known for the role the community has played in developing *run of the river* hydroelectric projects in Northern Ontario. It is a partner in three operating generating stations and is currently negotiating additional sites (Canadian Environmental Assessment Registry 10-01-54136) within its traditional territories the Manitou Falls (Site 2BB04) and High Falls (Site 2BB02) which are located on the Pic River approximately 70 and 85 km upstream from Lake Superior. In all, these projects currently produce enough electricity to meet the needs of nearly 30,000 homes in Ontario.

PRFN is currently attempting to create a self-sustainable reserve with employment, education and resources being developed and used within the reserve itself. Thus far, PRFN has an electrical generating company, thriving forest operation company, a cable television company and a high-speed internet company.

The shores of Pic River are dominated by the mass sandy dunes on the Little Pic River, which translates into *little muddy*.

7.1. Social Factors

7.1.1. Administration

A First Nation community can hold an election using one of three different electoral methods. The first method is an election system that is empowered through provisions in the *Indian Act*. Most Canadian First Nation communities utilize this electoral method, which grants a Chief and Council two-year office terms.

The second election method is a unique and customized election code established by the community to better enhance their needs.

The third, and least employed option, are provisions of a self-governing agreement. Self-government agreements dictate an arrangement for First Nation groups to govern their internal affairs and receive larger control, responsibility and decision-making authority. These agreements encompass a variety of governance pillars including an electoral code.

PRFN elects a Chief and Council to office by the provisions outlined in the *Indian Act*. The Chief is Roy Michano and his councillors are Duncan Michano, Debi Bouchie, Bonnie Goodchild, Barry Desmoulin, Art Fisher, David Courchene, Daniel Michano, Arnold Michano, Simone Desmoulin, and Robert Starr.

7.1.2. Population

According to the Statistics Canada 2006 census data, the population of PRFN is 383 individuals, which is representative of a 10.7 percent increase from the 2001 census data. The Aboriginal Affairs and Northern Development Canada (AANDC) website lists the on-reserve population of PRFN as of February, 2011 to be 510 individuals with 241 males and 269 females. The AANDC website indicates an off-reserve population of 497 individuals with 232 males and 265 females. This represents a total registered population of PRFN of 1,007 individuals.

The AANDC website does not provide age class information concerning the population of PRFN; consequently, the Statistics Canada Community Profile data was utilized to compile the following information. PRFN is unique, as Statistics Canada developed an Aboriginal Population Profile for the community. Unfortunately, this was not completed for all of the Aboriginal communities within the Project area.

It is important to note that there are differences between the Community Profile and Aboriginal Population Profile for PRFN, as the latter only reports information for the Aboriginal identity population. Both sources were utilized in developing the following report and citations will differentiate when these sources are quoted.

The age class distribution of the population in PRFN by 5-year age classes and gender is displayed in Figure 7.1.2.1. With the exception of the 40-44 and 75-79 age brackets, the

population is roughly equally divided based on gender. These two age brackets have more females than males. The population of PRFN is relatively young with 42 percent of population under the age of 25.

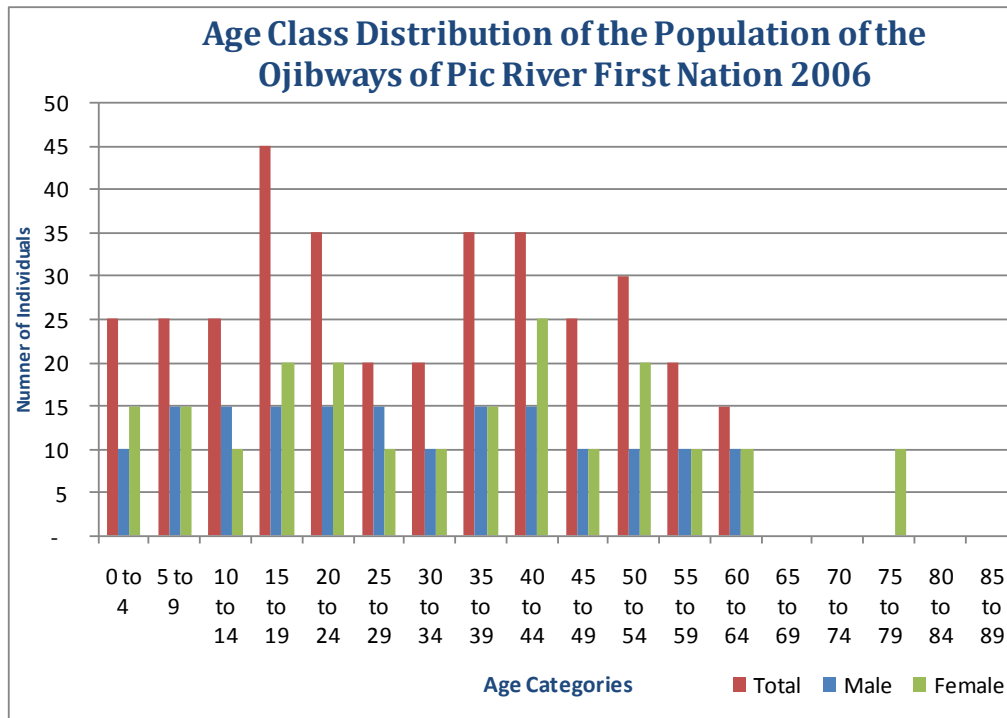


Figure 7.1.2.1. Age class distribution for the population of Pic River First Nation
 Source: Statistics Canada, 2006 Aboriginal Population Profile for the Ojibways of Pic River First Nation

There is no age class population data available for PRFN from the 2001 census; consequently, trend analysis could not be conducted on the population data. Table 7.1.2.1 lists the data for the community available from the 2006 census, which indicates a median age of the population 30.5 years. This median age is significantly lower than the non-Aboriginal communities in proximity to PRFN.

Table 7.1.2.1. Population for Pic River First Nation by age class

Years	Ojibways of Pic River First Nation		
	Total	Male	Female
Total population	370	175	200
0 to 4	25	10	15
5 to 9	25	15	15
10 to 14	25	15	10
15 to 19	45	15	20
20 to 24	35	15	20
25 to 29	20	15	10
30 to 34	20	10	10
35 to 39	35	15	15
40 to 44	35	15	25
45 to 49	25	10	10
50 to 54	30	10	20
55 to 59	20	10	10
60 to 64	15	10	10
65 to 69	-	-	-
70 to 74	-	-	-
75 to 79	-	-	10
80 to 84	-	-	-
85 to 89	-	-	-
Median age of the population	30.5	29.2	30.9
Percent aged 15 and over	77.0%	77.1%	77.5%

Source: Statistics Canada, 2006 Census Aboriginal Community Profiles for the Ojibways of Pic River First Nation

7.1.3. Housing

Many First Nation communities in Canada need more housing and/or better quality housing, as overcrowding and inadequate housing are of particular concern on reserves. Inadequate housing poses health and safety risks, creates an unhealthy growing environment for children and is linked to several health and social problems. Unfortunately, there are historical barriers to improving the housing conditions in First Nation communities.

The Indian Act gives the Minister of Aboriginal Affairs and Northern Development the right to determine whether *any purposes for which lands in a reserve are used is for the use and benefit of the band*. Title to land within the reserve may only be transferred to the band or to individual band members. Reserve lands may not be seized legally, nor is the personal property of a band or band member living on a reserve subject to *charge, pledge, mortgage, attachment, levy, seizure distress or execution in favour or at the instance of any person other than an Indian or a band* (section 80 (1) of the Indian Act).

While the act was intended to protect the Indian holdings, the limitations make it difficult for the reserves and their residents to obtain financing for development, construction or renovation. To answer this need, CMHC created an on-reserve housing loan program. Members of bands may enter into a trust agreement with CMHC and lenders can receive loans to build or repair houses. In other programs, loans are guaranteed by the federal government.

In 1996, INAC introduced the On-Reserve Housing Policy that allowed First Nations to play a key role in decisions about how, where and when housing funds are invested. First Nations who have not voluntarily adopted the 1996 Policy approach continue to operate under a subsidy program established in the 1960s.

The 1996 Policy is based on the principles of:

- First Nations control;
- First Nations expertise;
- Shared responsibilities; and,
- Increased access to private sector financing.

The Government of Canada invests approximately \$272 million per year to assist First Nations in meeting their on-reserve housing needs, including \$138 million through AANDC and close to \$134 million through CMHC. Based on AANDC's \$138 million annual contribution for on-reserve housing, over 2,300 new housing units and nearly 3,300 renovations are completed on average each year.

First Nations can use these funds to build and renovate houses, as well as contribute towards costs such as maintenance, insurance, debt servicing and the planning and management of their housing portfolios. AADNC does not cover the full cost of housing and First Nations and their residents must secure other sources of funds to fully construct a housing unit and/or establish a housing authority.

In Canada's Economic Action Plan, the Government of Canada committed \$400 million during the 2009-2010 and 2010-2011 fiscal years to support on-reserve housing. The funds were dedicated to new social housing projects, remediation of existing social housing stock and complementary housing activities through programming from CMHC and AANDC.

Of the \$400 million committed through Canada's Economic Action Plan, \$250 million was delivered through CMHC over the two years: \$125 million for the creation of new on-reserve housing; and, \$125 million for the repair and renovation of existing federally-assisted on-reserve social housing. The remaining \$150 million was delivered by AANDC for lot servicing,

renovations, new construction of high-density multiunit dwellings and renovations to support the conversion of band-owned housing to private ownership.

This commitment addressed immediate housing needs and assisted in the transition to market-based housing on reserves. It also served as an economic stimulus for many First Nations and rural areas by generating employment, the development of skilled trades and the creation of small businesses.

The households, including types, in Pic River First Nation are presented in Table 7.1.3.1. Again, as with the population data, there is no 2001 census data available for the characteristics of the Aboriginal identity population occupied private dwellings. As a result, there is no trend analysis with respect to the housing supply between 2001 and 2006. Figure 7.1.3.1 displays the private occupied dwellings ownership characteristics in Pic River First Nation. There are no hotels or motels in Pic River First Nation; however, there is a one-bedroom guest suite available for rent, which is referred to as the Pic River Guest Suite.

