

Temagami Crown Management Unit
2009-2019
Forest Management Plan

Social & Economic
Description

January 15, 2008

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1.0 Social & Economic Context

This report relates to communities that receive substantial amounts of timber, chips, or other forest products from the Temagami Crown Management Unit (CMU), or have substantial employment related to the forest industry, or are Aboriginal communities in or adjacent to the Temagami CMU whose interests or traditional uses may be affected by forest management activities.

The determination of communities receiving substantial amounts of wood fiber, or that have substantial employment related to the Temagami CMU is based on the Crown Roundwood Record (CRR) for 2005/06. The CRR is a summary of mills receiving timber from the management unit for the noted fiscal years and the communities they are associated with.

Communities receiving significant wood fiber from the Temagami CMU or having substantial employment related to the forest industry are;

Communities within Temagami CMU

Haileybury
New Liskeard
Temagami

Communities outside

Englehart
James (Elk Lake)
Kirkland Lake (Gauthier)
Larder Lake
Cochrane
Iroquois Falls
Smooth Rock Falls
Espanola
Nairn & Hyman (Nairn)
Sudbury
Timmins
North Bay
West Nipissing (Sturgeon Falls)
Mattawa
Bonfield (Rutherglen)

Aboriginal Communities in or adjacent to the Temagami CMU whose interests or traditional uses may be affected by forest management activities are;

Temagami First Nation (including Teme-Augama Anishnabai)
Matachewan First Nation

2.0 Demographic Profiles

Demographic Profiles have been prepared for each community identified in Section 1. The standard profiles were derived from *Statistics Canada 2001 Census of Population* data. Other sources of information used to generate demographic profiles include Economic Development Officers and other resources from the Ontario Ministry of Northern Development and Mines (MNDM). Additional sources include the Indian and Northern Affairs Canada (INAC) website and hardcopy material from the Aboriginal communities providing relevant information about their communities.

For each community noted in Section 1) a summary of the following information is provided, where it was available;

- Population and labour force
- Community diversity and official language
- Household characteristics
- Individual income by gender, household income
- Educational accomplishment
- Labour force dependency ratios

When specific information for a community profile has not been completed in the following section, the relevant data was unavailable.

2.1 Communities within Temagami CMU

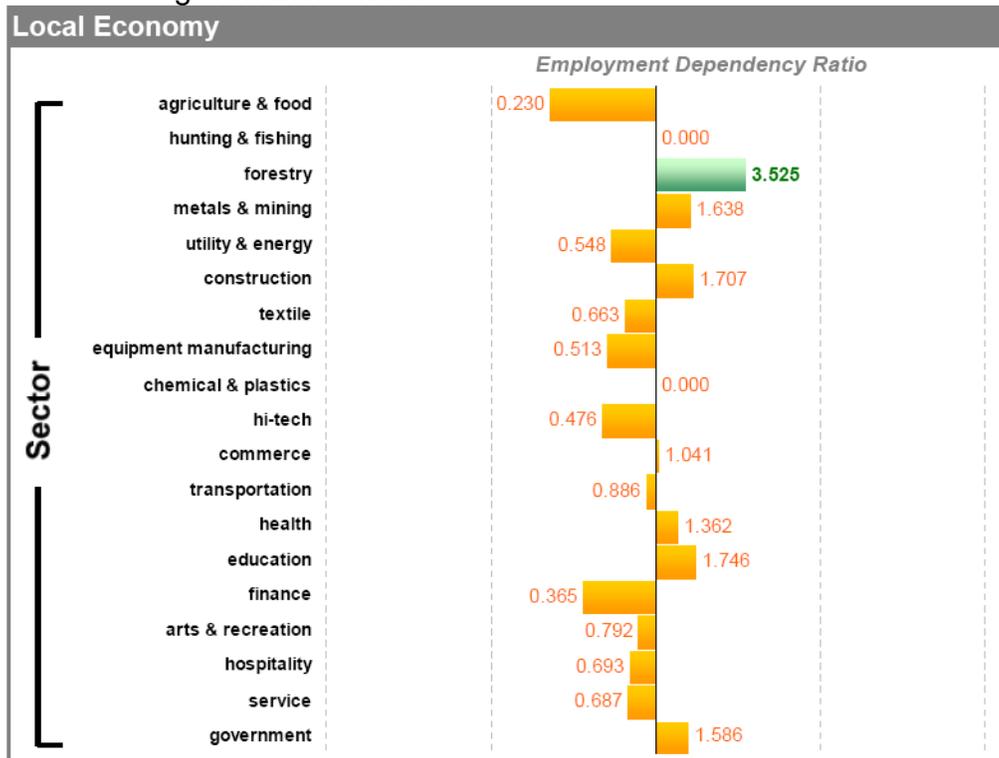
There are several methods to measure the degree to which forestry management activities and associated activities contribute to the economic health of a community. In this analysis, labour force dependency ratios and general employment/income statistics are used.