Table 7.1.3.1. Housing supply by tenure for Pic River First Nation

	Ojibways of Pic River First Nation
Occupied private dwellings	120
Single-detached houses (%)	87.5%
Semi-detached houses (%)	0.0%
Row houses (%)	8.3%
Apartments, duplex (%)	0.0%
Less than 5 storeys apartments (%)	0.0%
More than 5 storeys apartments (%)	0.0%
Other dwellings (%)	0.0%
Number of owned dwellings	
	35
Number of rented dwellings	
	20

Source: Statistics Canada, 2006 Aboriginal Community Profile for the Ojibways of Pic River First Nation

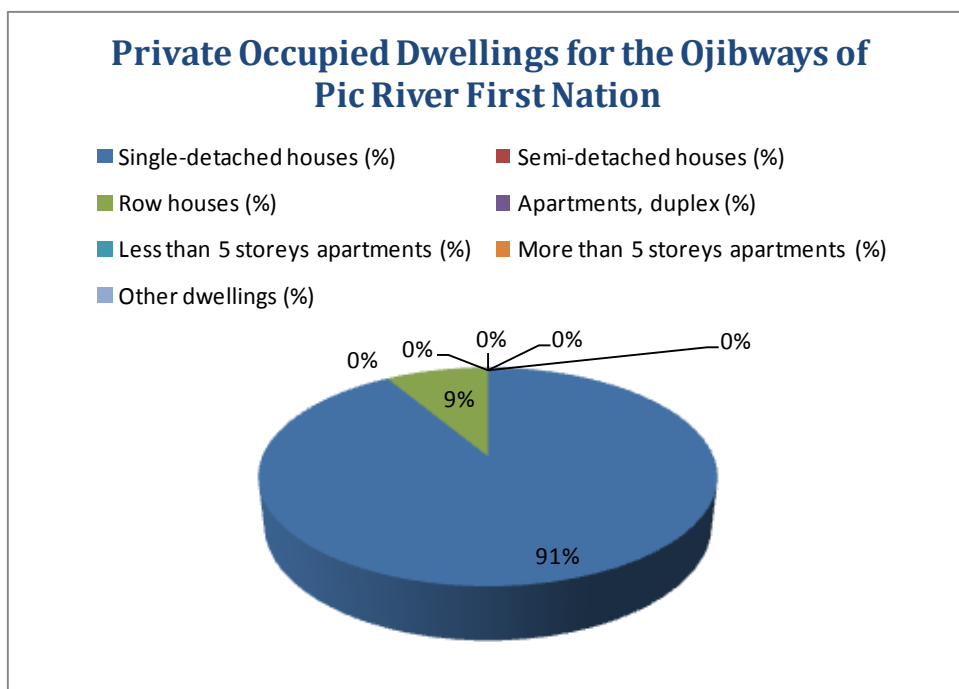


Figure 7.1.3.1. Characteristics of private occupied dwellings in Pic River First Nation

Source: Statistics Canada, 2006 Census Community Profile for Pic River First Nation

PRFN is committed to providing affordable housing for all its members. They do this through various programs and initiatives and coordinate their efforts towards the improvement of housing on the PRFN. To assist their members in this endeavour, the community developed the First Nation Capital and Housing Program with the following components:

- Direct Lending – With direct lending, a member interested in homeownership can access up to \$125,000 to build a home. The application will be made directly through a bank and the approval is solely based on their credit record and payment history. The First Nation Capital and Housing Program can make available subsidies to support such an application.
- CMHC – The CMHC offers programs to assist First Nation communities with housing programs that can be accessible by their membership. Pending the requirements of the membership, individuals can make application through the First Nation Capital and Housing Program to the following programs:
 - Section 95: On-Reserve Non-Profit Housing Program – This provision allows for the construction of housing units based on the application of the First Nation to assist in the design and implementation of housing units. The program comes with the condition that the First Nation obtains a Ministerial Guarantee from INAC to secure a housing loan for the construction of units. By securing loans for construction, the First Nation makes a commitment to offer units to its First Nation whereby members do agree to make a commitment in fulfilling the

obligations made for such a loan. Once the loan is paid in full, the First Nation member will be offered the opportunity to apply for ownership of that particular unit.

- Section 10: Loan Insurance Program On-Reserve with Ministerial Loan Guarantee – This provision allows PRFN members to go directly to CMHC for programming with the support of the First Nation Capital and Housing program to secure ownership of their own housing unit. This program requires support of a lending institution and the Ministerial Guarantee requirements as identified in the previous mentioned program.
- Other Programs – The First Nation Capital and Housing program maintains an open mind for new concepts as identified by the PRFN members.

Recently, PRFN was provincially recognized for successfully completing its housing strategy. Of the 167 dwellings on the reserve, 120 are on track to eventually have occupants own their homes. Over the last 5 years, the community has built 46 new homes and repaired an additional 40.

PRFN and Royal Bank of Canada (RBC) developed a strategy that allows residents to acquire mortgages on land still owned by the federal government with the community acting as a guarantor. Since then, some residents have been able to approach RBC directly without the community becoming involved.

7.1.4. Education

PRFN offers elementary and secondary educational services within the community to its membership. The community employs a Director of Education and the role of this position is to ensure that education is administered throughout the community as a foundation to enable participation in the social, economic and political advancements of PRFN. There are four education programs that are offered to individuals residing in the community, including elementary, secondary, special education and post-secondary student support programs.

Students attend Pic River Elementary School where they receive their first stage of compulsory education from Junior Kindergarten through to Grade 8. The facility is staffed by 12 professionals including teachers, tutors, a librarian and administrative staff.

Secondary education from Grade 9 through 12 is offered privately through Pic River Private High School and publicly through high school in Marathon. The Pic River Private High School was established in 1993 as an alternative educational program that was contracted to Rainy Lake Ojibway Education Authority. By 1995, six students had graduated from the program and PRFN began managing the program as a licensed private high school.

After becoming a private school in 1996, the school assisted students in obtaining compulsory courses not offered at Marathon High School. In September 1998, the school expanded its services to satellite schools in Pic Mobert, Ginogaming, Long Lake 58 and Aroland First Nations. By 2000-2001 a total of 30 graduates had completed their diplomas at the high school through either full-time or part-time attendance.

Currently there is 1 full time teacher and a student service assistant. For students that prefer to attend Marathon High School, PRFN has hired a student counsellor to provide support services such as attendance and career counselling, monitoring of student progress and parent and Marathon High School staff liaison.

For individuals who desire to pursue post-secondary education, PRFN provides a student support program. The mandate of the program is to support First Nation members to gain access to post-secondary education, to graduate with the skills required for individual careers and to contribute to the achievement of First Nation self-government and economic self-reliance. The support program provides monetary support to eligible First Nation community members towards the cost of their education.

One hundred percent of the population in PRFN aged 25 to 34 years has attained education or training at or beyond the high school level. This includes 25 percent with high school certificates or equivalent, 25 percent who have received an apprenticeship or trade certificate or diploma and 38 percent who have received a college equivalent certificate or diploma. Table 7.1.4.1 lists education attainment data for all other age classes.

Table 7.1.4.1. Education attainment for individuals in Pic River First Nation by age class

Pic River First Nation	15 and over		15-24 yrs		25-34 yrs		35-64 yrs	
	Total	%	Total	%	Total	%	Total	%
Total population	285		80		40		155	
No certificate, diploma or degree	115	40%	50	63%	-	0%	50	32%
High school certificate or equivalent	55	19%	15	19%	10	25%	30	19%
Apprenticeship or trades certificate or diploma	30	11%	-	0%	10	25%	20	13%
College, CEGEP or other non-university certificate or diploma	65	23%	10	13%	15	38%	50	32%
University certificate or diploma below the bachelor level	10	4%	10	13%	-	0%	10	6%
University certificate, diploma or degree	15	5%	-	0%	-	0%	10	6%

Source: Statistics Canada, 2006 Census Aboriginal Population Profile for the Ojibways of Pic River First Nation

7.1.5. Health Services and Programs

The PRFN Health Program is a federally-funded, community-based program that runs out of the PRFN Health Centre. The Program focuses mainly on health promotion and prevention strategies.

The community signed a Health Transfer Agreement with the Medical Services Branch of Health and Welfare Canada in May of 1997, which was recently renewed for another five years in 2007. This agreement allows for increased autonomy in determining what types of health care services are provided in the community to meet the needs of members.

Within the community, there is a Health Services Administration Program that is responsible for overseeing the operation of the Health Center and its programs. Administration personnel are responsible for the management of health programs and the supervision of Health Program staff. The administration personnel of the Health Program operate as part of the Pic River First Nation's Senior Management Team. Administration duties include management of financial and human resources, strategic planning, involvement in regional and national health care issues and maintenance of internal infrastructure.

Programs included under the management mandate of the Health Program include:

- Community Nursing Program;
- Drug and Alcohol Prevention Program;
- NIHB Processing Program;
- Home and Community Care Program;
- Medical Transportation Program; and,
- Aboriginal Head Start Program.

In addition to these programs, there is also a Home and Community Care Program. The program aims to conduct holistic assessments, case reviews, client advocacy, supervision of nursing staff and access to specialized services as required by clients and families. Home care nurses and personal care and assisted living personnel complement the program to further enhance health care options on the PRFN Reserve.

Other health care services include non-insured health claim processing, addiction services, visiting specialists and medical transportation. Furthermore, addiction services are available and managed by the community as a result of the health transfer in 1997. The presence of addiction workers is intended to minimize alcohol and drug abuse within the community. They are also responsible for counselling clients in the community setting, encompassing all aspects of prevention, treatment, referral, after-care and administration involved in addictions services.

The community also receives visiting specialists such as medical doctors, dieticians, diabetes educators and traditional healers. Lastly, community members that require transport to medical appointments in the local area have access 24 hours per day, 7 days per week to a medical shuttle service van.

7.1.6. Emergency Services

Emergency services in PRFN are provided by the Anishinabek Police Service (APS) for policing services, PRFN Fire Hall for fire protection services and Superior North EMS through the Marathon District Ambulance Service for ambulance services, which are all accessible on the 911 network.

APS is designed to provide a community based peacekeeping service in the spirit of partnership with all Nations.

Superior North EMS operates a base in Marathon and has 7 paramedics on staff. The base employs 4 full time and 3 part time primary care paramedics utilizing 2 ambulances and 1 ESU. The base serves the Marathon, Heron Bay, Hemlo, Neys and White Lake Provincial Parks, along

with the Hemlo Mines area and all highways in between. Ambulance services provided by the Marathon base are described in Section 2.1.6.

7.1.7. Crime and Justice

There are no data available concerning crime and justice for PRFN; however, general provincial information can be found in the *Nishnawbe-Aski Police Service 2010-2011 Annual Report*. The NAPS provides police coverage for a wide range of First Nations in Northern Ontario. The top five incidents with the highest observed increase or decrease in service call activity within in the communities, as compared to the 2009-2010 annual report, are found in Table 7.1.7.1. Overall, the police service experienced a 6.2 percent increase in calls from the previous fiscal year.

Table 7.1.7.1. The Top Five Increases and Decreases of Service Calls

Occurance Type	% (-) Decrease	Occurance Type	% (+) Increase
Robberies	54%	Dangerous Operation	141%
By-law	34%	Domestics	54%
Prov. Statues- Other	30%	Arson	52%
Bail Violations	27%	Mental Health	49%
Youth Complaints	25%	Frauds	46%

Further information provided by NAPS includes drug investigations. In 2010, the highest offense was non-specified drug trafficking; this trend is congruent with previous fiscal years. Drug investigations from 2010-2011 decreased from 2009-2010; however, oxycodone investigations still remains high at nearly 90 investigations. These investigations have seized over \$5,000,000 in drugs ranging from marijuana, marijuana plants, cocaine and oxycodone tablets.

During the 2010-2011 year, guns and gang unit investigations showed increases in several areas. The highest areas of incident were: firearms seized; prohibited devices seized; other weapons seized; compliance check of known gang members; involved arrests; and, charges resulting from joint investigations.

7.1.8. Poverty and Social Issues

There is limited poverty and social issues information readily available for PRFN. The community does however, administer an Ontario Works program.

The Ministry of the Attorney General of Canada published a report called *A Profile of Aboriginal Peoples in Ontario*. The report details many social problems that are being experienced by the First Nations of Ontario. Generally, First Nations peoples obtain less education when compared to non-First Nations individuals with the largest difference being noted in university level education. Based on the 2001 Statistics Canada Census, the percentage of the Ontario

population over 15 years and older that have a university degree is 5.5 percent for First Nations in comparison to 17.5 percent for non-First Nations.

In further detail, the profile report also delineated the employment percentage rate between First Nations and non-First Nations peoples of Ontario that were 15 years and older. Unemployment and employment rates for First Nations were 14.7 percent and 55.1 percent, respectively. In comparison, non-First Nations peoples experienced respective unemployment and employment rates of 8 percent and 63.3 percent.

Income rates also differ greatly between First Nations populations and non-First Nations. The 2001 census indicated that First Nations are receiving an average income of \$21,822, while non-First Nation peoples receive \$33,026. Lastly, the report described the Ontario prison population as it relates to First Nations peoples. In 2001, 9 percent of prison inmates were First Nation.

An overall description of First Nations health was found in a report funded in 2005 by the Ontario Ministry of Health and Long Term Care entitled *Health Status Report of Aboriginal People in Ontario*. The report had several key findings that are important when considering the general picture of First Nations health in Ontario:

- The 1990 First Nation birth rate is 23.0 births per 1,000 women of child-bearing age, compared to the Canadian rate of 11.1 births per 1,000 women of child-bearing age.
- In 1997, 79 percent of males and 72 percent of females aged 20 and over in the First Nations population were smokers, a rate twice as high as the general Ontario population.
- 63 percent of First Nation individuals between ages 18-34 were considered overweight or obese, compared to 39 percent of Canadians aged 18-34.
- The life expectancy at birth for First Nations in 2000 was estimated to be 68.9 years for men and 78.6 years for females.
- Mortality rates of First Nations males in Ontario aged 35-49 were nearly four times those of non-First Nations males with motor vehicle accident among the leading cause of death in all age groups, except those over the age of 65.
- Rates of mumps, pertussis and rubella were three times higher among First Nations than the overall Canadian rate.
- The suicide rate among First Nations peoples of all ages is three to four times greater than among the non-First Nations population. Studies have also shown that 75 percent of First Nations women have been victims of family violence. Common mental disorders of First Nations people over the age of 15 years are depression, anxiety and substance abuse.

7.1.9. Community Services, Programs and Facilities

PRFN provides a number of social service program and supports. The programs and supports listed below range from those that are suited to children, families, adults, women and seniors. They encompass health care, recreation, employment and spiritual services.

- Pic River Youth Center;
- Biidaaban Healing Lodge;
- Employment Support and Training Services;
- Pic River Children and Family Learning Center;
- Pic River Development Corporation; and,
- Pic River Health Center.

St. Francis Xavier Church is the only church in PRFN.

7.1.10. Transit, Transportation and Transport

PRFN is located on Hwy 627. The community is located approximately 6 kilometres from the Hwy 17, the primary land corridor linking Canada from east to west. United States border crossings at Sault Ste. Marie, Ontario (east) and Pigeon River, Ontario (west) are approximately four hours away. Sections of the road to PRFN are unpaved. The community is located near the mouth of the Pic River that drains into Lake Superior.

The closest airport to the community of PRFN is the Marathon Municipal Airport, which is located along Highway 17. The runway of the airport is 30 metres wide by 1,200 metres long with a 61-metre displace threshold. There is currently no regular air service but landing and fuel services are available.

7.1.11. Utilities

PRFN has a long history with waterpower applications. The community currently obtains its energy from three hydroelectric dam facilities. Each site is located along the Pic River and has increased self-reliance within the community. These facilities also provide a means of employment to community members.

To enhance waste management, the community has introduced to recycling pilot program. Through public funding, the community has been able to achieve roadside recycling pick up and increase accessibility of the initiative to members. The program will run until 2011.

7.1.12. Community Well-Being and Quality of Life

2006 CWB scores for Pic River First Nation as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Project are summarized in Table 2.1.7 in Section 2.1.12. The CWB score for Pic River First Nation is 71. Average CWB scores for First Nation and Inuit communities between 1981 and 2006 averaged between 47 and 62, while

other Canadian communities averaged between 67 and 77 for this period. The score for Pic River First Nation is relatively comparable to other Canadian communities suggesting that the quality of life is similar.

When compared to other First Nation communities in Northwestern Ontario, Pic River First Nation's CWB score is comparatively high. When compared to non-Aboriginal communities in Northwestern Ontario, Pic River First Nation's CWB score is slightly lower.

7.1.13 Cultural, Spiritual and Land Use Considerations

The Ojibway peoples place great value in "the land" from economic, social, spiritual and cultural perspectives. According to a recent report provided to SCI by PRFN "the land" from this perspective not only contributes to the cultural identity of the Ojibway peoples, it is central to the formation of their cultural identities, and how the Ojibway distinguish themselves from others, both collectively and individually.

PRFN reports extensive use of the Project area for traditional land and resource related pursuits. The PRFN have indicated that the Project site is one of a small number of areas within their asserted traditional lands utilized for such purposes. This is understood to be because the site is relatively close to the Pic River Reserve and in particular can be accessed by an existing road and is at least in part accessible via the Pic River, which historically would have been a significant north-south trade and travel route. Further details on resource and land uses for traditional purposes are provided in Section 5.11.7 of the Environmental Impact Statement (EIS) Main Report (EcoMetrix 2012).

Based on the information provided by PRFN to SCI, there are no specific locations having particular spiritual significance such as ceremonial sites, sacred sites, burial sites or death sites within the Site Study Area (SSA); that is the area within the development footprint of the mine. A "ceremonial area" is identified outside the SSA but in relative close proximity to it, as is a site designated as a "toponym", which in this context relates to a geographic feature that has a legend or story attached to them. Access to the "ceremonial area" and to the "toponym" would not be restricted by the development of the mine. In addition, PRFN identified numerous spiritual sites in the regional study area. The spiritual sites vary in nature but include "ceremony sites", "death sites", sites from which earth resources are procured, "burial sites", "sacred areas" and "toponyms".

The PRFN report that they have not done a comprehensive toponym study at this time.

7.2. Economic Factors

PRFN is active in economic and workforce development with interests in nearby, *run of the river* hydroelectric generating stations, including the: Wawatay Generating Station, commissioned in

1991 with an installed capacity of 13.5 megawatts (MW); Twin Falls Generating Station, commissioned in 2001 with an installed capacity of 5 MW; and, Umbata Falls Generating Station, commissioned in 2008 with an installed capacity of 23 MW.

The First Nation also owns and operates Pic River Development Corporation (PRDC), an economic development corporation with several different departments, including forestry and fire fighting activities. The community also owns and operates cable television and high-speed internet companies.

7.2.1. Labour Force, Labour Participation and Employment

The total labour force in PRFN is estimated to be 175 individuals with a labour force participation rate of 61.4 percent (61.5 percent for males and 61.3 percent for females). The 2006 census Aboriginal Population Profile for PRFN indicates an employment rate of 52.6 percent and an unemployment rate 14.3 percent; however, the 2006 census Community Profile for PRFN states a slightly higher employment rate at 55 percent and a slightly lower unemployment rate at 13.2 percent. The following information is cited from the Community Profile rather than the Aboriginal Population Profile as it reflects all residents within PRFN.

The existing labour force characterized by occupation is shown in Figure 7.2.1.1. Nearly 63 percent of the labour force is engaged in social science, education, government services and religion; sales and service; and, trades, transport and equipment occupations.

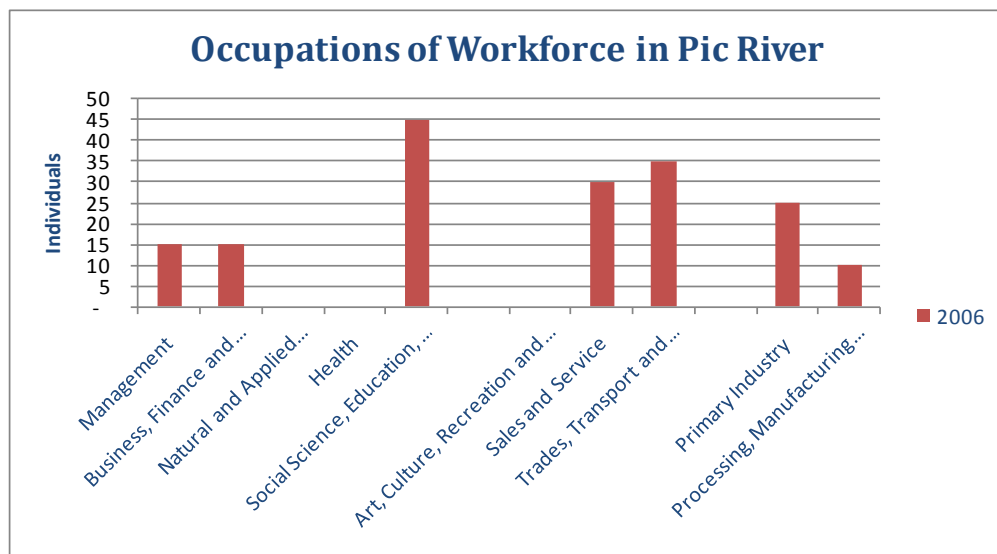


Figure 7.2.1.1. Labour force in Pic River First Nation categorized by occupation.

Source: Statistics Canada, 2006 Census Community Profile for Pic River First Nation

Based on industry type, four industries comprise 64 percent of the labour force in PRFN: health care and social services; educational services; business services; and, other services (Figure 7.2.2).

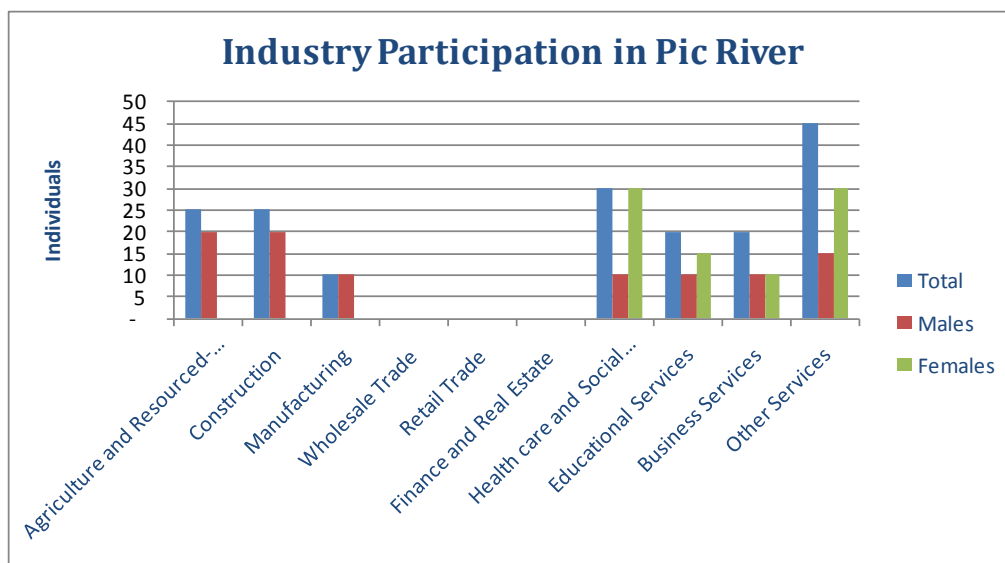


Figure 7.2.1.2. Industry participation in Pic River First Nation by gender

Source: Statistics Canada, 2006 Census Community Profile for Pic River First Nation

7.2.2. Income Levels

In PRFN, median household and family incomes are lower than provincial averages. Provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and
- Median family income = \$72,734.

Median household and family incomes in PRFN are summarized as follow:

- Median household income = \$42,368; and
- Median family income = \$49,408.

Data concerning full time income (Figure 7.2.2.1) and earnings (7.2.2.2) levels were available from Statistics Canada Aboriginal Profiles in 2006.

Table 7.2.2.1 Income levels for Pic River First Nation in 2005.