Community Employment Dependency Ratios are a measure of how important a particular economic sector is to a specific community's employment compared to the provincial average. This is a general indicator of a community's reliance on specific industry sectors for its economic prosperity. For example; a Dependency Ratio of 10.0 for forestry means this sector employs 10 times more people in the community than the provincial average. This indicator is a strong measure of a community's economic diversity. Labour force Dependency Ratios are provided for each community within the Temagami Forest.

Employment and income statistics provide a coarse measure of the percentage of a community's labour force employed in the forestry sector and approximate income levels.

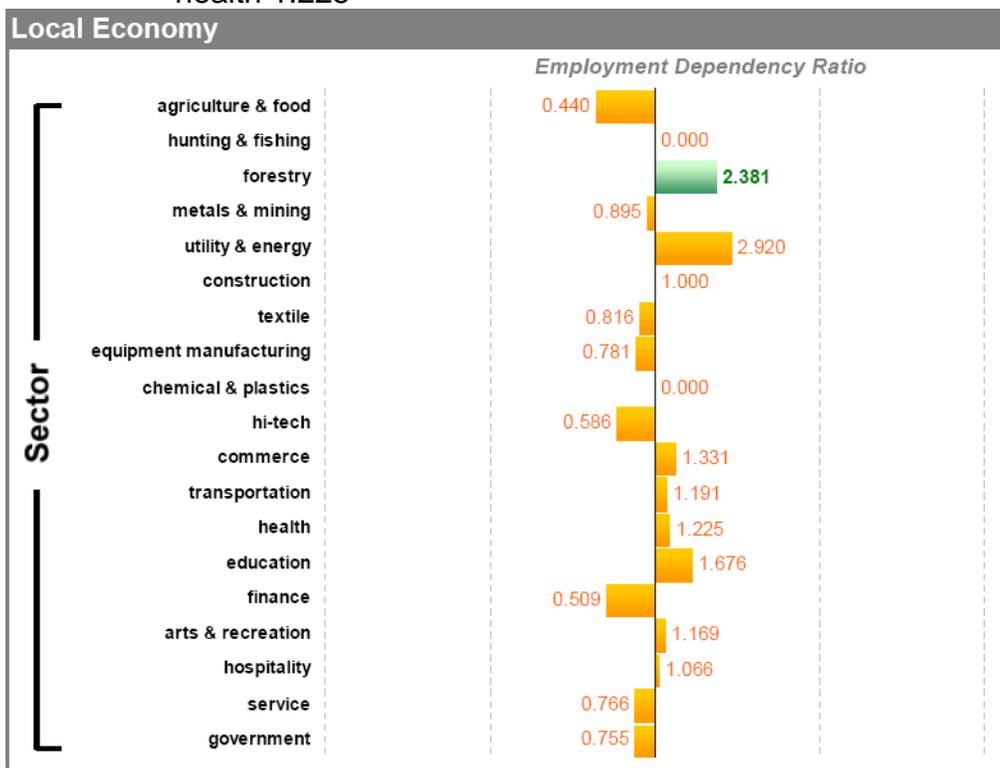
2.1.1 Haileybury

- Population and labour force;
 - total population 4,543 (male 47.9 %, female 52.1%)
 - labour force; 2,075
 - employed; 90.1%, unemployed; 9.9%, participation rate; 59.2%
 - main occupation categories; sales 24.5%, trades 21.1%, finance 15.7%, social 12.5%
- Community diversity and official language;
 - English only 55.5%, English & French 42.6%
- Household characteristics;
 - No. households 1,755, avg. persons per household 2.5
- Individual income by gender, household income;
 - Avg. individual income \$ 25,639 (male \$32,450, female \$19,100)
 - Avg. household income \$48,279 (rate of households designated low income 16.7%)
- Educational accomplishment (highest level achieved);
 - University 15.4%, college 20.3%, trade 17%, secondary 34%, primary 13.4%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 3.525**
 - education 1.746
 - construction 1.707
 - metals & mining 1.638
 - government 1.586