Income in 2005 of the Aboriginal Identity Population	Ojibways of the Pic River First Nation		
	Total	Male	Female
Total Aboriginal Identity Population 15 yrs and over with income	270	120	145
Median income - Total Aboriginal identity population 15 years and over	15,168	16,080	13,344
Composition of total income (100%)	98	100	100
Earnings - As a % of total income	78	82	77

Government transfers - As a % of total income	17	16	17
Other money - As a % of total income	4	4	4

Source: Statistics Canada Aboriginal Profiles 2006

Table 7.2.2.2. Earnings for the Pic River First Nation in 2005

Earnings in 2005 of the Aboriginal identity population	Ojibways of the Pic River First Nation		
	Total	Male	Female
Total Aboriginal identity population 15 years and over with earnings (counts) 61	200	90	105
Median earnings - Total Aboriginal identity population 15 years and over (\$) 62	20,000	17,536	20,416
Average earnings - Total Aboriginal identity population 15 years and over (\$)	23,412	25,701	21,487
Total Aboriginal identity population 15 years and over with earnings who worked full year, full time (counts) 63	85	40	50

Median earnings - Total Aboriginal identity population 15 years and over who worked full year, full time (\$) ⁶²	32,576	36,736	31,851
Average earnings - Total Aboriginal identity population 15 years and over who worked full year, full time (\$) ⁶²	34,089	36,315	32,289

Source: Statistics Canada Aboriginal Profiles 2006

7.2.3. Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the CPI are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 2.2.3 in Section 2.2.3.1.

7.2.4. Economic Development

The community of PRFN have several economic development projects under development. Two hydroelectric development projects are being undertaken by PRFN on the Pic River at Manitou Falls and High Falls. These sites are collectively referred to as *Pic River Hydro*. The proposed location is approximately 20 kilometres northwest of Manitouwadge and approximately 70 kilometres and 80 kilometres upstream from Lake Superior. PRFN is proposing to construct hydroelectric facilities at these site locations. The High Falls facility will generate 3.2MW with the Manitou Falls facility generating 2.8MW. The project is subject to the Class EA for Water Power Projects (OWA, 2008) under the Environmental Assessment Act. To date, the Notice of Commencement, Public Consultations and wildlife and ecosystem assessments have occurred.

In addition to these hydroelectric projects, the PRFN 2008 strategic development 5-year plan outlines several other economic development initiatives. Their key areas of focus include: training; employment opportunities and support programs; business development (Band-owned business and privately owned businesses); and, energy.

The First Nation has taken on a variety of energy development projects. PRFN has begun to develop two wind energy initiatives. The first is Superior Shores Wind Farm and it is to be 100 percent owned by the First Nation. They are also developing the Coldwell Wind Farm northwest of Marathon through a partnership with Brookfield Renewable Power. The applicant of record status for two sites on the Kagiano River, a tributary of the Pic River system 50 kilometres west of Manitouwadge, have been awarded to the First Nation for development of a hydroelectric project. Furthermore, the PRFN and PMFN communities have partnered with Brookfield to develop a 10MW hydroelectric facility on the Agusabon River.

The First Nation is also working to build economic opportunities in the mining sector. They are hoping to secure contracts with the Williams Mine to help fulfill mine closure activities; success is dependent on training and skill development opportunities.

7.2.5. Government Funding

As with the majority of First Nation communities in Canada, PRFN finances the administration and operation of their community through transfer payments from the federal government. Funding is transferred to the First Nation under several federally-funded programs and services either directly or indirectly funded by the Government of Canada. Table 7.2.5.1 outlines these programs and the amounts received by PRFN in 2008-2009.

Table 7.2.5.1. Pic River First Nation Schedule of Government Funding 2008-2009

Source of Funding	Federal Funding Received	Unexpended Funding Beginning of Year	Adjustments and Transfers	Total Funding Available	Total Expenditures From All Sources	Unexpended Federal Funding End of Year
INAC						
Community Development	\$ 1,149,948		\$ (178,490)	\$ 971,458	\$ 988,893	
Economic Development	\$ 57,500			\$ 57,500	\$ 381,205	
Education	\$ 2,167,042			\$ 2,167,042	\$ 2,288,983	
Indian Government Support	\$ 491,415			\$ 491,415	\$ 518,252	
Social Development	\$ 111,983			\$ 111,983	\$ 535,706	
Other	\$ 48,200			\$ 48,200	\$ 363,810	
Total INAC	\$ 4,026,088	\$ -	\$ (178,490)	\$ 3,847,598	\$ 5,076,849	\$ -
Health Canada						
Children and Youth	\$ 401,959			\$ 401,959	\$ 404,926	
Chronic Disease and Injury Protection	\$ 20,524	\$ 63		\$ 20,587	\$ 22,443	
Environmental Health and Research Component		\$ 3,526		\$ 3,526		\$ 3,526
Primary Care	\$ 643,846	\$ 36,702		\$ 680,548	\$ 538,126	\$ 142,422
Non-Insured Health Benefits	\$ 74,253			\$ 74,253	\$ 150,591	
Health Governance and Infrastructure	\$ 27,020			\$ 27,020	\$ 8,801	\$ 18,219
Capital		\$ 14,669		\$ 14,669		\$ 14,669
Total- Health Canada	\$ 1,167,602	\$ 54,960	\$ -	\$ 1,222,562	\$ 1,124,887	\$ 178,836
CMHC						
Non-profit reserve housing	\$ 249,116			\$ 249,116	\$ 308,323	
Residential Rehabilitation Assistance Program		\$ 35,662		\$ 35,662		\$ 35,622
Total - CMHC	\$ 249,116	\$ 35,662	\$ -	\$ 284,778	\$ 308,323	\$ 35,622
HRDC	\$ 8,207			\$ 8,207	\$ 10,374	
TOTAL	\$ 5,451,013	\$ 90,622	\$ (178,490)	\$ 5,363,145	\$ 6,520,433	\$ 214,458

Source: INAC First Nation Community Profile for the Ojibways of Pic River First Nation

All First Nations, Tribal Councils and Political Organizations that receive transfer payments from any federal government department are required to submit a Schedule of Federal Government Funding. Transfer payments refer to payments made on the basis of an appropriation by Parliament for which no goods or services are directly received. The different types of transfer payments that recipients may receive are grants, contributions, flexible transfer payments, alternative funding arrangements and other transfer payments.

The Schedule of Federal Government Funding was designed to provide transparency of the use of federal funds. It does not provide the full financial situation of PRFN, which may be affected by own-source revenue or provincial revenue.

8. Pic Mobert First Nation

The Pic Mobert First Nation (PMFN) is an Ojibwa First Nation in Northwestern Ontario in proximity to Marathon. The community is composed of two small reserves: 14.6 hectares (36 acres) Pic Mobert North, which serves as their primary reserve; and, the 15.6 hectares (39 acres) Pic Mobert South or secondary reserve. Both are located 53 kilometres east of Marathon (Figure 2.1.1.1)

The Nation is led by Chief Johanna Desmoulin and is a member of Nokiiwin Tribal Council, a Regional Chiefs' Council and is member of the Union of Ontario Indians, a tribal political organization.

8.1. Social Factors

8.1.1. Administration

The Chief and Council of PMFN are elected to office through the provisions outlined in the *Indian Act*. Chief and Council were elected on July 17th, 2009 and their terms expire on July 16th, 2011.

Currently, the elected Chief is Johanna Desmoulin. There are eight elected councillors: Christopher Bananish; Jeffery Desmoulin; James Kwissiwa; John Kwissiwa; Thurston Kwissiwa; Stanley Sabourin; Wayne Sabourin; and, Howard Twance.

8.1.2. Population

The Statistics Canada 2006 census divides the community of PMFN into Pic Mobert North and Pic Mobert South. To maintain statistical integrity, as Statistics Canada adjusts figures to maintain confidentiality, the data is maintained in the North and South division.

According to the Statistics Canada 2006 census data, the population of Pic Mobert First Nation North is 137 individuals and the population of Pic Mobert First Nation South is 104 individuals, which is representative of an 18.0 and 25.7 percent decrease from the 2001 census data, respectively.

The AANDC website lists the on-reserve population of PMFN as of February, 2011 to be 336 individuals with 186 males and 150 females. The AANDC website indicates an off-reserve population of 510 individuals with 245 males and 265 females. This represents a total registered population for PMFN of 846 individuals.

The AANDC website does not provide age class information concerning the population of PMFN; consequently, the Statistics Canada Community Profile data was utilized to compile the following information.

The age class distribution of the population in PMFN North and South by 5-year age classes and gender is displayed in Figures 2.1.2.1 and 8.1.2.2. With the exception of the 15-19 and 20-24 age brackets, the population of PMFN North is equally divided based on gender. These two age brackets have more males than females. PMFN South is roughly equally divided based on gender with only the 15-19 age bracket having more males than females. The population of PMFN is extremely young with 40 percent of population under the age of 25.

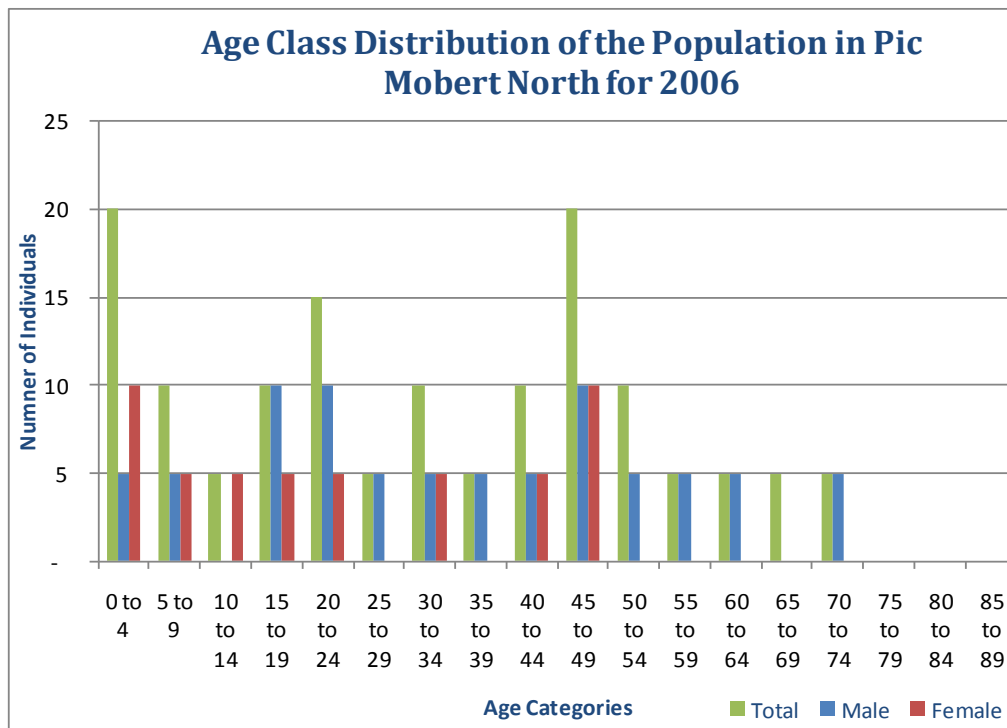


Figure 8.1.2.1. Age class distribution for the population for Pic Mobert First Nation North