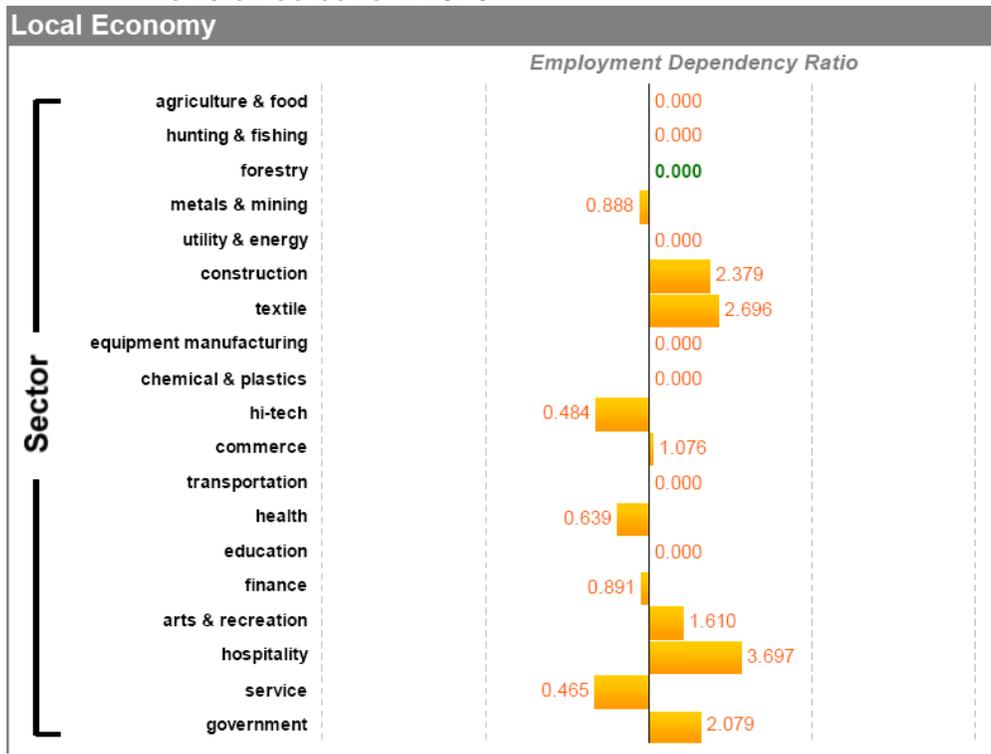
2.1.2 New Liskeard

- Population and labour force;
 - total population 4,906 (male 47.7 %, female 52.3%)
 - labour force; 2,420
 - employed; 94%, unemployed; 5.8%, participation rate; 60.4%
 - main occupation categories; sales 27%, trades 16.7%, finance 15.2%, social 13.1%, management 12.7%
- Community diversity and official language;
 - English only 56.7%, English & French 41.6%
- Household characteristics;
 - No. households 2,105, avg. persons per household 2.3
- Individual income by gender, household income;
 - Avg. individual income \$28,173 (male \$37,786 female \$19,979)
 - Avg. household income \$51,705 (rate of households designated low income 15.7%)
- Educational accomplishment (highest level achieved);
 - University 14.7%, college 25.7%, trade 10.5%, secondary 36.8%, primary 12.3%
- Labour force dependency ratios (top five industry sectors);
 - utility & energy 2.920
 - **forestry 2.381**
 - education 1.676
 - commerce 1.331
 - health 1.225