Source: Statistics Canada, 2006 Community Profile for Pic Mobert North

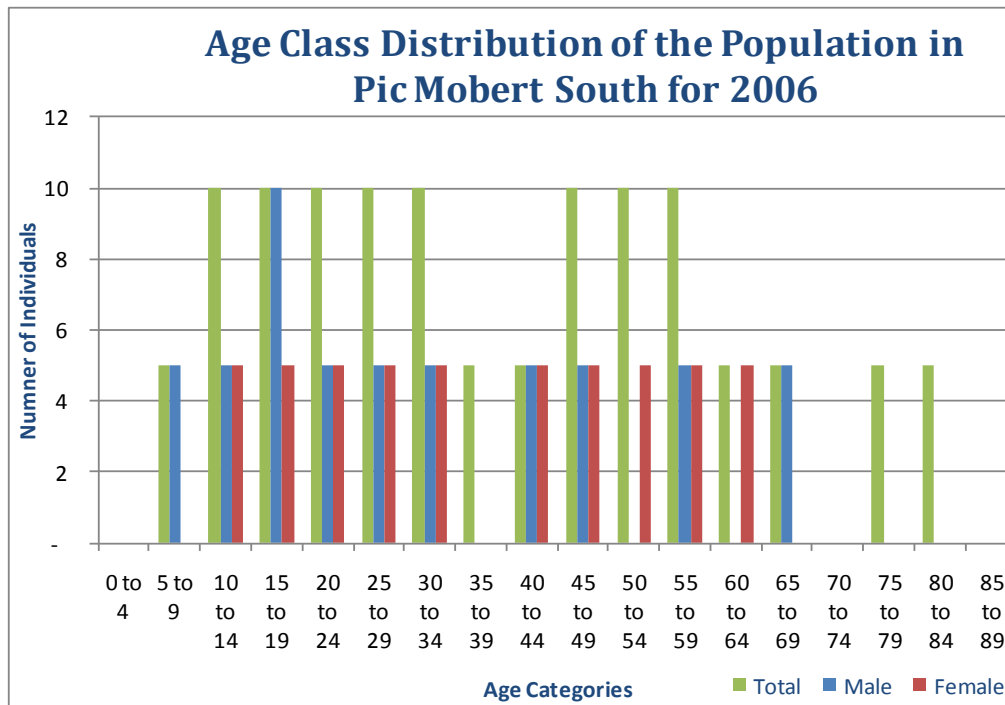


Figure 8.1.2.2. Age class distribution for the population for Pic Mobert First Nation South

Source: Statistics Canada, 2006 Community Profile for Pic Mobert South

There is no age class population data available for PMFN from the 2001 census; consequently, trend analysis could be conducted on the population data. Table 8.1.2.1 lists the data for the community available from the 2006 census, which indicates a median age of the population to be 27.2 years for PMFN North and 34.8 years for PMFN South. These median ages are significantly lower than the non-Aboriginal communities in proximity to PMFN.

Table 8.1.2.1. Population of Pic Mobert First Nation North and South by age class from the 2006 Census Community Profile.

Years	Pic Mobert North			Pic Mobert South		
	Total	Male	Female	Total	Male	Female
Total population	135	70	70	100	65	40
0 to 4	20	5	10	-	-	-
5 to 9	10	5	5	5	5	-
10 to 14	5	-	5	10	5	5
15 to 19	10	10	5	10	10	5
20 to 24	15	10	5	10	5	5
25 to 29	5	5	-	10	5	5
30 to 34	10	5	5	10	5	5
35 to 39	5	5	-	5	-	-
40 to 44	10	5	5	5	5	5
45 to 49	20	10	10	10	5	5
50 to 54	10	5	-	10	-	5
55 to 59	5	5	-	10	5	5
60 to 64	5	5	-	5	-	5
65 to 69	5	-	-	5	5	-
70 to 74	5	5	-	-	-	-
75 to 79	-	-	-	5	-	-
80 to 84	-	-	-	5	-	-
85 to 89	-	-	-	-	-	-
Median age of the population	27.2	31.0	23.8	34.8	34.5	34.8
Percent aged 15 and over	71.4%	78.6%	69.2%	90.0%	84.6%	87.5%

Source: Statistics Canada, 2006 Census Community Profiles for Pic Mobert First Nation North and South

8.1.3. Housing

The households, including types, in Pic Mobert First Nation North and South are presented in Table 8.1.3.1. Again, as with the population data, there is no 2001 census data available for the characteristics of occupied private dwellings. As a result, there is no trend analysis with respect to the housing supply between 2001 and 2006.

Table 8.1.3.1. Housing supply by tenure for Pic Mobert First Nation North and South

	Pic Mobert North	Pic Mobert South
Occupied private dwellings	50	45
Single-detached houses (%)	90.0%	88.9%
Semi-detached houses (%)	0.0%	0.0%
Row houses (%)	0.0%	0.0%
Apartments, duplex (%)	0.0%	0.0%
Less than 5 storeys apartments (%)	0.0%	0.0%
More than 5 storeys apartments (%)	0.0%	0.0%
Other dwellings (%)	0.0%	0.0%
Number of owned dwellings	0	10
Number of rented dwellings	15	10

Source: Statistics Canada, 2006 Community Profiles for Pic Mober First Nation North and South

The Housing Department for PMFN consists of the Housing Manager, Housing Maintenance and File Clerk. The department promotes the services and programs offered by the Ontario Aboriginal Housing Services (OAHS) as the vehicle of choice for community members to obtain a house off-reserve.

In 1992, consultations took place across the province with the grass-roots members of the off-reserve Aboriginal Organizations to determine the need for affordable, adequate and suitable housing for low and moderate income Aboriginal families and individuals.

A steering committee was formed consisting of Ontario Ministry of Municipal Affairs and Housing (MMAH) personnel and two representatives each from the Ontario Federation of Indian Friendship Centres (OFIFC), the Ontario Aboriginal Housing Association now known as the Native Housing Providers of Ontario (NHPO), the Ontario Native Women's Association (ONWA) and the Ontario Metis Aboriginal Association (OMAA). On September 1st, 1994, the Ontario Aboriginal Housing Support Services Corporation (OAHSSC) was incorporated, with two representatives from each of the above organizations forming the Board of Directors. NHPO has since withdrawn from the board.

It is anticipated that due to the ever increasing need in the community for safe affordable housing that new programs to increase current levels will be jointly announced and developed by the federal and provincial governments. Allocations specific to the off-reserve Aboriginal community and appropriate targeting of those units should involve the accountable Provincial/Territorial Organizations. Over the past number of years the conclusions of all consultations specific to the community and housing have expressed the need for community ownership and control.

The Board of Directors of OAHSSC has been responsible for allocating units geographically within the province in the past and supports this type of process. It is the desire of the Board to utilize existing expertise in the housing field with the understanding that assistance with capacity building in under serviced, high need areas of the province may be required.

Members of PMFN interested in obtaining a home on-reserve are instructed to fill out an application and submit it to the Housing Department for review.

8.1.4. Education

PMFN ensures that education is provided to its community members. Netamisakomik Center for Education is located on the reserve to provide education to students from Junior Kindergarten through to Grade 8. The community's education coordinator is Paul Kwissiwa. Ten professionals including teachers, a librarian and administrative personnel staff the institution. PMFN also ensures that post-secondary education support is available through application assistance.

Approximately 75 percent of the population in PMFN North aged 25 to 34 years have not attained education or training at or beyond the high school level. In PMFN South, approximately 75 percent of the individuals in the same age bracket have not attained education or training at or beyond the high school level. Tables 8.1.4.1 and 8.1.4.2 list education attainment data for all other age classes.

Table 8.1.4.1. Education attainment for individuals in Pic Mobert First Nation North by age class

Pic Mobert North	15 and over		15-24 yrs		25-34 yrs		35-64 yrs	
	Total	%	Total	%	Total	%	Total	%
Total population	100		30		20		45	
No certificate, diploma or degree	80	80%	25	83%	15	75%	35	78%
High school certificate or equivalent	-	0%	-	0%	-	0%	-	0%
Apprenticeship or trades certificate or	10	10%	-	0%	10	50%	10	22%
College, CEGEP or other non-university	-	0%	-	0%	-	0%	-	0%
University certificate or diploma below the	-	0%	-	0%	-	0%	-	0%
University certificate, diploma or degree	10	10%	-	0%	-	0%	-	0%

Source: Statistics Canada, 2006 Census Community Profile for Pic Mobert North

Table 8.1.4.2. Education attainment for individuals in Pic Mobert First Nation South by age class

Pic Mobert South	15 and over		15-24 yrs		25-34 yrs		35-64 yrs	
	Total	%	Total	%	Total	%	Total	%
Total population	90		20		15		45	
No certificate, diploma or degree	65	72%	15	75%	10	67%	35	78%
High school certificate or equivalent	10	11%	-	0%	-	0%	10	22%
Apprenticeship or trades certificate or	10	11%	-	0%	-	0%	-	0%
College, CEGEP or other non-university	-	0%	-	0%	-	0%	10	22%
University certificate or diploma below the	10	11%	-	0%	-	0%	-	0%
University certificate, diploma or degree	-	0%	-	0%	-	0%	-	0%

Source: Statistics Canada, 2006 Census Community Profile for Pic Mobert South

8.1.5. Health Services and Programs

Health Services at PMFN are administered through the local health center. The center provides home care, family support worker, community health nurse, youth coordinator and alcohol and drug abuse worker.

There are many programs underway to ignite change in the community, including:

- Community Health Representative – Offers a Diabetic Education Program due to the high number of diabetics in the community. They have a foot therapy clinic in the health unit as well.
- Family Support Worker – Assist in cases for child welfare issues, they offer parent and tot programs, hold social lunches such as, Mother Days, Christmas meals and youth meals.
- NNADAP Worker – This program has been running for many years and supports programs for people who have or knows someone who has a problem with alcohol.
- Mental health and Addiction Counsellor – This worker is involved with many different issues from alcohol and drugs addiction and family issues, etc. They also offer a variety of community programs.
- Youth Worker – The youth worker offers programs from traditional teachings to social interactions programs to help young people overcome shyness, self-esteem and self-confidence issues.

In conversations with the Health and Social Directors, several other issues were discussed:

- Most community and children and youth activities are managed through partial funding from Health Canada.
- Developing a traditional program but faced with the challenge of obtaining sufficient funding.
- Working on licensing for a child care centre, which is an essential service required to alleviate barriers to participate in employment and training initiatives that requires being away from home due to out of town work, such as working at Barrick Gold.

8.1.6. Emergency Services

Emergency services in PMFN are provided by the APS for policing services, PMFN Fire Hall for fire protection services and Superior North EMS through the Marathon District Ambulance Service for ambulance services or Algoma EMS through the White River dispatch office, which are all accessible on the 911 network.

APS is designed to provide a community based peacekeeping service in the spirit of partnership with all Nations. APS has 12 detachments that serve sixteen First Nation reserves. There are 62 sworn officers and 21 civilian members. The APS are funded through a tripartite agreement with the federal (52 percent) and provincial government (48 percent) and member First Nations.

APS jurisdiction is divided into 3 regions – north, south and central with a Director for each region and a Sergeant in each detachment. APS has an Integrated Support Service Unit (ISSU) through which RCMP and OPP officers are seconded to the APS to assist in community service programs. There are 3 Staff Sergeants situated out of APS headquarters: Professional Standards Officer; Domestic Violence Coordinator; and, Area Firearms Officer.

PMFN is patrolled by the APS Pic River and Pic Mobert Detachment office that is located in PRFN. APS works hand in hand with the Royal Canadian Mounted Police (RCMP) and OPP to access more support and services if required to server member First Nations. There are regular patrols in the community and visit the Band Office regularly to speak with community leaders and administration.

Superior North EMS operates a base in Marathon and has 7 paramedics on staff. The base employs 4 full time and 3 part time primary care paramedics utilizing 2 ambulances and 1 ESU. The base serves the Marathon, Heron Bay, Hemlo, Neys and White Lake Provincial Parks, along with the Hemlo Mines area and all highways in between. Ambulance services provided by the Marathon base are described in Section 2.1.6.

The First Nation is without an on-reserve ambulance and they wait between 45 to 70 minutes for ambulance services. The community is in the process of investigating the possibility of accessing ERS training for band members.

8.1.7. Crime and Justice

APS does not have an office in the First Nation and there are no police officers from PMFN. APS conduct patrols, have a policing committee and a War on Drugs Strategy for the community; however, regional information can be found in section 7.1.7.

8.1.8. Poverty and Social Issues

PMFN has been under a boil water advisory for the past 8 years and, for the past 4 years, bottled water has been issued to community members. In 2011, AANDC has initiated the supply of water to babies and Elders in the community, which only constitutes 10 homes on the Reserve. The remainder of the community are instructed to continue boiling their water.

According to the Water Treatment Department, there is a persistent problem with the operation of the water treatment plant. Pic Moberg First Nation is in the process of obtaining a new plant and accessing additional training for Water Technicians in the community.

PMFN has an average of 86 Ontario Works caseloads per year for all categories (family, single and single with dependant) (Table 2.1.81). PMFN has been under a boil water advisory for the past 8 years and, for the past 4 years, bottled water has been issued to community members. In 2011, AANDC has initiated the supply of water to babies and Elders in the community, which only constitutes 10 homes on the Reserve. The remainder of the community are instructed to continue boiling their water.

8.1.9. Community Services, Programs and Facilities

In the community of PMFN, there are few services, programs and facilities available to its members. An events calendar is maintained by the band office and promotes a variety of recreational, spiritual and health-related activities for community members of all ages.

Marjorie House is a women's shelter that provides a short-term and caring environment for women and their children who are victims of violence in their intimate relationships. The facility may also provide services to women at risk who are in need of a safe and secure environment. While it is available to community members of PMFN, it is located in the town of Marathon.

In 1979, First Nation communities in Northern Ontario expressed concerns about the high number of children that were in the care of Children's Aid Societies (CAS). The Chiefs of Ontario made a resolution "No First Nation child will be removed from their band".

They created a First Nation Child Welfare Laws, policies and programs based upon the protection of family and preserving the First Nation culture within the framework of Dilico Anishinabek Family Care Services. They offer services through several offices, including Nipigon, Longlac, Armstrong, Marathon and Thunder Bay. PMFN has a satellite office of Dilico Anishinabek Family Care that offers services to the community with 4 employees:

- Community Health Nurse;
- Child Welfare Worker;
- Home and Community Care Nurse; and,
- Personal Support Worker.

8.1.10. Transit, Transportation and Transport

PMFN is located a short distance off of Hwy 17, the primary land corridor linking Canada from east to west. United States border crossings at Sault Ste. Marie, Ontario (east) and Pigeon River, Ontario (west) are approximately five hours away. Air service is available nearby in Marathon.

8.1.11. Utilities

Communication on the reserve is serviced by Bell Canada for Internet and landline telephone and TBayTel for mobility services. The homes are heated by electric heat supplied by Hydro One, while some homes are heated with oil and wood. Due to the high price of electricity, homeowners require assistance to cover their heating costs.

Due to the high cost of electricity, a hydroelectric generating project is currently in progress. In March 2005, PMFN entered into a joint venture agreement with Regional Power Inc. to facilitate the development of two waterpower sites on the White River. The joint venture is known as the Pic Moberg Hydro Power Joint Venture (PMHPJV).

The First Nation's lead representative for the PMHPJV is Band Councilor Wayne Sabourin who has led the development of the initiative since 2000. The project has been named the *Gitchi Animki (Big Thunder) Hydroelectric Project* and consists of two developments located on the White River:

- Gitchi Animki Bezhig, an approximate 8.9 MW site that will ultimately replace the Ministry of Natural Resources (MNR) existing regulating dam that manages lake levels and flood risks on White Lake; and,
- Gitchi Animki Niizh, an approximate 10.0 MW site located approximately 16 km south of the Gitchi Animki Bezhig.

The Gitchi Animki Hydroelectric Project will generate approximately 95 GWh of electricity annually to support approximately 12,000 homes. The operation is expected to be functional by 2013.

Further involvement in the utility sector is observed through PMFN's endeavor to participate in a joint venture with Great Lakes Transmission Inc., a subsidiary of Brookfield Asset Management Inc. Five First Nations including Pic Mobert have signed a letter of intent to build, own and operate a transmission line between Nipigon and Wawa. The infrastructure will improve the existing network. Construction is expected to take place in 2013 and will provide jobs and economic stability to the community.

This joint venture agreement has developed a proactive strategy that will create economic and employment benefits for PMFN members. The construction of the hydroelectric development will require the hiring of general labours, catering services for the construction site, transportation of workers to and from job site, security and local maintenance services. When the project is completed, there will be 1 to 2 people permanently employed to operate the plant well into the future.

8.1.12. Community Well-Being and Quality of Life

2006 CWB scores for PMFN, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Stillwater mining development are summarized in Table 2.1.12 in Section 2.1.12.1. The CWB score for PMFN is 53, at the low end of the range for small communities in the region and lower than the average Canadian community in 2006.

When compared to other First Nation and non-Aboriginal communities in Northwestern Ontario, PMFN's CWB score is lower.

8.2. Economic Factors

8.2.1. Labour Force, Labour Participation and Employment

The total labour force in PMFN North and South is estimated to be 60 and 50 individuals, respectively, with a labour force participation rate of 57.1 percent in PMFN North (63.6 percent for males and 55.6 percent for females) and 55.6 percent in PMFN South (54.5 percent for males and 57.1 for females).

The existing labour force characterized by occupation is shown in Figures 8.2.1.1 and 8.2.1.2. The labour force in PMFN North is nearly equally divided between social science, education, government services and religion; sales and service; trades, transport and equipment; and, primary industry. The labour force in PMFN South is equally divided between social science, education, government services and religion; and, trades, transport and equipment.

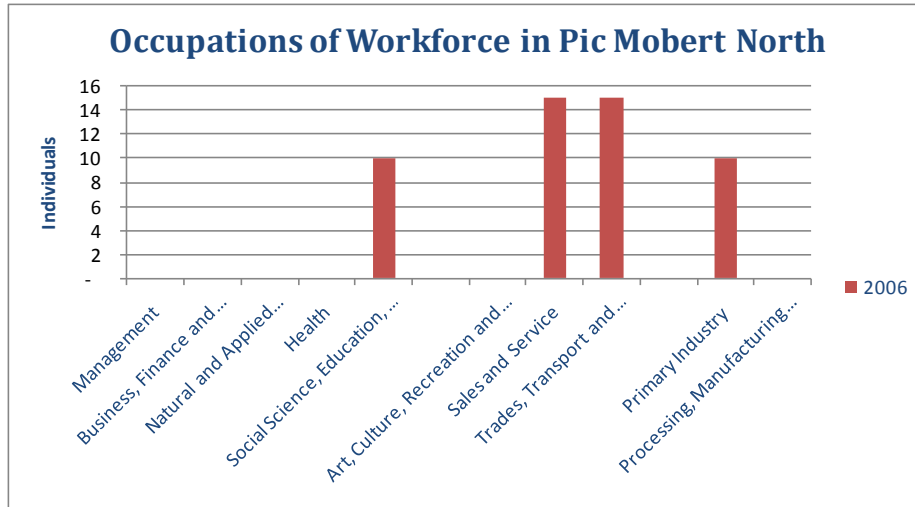


Figure 8.2.1.1. Labour force in Pic Mobert First Nation North categorized by occupation.

Source: Statistics Canada, 2006 Community Profile for Pic Mobert North

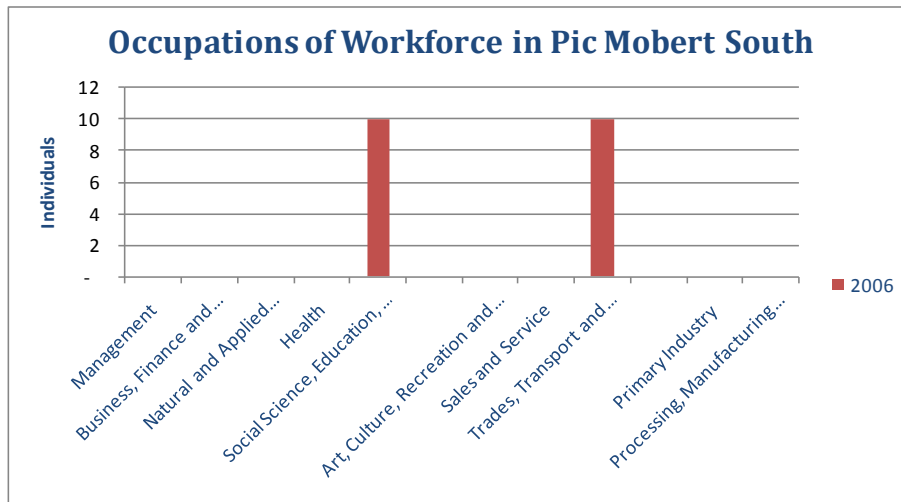


Figure 8.2.1.2. Labour force in Pic Mobert First Nation South categorized by occupation.

Source: Statistics Canada, 2006 Community Profile for Pic Mobert South

Based on industry type, four industries comprise 100 percent of the labour force in PMFN North and South: agriculture and resource-based industries; educational services; business services; and, other services. Figures 8.2.1.3 and 8.2.1.4 display the labour force characterized by industry participation in PMFN North and South, respectively.

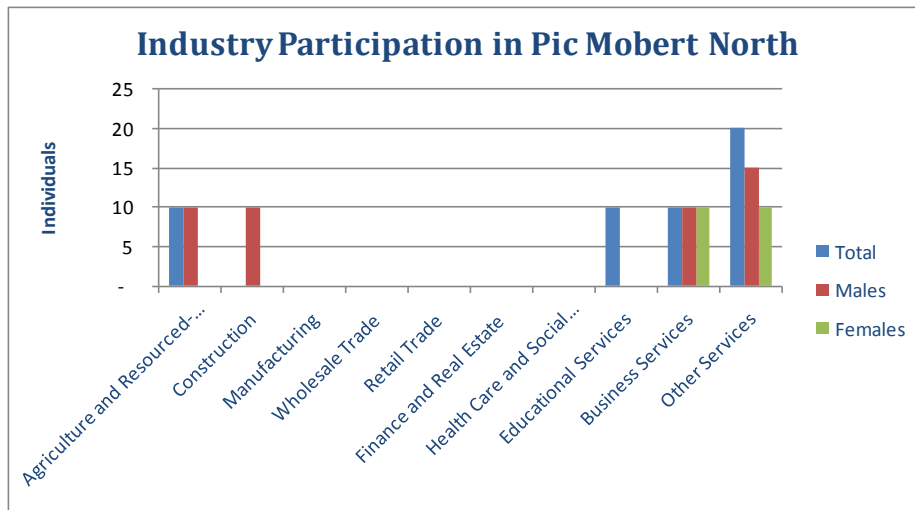


Figure 8.2.1.3. Industry participation in Pic Mobert First Nation North by gender

Source: Statistics Canada, 2006 Community Profile for Pic Mobert North

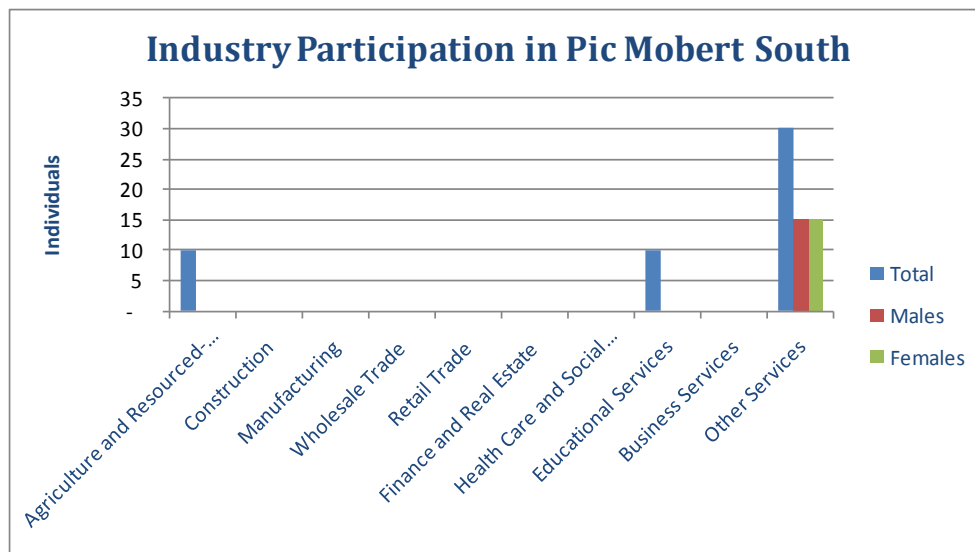


Figure 8.2.1.4. Industry participation in Pic Mobert First Nation South by gender

Source: Statistics Canada, 2006 Community Profile for Pic Mobert South

8.2.2. Income Levels

The 2001 and 2006 Census Community Profiles for PMFN North and South did not capture any household or family income information.