2.1.3 Temagami

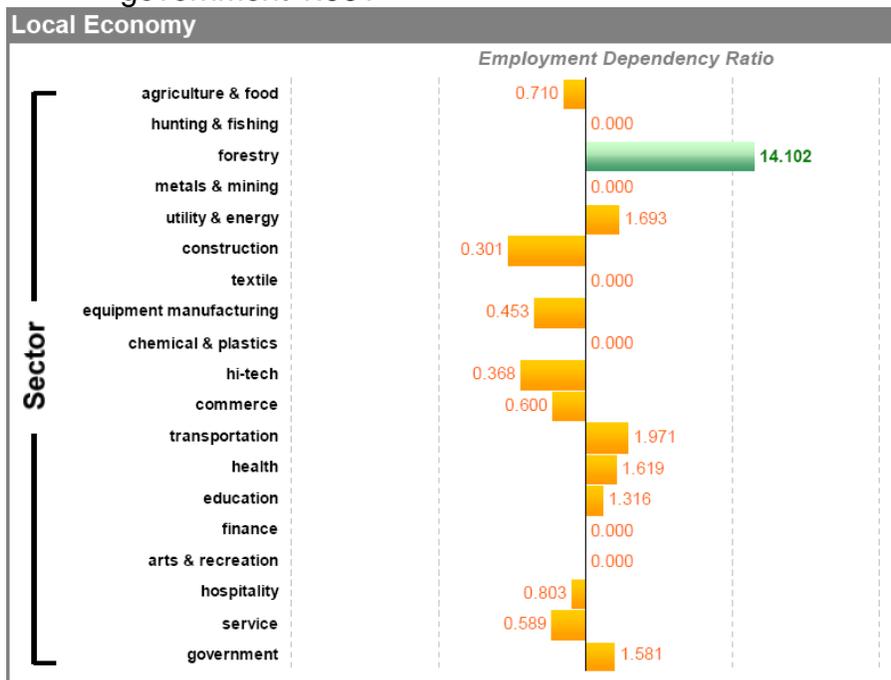
- Population and labour force;
 - total population 893 (male 50.3 %, female 49.7%)
 - labour force; 500
 - employed; 91%, unemployed; 8%, participation rate; 65.8%
 - main occupation categories; sales 32.7%, management 28.6%, trades 17.3%, finance 12.2%, natural 4.1%
- Community diversity and official language;
 - English only 83.2%, English & French 16.8%
- Household characteristics;
 - No. households 390, avg. persons per household 2.3
- Individual income by gender, household income;
 - Avg. individual income \$21,061 (male \$27,442 female \$14,608)
 - Avg. household income \$40,358 (rate of households designated low income 17.3%)
- Educational accomplishment (highest level achieved);
 - University 11.9%, college 22.4%, trade 12.6%, secondary 42%, primary 11.2%
- Labour force dependency ratios (top five industry sectors);
 - hospitality 3.697
 - textile 2.696
 - construction 2.379
 - government 2.079
 - arts & recreation 1.610