8.2.3. Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the CPI are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 2.2.3 in Section 2.2.3.1.

8.2.4. Economic Development

Five First Nations created a new business venture that will result in the construction and ownership of a transmission line through their traditional territories in Northern Ontario. The new venture will operate under the Bamkushwada Limited Partnership, which will be owned by Michipicoten, PMFN, PRFN and Pays Plat First Nation (PPFN) and Red Rock Indian Band. The partnership will represent the First Nations in a joint venture with Great Lakes Power Transmission Ltd. and Hydro One.

The transmission line, which is known as the “East West Tie”, was first announced in 2009. The Ontario Power Authority recently identified the project as a priority in their Long Term Energy Plan. It is expected that the Ontario Energy Board will initiate a competitive process for the selection of a proponent for the project. The Minister of Energy has strongly encouraged the Ontario Energy Board to take into account the significance of Aboriginal participation to the delivery of the transmission line.

The PMFN is also involved in hydroelectric generation. The lead representative for the First Nation in the joint venture is Band Councillor Wayne Sabourin who has led the development of the initiative since 2000. The project has been named the Gitchi Animki (Big Thunder) Hydroelectric Project and consists of two developments located on the White River:

- Gitchi Animki Bezhig, an approximate 8.9 MW site that will ultimately replace the Ontario Ministry of Natural Resources (MNR) existing regulating dam that manages lake levels and flood risks on White Lake;
- Gitchi Animki Niizh, an approximate 10.0 MW site located approximately 16 km south of the Gitchi Animki Bezhig; and,
- 21 kilometre transmission corridor is proposed.

The Gitchi Animki Hydroelectric Project will generate approximately 95 GWh of electricity annually to support approximately 12,000 homes. The operation is expected to be functional by 2013.

Further involvement in the utility sector is observed through PMFN’s endeavour to participate in a joint venture with Great Lakes Transmission Inc., a subsidiary of Brookfield Asset Management Inc. Five First Nations, including PMFN, have signed a letter of intent to build, own and operate a transmission line between Nipigon and Wawa. The infrastructure will improve the existing electrical transmission network. Construction is expected to take place in 2013 and will provide jobs and economic stability to the First Nation. Lastly, PMFN belongs to the four-way partnership of the White River Forest Products sawmill that they hope will revitalize the sawmill and local forest industry.

8.2.5. Government Funding

As with the majority of First Nation communities in Canada, PMFN finances the administration and operation of their community through transfer payments from the federal government. Funding is transferred to the First Nation under several federally funded program and services either directly or indirectly funded by the Government of Canada. Table 8.2.5.1 outlines these programs and the amounts received by PMFN in 2009-2010.

Table 8.2.5.1. Pic Mobert First Nation Schedule of Government Funding 2009-2010.

Source of Funding	Federal Funding Received	Adjustment	Total Funding Available	Expenditures From All Sources
INAC				
Administration	\$ 672,640	\$ -	\$ 672,640	\$ 876,740
Infrastructure	\$ 542,683	\$ (49,822)	\$ 492,861	\$ 722,405
Social, Cultural, Spiritual and Recreational	\$ -	\$ -	\$ -	\$ -
Education	\$ 1,643,898	\$ -	\$ 1,643,898	\$ 1,741,481
Health	\$ 291,159	\$ -	\$ 291,159	\$ 1,058,457
Capital	\$ 18,000	\$ -	\$ 18,000	\$ 922,848
Economic Development	\$ 192,830	\$ -	\$ 192,830	\$ 337,010
Total - INAC	\$ 3,361,210	\$ (49,822)	\$ 3,311,388	\$ 5,658,941
Health and Welfare Canada				
Health	\$ 2,291,580	\$ -	\$ 2,291,580	\$ 2,344,394
Service Canada				
Economic Development	\$ 3,108	\$ -	\$ 3,108	\$ 15,119
CMHC				
Capital	\$ 174,542	\$ -	\$ 174,542	\$ 40,782
TOTAL	\$ 5,830,440	\$ (49,822)	\$ 5,780,618	\$ 8,059,236

Source: INAC First Nation Community Profile for Pic Mobert First Nation

9. Pays Plat First Nation

Pays Plat First Nation (PPFN) has approximately 200 community members that live across Canada. It has a land base of one square mile with a population of roughly 70 people. Pays Plat is 183 kilometres east of Thunder Bay and is near the center of the Robinson Superior Treaty Area. Pays Plat is on the shores of Lake Superior and has a highway, railway, river, creek, hydro lines and a snowmobile trail running through it. PPFN is approximately 122 kilometers from the Project Site (Figure 2.1.1.1).

In PPFN, there is a band office, band hall, fire hall, water plant, church, rink, playground and a business centre that contains a health centre, gas and variety store, day care centre and a restaurant area.

9.1. Social Factors

9.1.1. Administration

At PPFN, the community has developed a customized electoral code that allows for 2-year office terms. The current Chief and Council are: Chief Xavier Thompson; Councillors Frank Achneepineskum; Raymond Goodchild; and, Darlene Morriseau.

9.1.2. Population

According to the Statistics Canada 2006 census data, the population of PPFN is 79 individuals, which is representative of a 21.5 percent increase from the 2001 census data. The AANDC website does not offer registered population data for Pays Plat First Nation. Unfortunately, the AANDC website offers little information with the exception of the expenditures of federal funds.

As the AANDC website does not provide age class information concerning the population of PPFN, the Statistics Canada Community Profile data was utilized to compile the following information.

The age class distribution of the population in PPFN by 5-year age classes and gender is displayed in Figure 9.1.1. With the exception of the 40-44 and 75-79 age brackets, the population is roughly equally divided based on gender. These two age brackets have more females than males. The population of PPFN is relatively young with 42 percent of population under the age of 25.

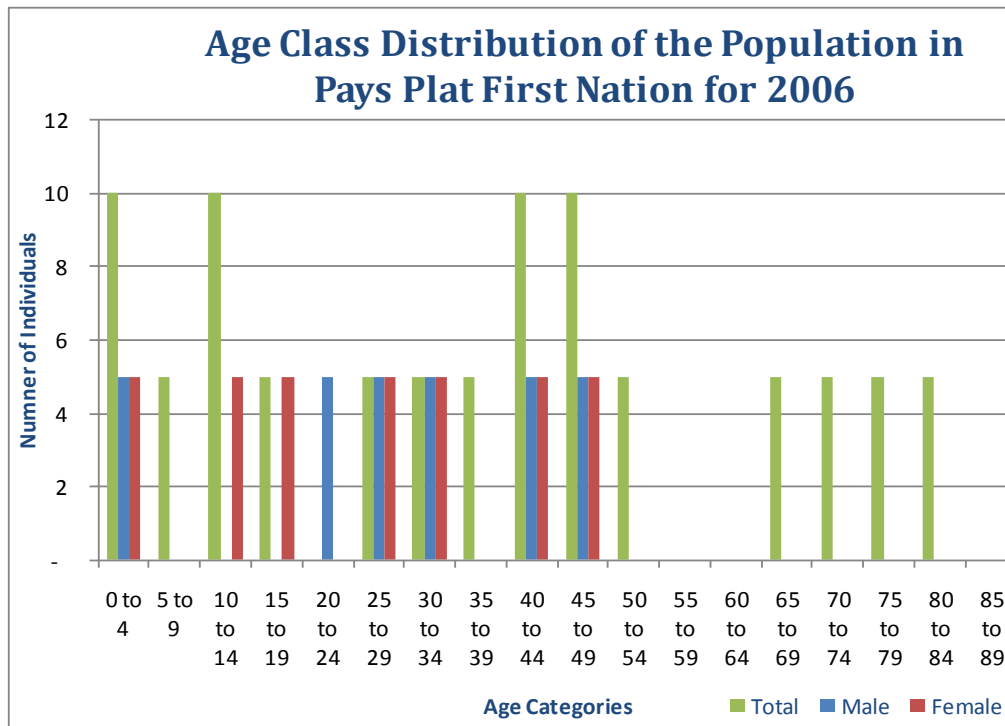


Figure 9.1.2.1. Age class distribution for the population of the Pays Plat First Nation

Source: Statistics Canada, 2006 Community Profile for the Pays Plat First Nation

There is no age class population data available for PPFN from the 2001 census; consequently, trend analysis could be conducted on the population data. Table 9.1.2.1 lists the data for the community available from the 2006 census, which indicates a median age of the population 31.5 years. This median age is lower than the non-Aboriginal communities in proximity to PPFN.

Table 9.1.2.1. Population for the Pays Plat First Nation by age class

Years	Pays Plat First Nation		
	Total	Male	Female
Total population	80	35	40
0 to 4	10	5	5
5 to 9	5	-	-
10 to 14	10	-	5
15 to 19	5	-	5
20 to 24	-	5	-
25 to 29	5	5	5
30 to 34	5	5	5
35 to 39	5	-	-
40 to 44	10	5	5
45 to 49	10	5	5
50 to 54	5	-	-
55 to 59	-	-	-
60 to 64	-	-	-
65 to 69	5	-	-
70 to 74	5	-	-
75 to 79	5	-	-
80 to 84	5	-	-
85 to 89	-	-	-
Median age of the population	31.5	34.5	29.5
Percent aged 15 and over	75.0%	75.0%	62.5%

Source: Statistics Canada, 2006 Census Community Profiles for Pays Plat First Nation

9.1.3. Housing

The households, including types, in PPFN are presented in Table 9.1.3.1. Again, as with the population data, there is no 2001 census data available for the characteristics of occupied private dwellings. As a result, there is no trend analysis with respect to the housing supply between 2001 and 2006. There are no hotels or motels in PPFN.

Table 9.1.3.1. Housing supply by tenure for Pays Plat First Nation.

	Pays Play
Occupied private dwellings	30
Single-detached houses (%)	83.3%
Semi-detached houses (%)	3.6%
Row houses (%)	1.4%
Apartments, duplex (%)	0.0%
Less than 5 storeys apartments (%)	5.8%
More than 5 storeys apartments (%)	0.0%
Other dwellings (%)	0.0%
Number of owned dwellings	
	-
Number of rented dwellings	
	-

Source: Statistics Canada, 2006 Community Profiles for Pays Plat First Nation

9.1.4. Education

Education is administered to PPFN Band Members through the provisions set forth in the *Indian Act*. PPFN ensures that funding of student support services such as transportation, counselling, financial assistance and attendance checks are available. AANDC provides Post-Secondary Education (PSE) support to eligible PPFN students through the Post-Secondary Student Support Program (PSSSP) and the University College Entrance Preparation Program (UCEP). This may assist PPFN students with the cost of tuition fees, books and travel and living allowances, when applicable.

Of the 15 individuals in the 25-34 age bracket, 10 are listed as not having attained education or training at or beyond the high school level. An additional 10 are listed as having attained this level. There are no individuals listed beyond attaining high school level education or training. Table 9.1.4.1 lists education attainment data for all other age classes.