2.2 Communities outside Temagami CMU

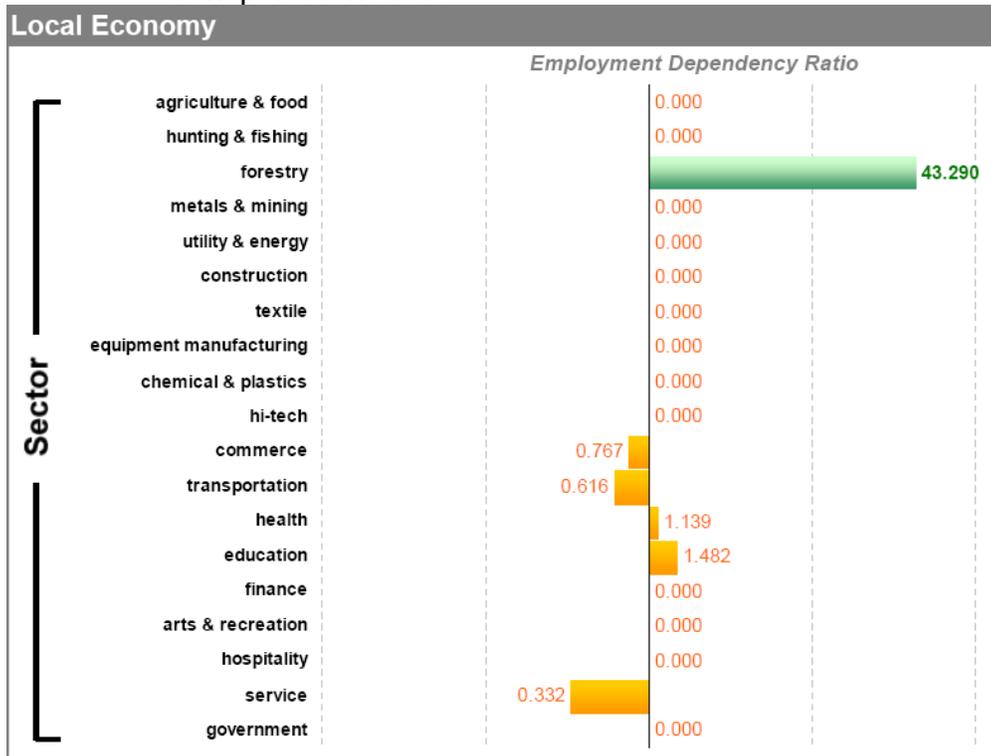
2.2.1 Englehart

- Population and labour force;
 - total population 1,595 (male 47.5 %, female 52.5%)
 - labour force; 730
 - employed; 83.6%, unemployed; 16.4%, participation rate; 58.9%
 - main occupation categories; trades 25.5%, sales 24.1%, finance 14.6%, management 9.5%, social 8.0%
- Community diversity and official language;
 - English only 83.5%, English & French 15.9%
- Household characteristics;
 - No. households 685, avg. persons per household 2.2
- Individual income by gender, household income;
 - Avg. individual income \$23,644 (male \$31,105 female \$16,877)
 - Avg. household income \$42,015 (rate of households designated low income 16.7%)
- Educational accomplishment (highest level achieved);
 - University 10.9%, college 28.8%, trade 13.5%, secondary 34.5%, primary 12.2%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 14.102**
 - transportation 1.971
 - utility & energy 1.693
 - health 1.619
 - government 1.581



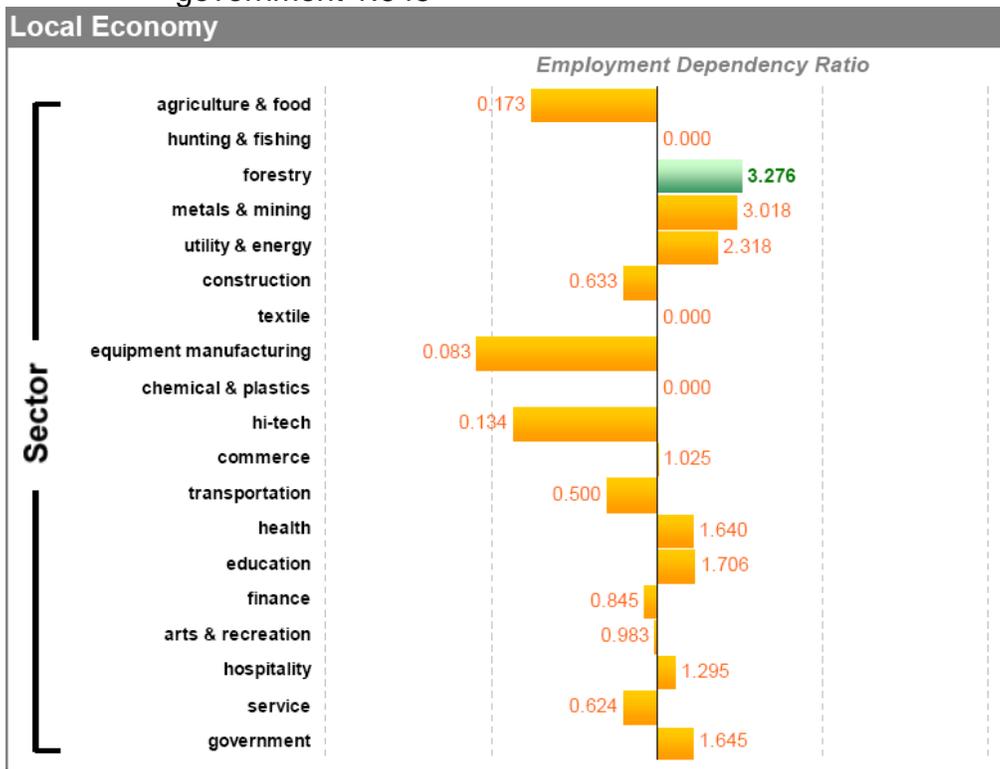
2.2.2 James (Elk Lake)