Table 9.1.4.1. Education attainment for individuals in Pays Plat First Nation by age class

Pays Plat	15 and over		15-24 yrs		25-34 yrs		35-64 yrs	
	Total	%	Total	%	Total	%	Total	%
Total population	55		10		15		25	
No certificate, diploma or degree	25	45%	-	0%	10	67%	10	40%
High school certificate or equivalent	-	0%	-	0%	10	67%	10	40%
Apprenticeship or trades certificate or	-	0%	-	0%	-	0%	10	40%
College, CEGEP or other non-university	15	27%	-	0%	-	0%	10	40%
University certificate or diploma below the	-	0%	-	0%	-	0%	-	0%
University certificate, diploma or degree	-	0%	-	0%	-	0%	10	40%

Source: Statistics Canada, 2006 Census Community Profile for Pays Plat First Nation

9.1.5. Health Services and Programs

The PPFN Health Program is a community-based program that runs out of the PPFN Health Center. The program focuses mainly on health promotion and prevention strategies.

Through the Health Centre, a variety of staff are employed and work in conjunction with other programs within the community such as Recreation, Social Services, Family Support and Personal Support Worker Programs. The program focuses mainly on health promotion and prevention strategies with minor treatment also provided.

9.1.6. Emergency Services

Emergency services in PPFN are provided by the OPP Nipigon Detachment – Schreiber Satellite Detachment for policing services, PPFN Fire Hall for fire protection services and Superior North EMS through the Schreiber EMS Station for ambulance services, which are all accessible on the 911 network. The EMS services are described in Section 5.1.6.

9.1.7. Crime and Justice

Policing services for PPFN are provided by the Nipigon Detachment – Schreiber Satellite Detachment of the OPP. These services are described in Section 5.1.7.

9.1.8. Poverty and Social Issues

At the time of this draft, there was no poverty and social issues information readily available for PPFN. Stillwater Canada Inc. will continue to dialogue with the First Nation to address the gaps in this section of the document.

The community of PPFN has few basic social services programs and supports; however, this community and PRFN administer the Ontario Works Program for their communities. Average caseload data are unavailable at this time.

9.1.9. Community Services, Programs and Facilities

The community of PPFN has few basic social services programs and supports. Of those, education is administered in addition to a health program.

9.1.10. Transit, Transportation and Transport

PPFN is located on Hwy 17; the primary land corridor linking Canada from east to west. United States border crossings at Sault Ste. Marie (east) and Pigeon River (west) are 5 hours and 3 hours away respectively.

9.1.11. Utilities

At the time of this draft, there was no utilities information readily available for PPFN. Stillwater Canada Inc. will continue to dialogue with the First Nation to address the gaps in this section of the document.

9.1.12. Community Well-Being and Quality of Life

2006 CWB scores for PPFN, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Stillwater mining development are summarized in Table 2.1.12 in Section 2.1.12.1. The CWB score for PPFN is 62, at the low end of the range for small communities in the region and lower than the average Canadian community in 2006.

When compared to other First Nation communities in Northwestern Ontario, PPFN's CWB score is relatively high. Unfortunately, when compared to non-Aboriginal communities in Northwestern Ontario, PPFN's CWB score is lower.

9.2. Economic Factors

9.2.1. Labour Force, Labour Participation and Employment

The total labour force in PPFN is estimated to be 35 individuals with a labour force participation rate of 63.6 percent (83.3 percent for males and 40.0 percent for females). The data also indicates an employment rate of 36.4 percent and an unemployment rate 42.9 percent.

The existing labour force characterized by occupation is shown in Figure 9.2.1.1. One hundred percent of the labour force is engaged in trades, transport and equipment operators and related occupations.

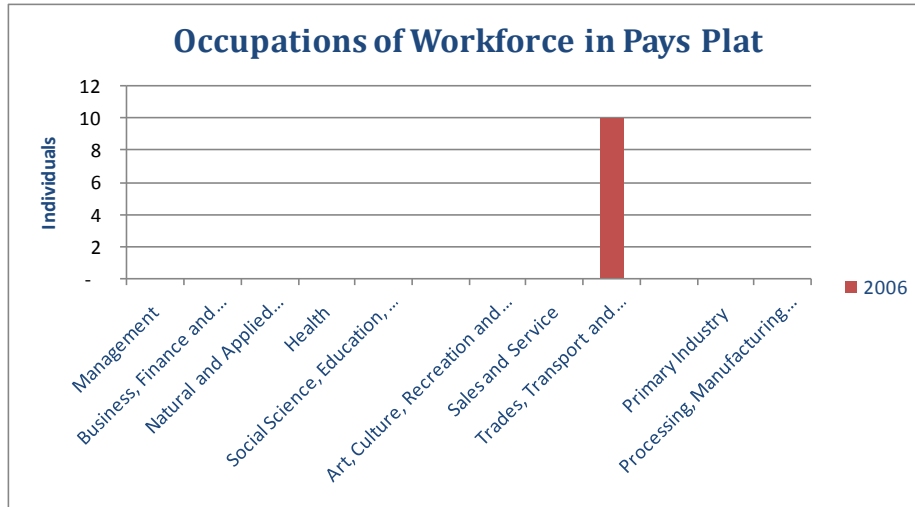


Figure 9.2.1.1. Labour force in Pays Plat First Nation categorized by occupation.

Source: Statistics Canada, 2006 Community Profile for the Pays Plat First Nation

Based on industry type, three industries equally contribute to the labour force in PPFN: retail trade; business services; and, other services (Figure 9.2.1.2).

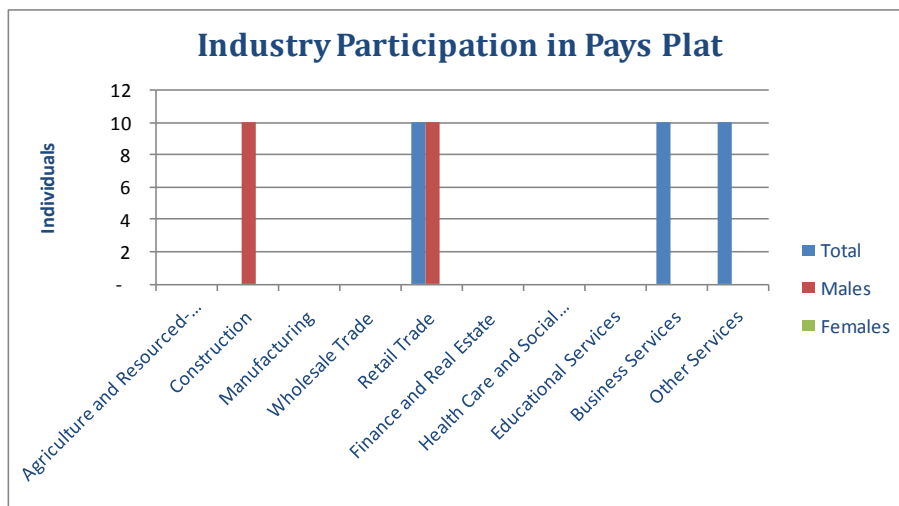


Figure 9.2.1.2. Industry participation in Pays Plat First Nation by gender

Source: Statistics Canada, 2006 Community Profile for the Pays Plat First Nation

9.2.2. Income Levels

The 2006 Census Community Profile for PPFN did not capture any household or family income information.

9.2.3. Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the CPI are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 2.2.3 in Section 2.2.3.1.

9.2.4. Economic Development

Pays Plat First Nation is engaged in a variety of economic development endeavours, in addition to the aforementioned partnerships. For the community to be better positioned to take advantage of economic opportunities, the First Nation entered into negotiations with the Canadian Government to expand their reserve area from 2.59 square kilometers to 16.5 square kilometers. The added land base was selected based on economic and social criteria. Some land will be used for housing, while other areas are well suited to future economic endeavours linked with the Great Lakes Heritage Coast and the Lake Superior National Marine Conservation Area initiatives.

An Agreement-in-Principle was signed in August of 2009 with Parks Canada. The First Nation has also contacted the Ontario Ministry of Natural Resources to identify their interest in economic development opportunities at the Gravel River Conservation Reserve (GRCR). The area encompasses their traditional land and a GRCR strategy was developed in 2005. Potential backcountry tourism with its many lakes and rivers is a main focus of development during the planning stages of this endeavour.

PPFN recently secured a long term fibre allocation of 10,000 cubic metres per year of white birch for its firewood processing and delivery business. The company commenced operations this past winter but has yet to reach full production. Permits and equipment are ready but the company is still waiting for the wood. Interim manager and PPFN council member Frank Achneepineskum says that the company needs to secure a harvester for the allocation. Closed mills have meant much less demand for the wood, so they have been waiting for wood to be cut and delivered to them for processing. Achneepineskum reports that they have brought three or four transport truckloads so far from nearby Lake Nipigon and Kenogami Forests.

9.2.5. Government Funding

As with the majority of First Nation communities in Canada, PPFN finances the administration and operation of their community through transfer payments from the federal government. Funding is transferred to the First Nation under several federally funded programs and services either directly or indirectly funded by the Government of Canada. Table 9.2.5.1 outlines these programs and the amounts received by Pays Plat First Nation in 2009-2010.

Table 9.2.5.1. Pays Plat First Nation Schedule of Government Funding 2009-2010.

Source of Funding	Federal Funding received	Unexpected funding beginning of year	Total Funding Available	Expenditures from all sources
INAC				
Education	\$ 231,200		\$ 231,200	\$ 234,767
Education - Contribution	\$ 259,639	\$ (79,746)	\$ 179,893	\$ 140,705
Admin and Ec Dev	\$ 197,875		\$ 197,875	\$ 484,146
Admin and Ec Dev - Contribution	\$ 60,000		\$ 60,000	\$ 60,000
Community Operations	\$ 78,489		\$ 78,489	\$ 120,946
Community Operations - Contribution	\$ 37,592		\$ 37,592	\$ 33,119
Social Development	\$ 23,628		\$ 23,628	\$ 89,374
Social Development - Contribution	\$ 12,519	\$ (593)	\$ 11,926	\$ 12,319
Special Projects	\$ 169,040		\$ 169,040	\$ 318,442
Special Projets - Contribution	\$ 26,900		\$ 26,900	\$ 26,900
Capital Projects	\$ 135,571		\$ 135,571	\$ 147,046
Total - INAC	\$ 1,232,453	\$ (80,339)	\$ 1,152,114	\$ 1,667,764
CMHC				
Capital	\$ 7,380			\$ 147,046
Health Canada				
Health and Medical	\$ 117,849			\$ 266,346
TOTAL	\$ 1,357,682	\$ (80,339)	\$ 1,152,114	\$ 2,081,156

Source: INAC First Nation Community Profile for Pays Plat First Nation

10. Resources Utilized to Develop Socioeconomic Baseline Study

Community Profile, Township of Manitouwadge, 2009.

Community Profile, Town of Marathon, 2010-2011.

Community Profile, Township of Schreiber, 2011.

Community Profile, Town of Terrace Bay, 2010-2011.

Community Profile, Township of White River, 2009.

Greetings Handbook for Jackfish, Rosspoint, Schreiber and Terrace Bay, 2009-2010.

Karakas, Joaquin. Housing and Affordability: Choosing Our Future Foundation Paper Series, 2009.

Milley, 2009. Feasibility and Business Case Analysis for the Ownership and Operation of the Kraft Pulp Mill in Marathon, Ontario. Final Report.

Ontario Ministry of Municipal Affairs and Housing, Provincial Planning and Environmental Services Branch. Affordable Housing Infosheet. Queen's Printer for Ontario, 2005.

Ontario Provincial Police, Marathon Detachment. 2008-2010 Business Plan.

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