- Population and labour force;
 - total population 467 (male 51.6 %, female 48.4%)
 - labour force 250
 - employed; 84%, unemployed; 16%, participation rate; 66.7%
 - main occupation categories; processing 28.3%, trades 26.1%, sales 19.6%, finance 13.0%, health 4.3%
- Community diversity and official language;
 - English only 52.1%, English & French 45.7%
- Household characteristics;
 - No. households 180, avg. persons per household 2.6
- Individual income by gender, household income;
 - Avg. individual income \$23,576 (male \$30,871 female \$14,189)
 - Avg. household income \$45,818 (rate of households designated low income 15.7%)
- Educational accomplishment (highest level achieved);
 - University 14.7%, college 25.7%, trade 10.5%, secondary 36.8%, primary 30.5%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 43.290**
 - education 1.482
 - health 1.139
 - commerce 0.767
 - transportation 0.616



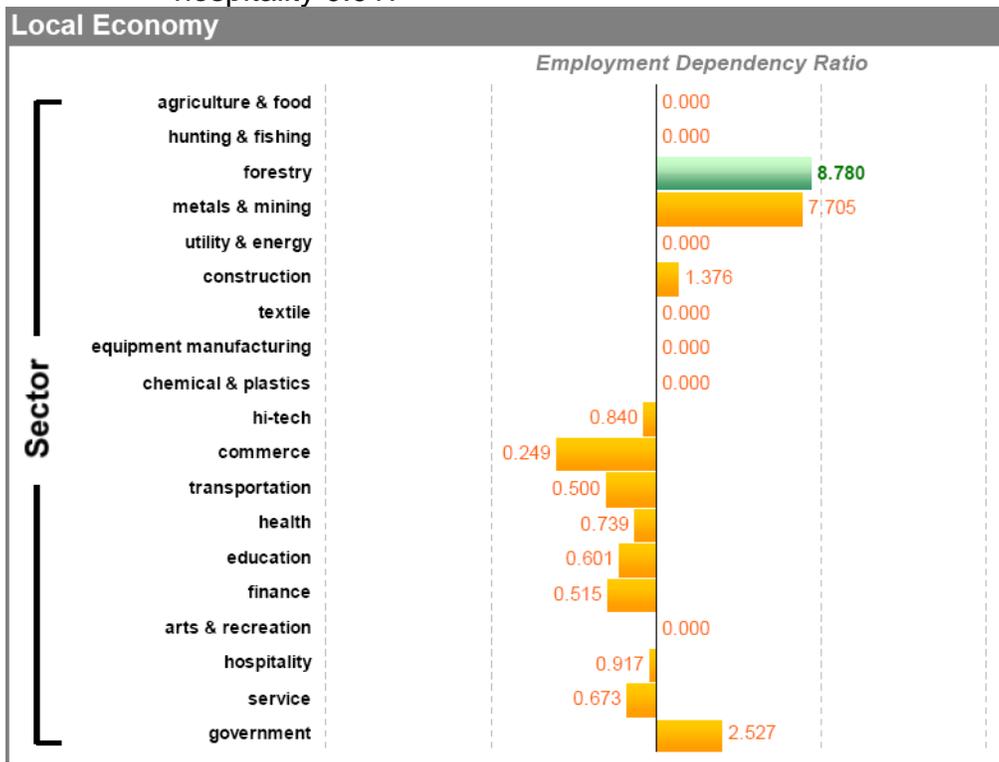
2.2.3 Kirkland Lake (Gauthier)

- Population and labour force;
 - total population 8,616 (male 47.6 %, female 52.4%)
 - labour force; 3,840
 - employed; 86.5%, unemployed; 13.7%, participation rate; 56.1%
 - main occupation categories; sales 25.1%, finance 17.3%, trades 14.2%, social 10.9%, management 10.7%
- Community diversity and official language;
 - English only 68.8%, English & French 30.6%
- Household characteristics;
 - No. households 3,835, avg. persons per household 2.2
- Individual income by gender, household income;
 - Avg. individual income \$25,467 (male \$29,891 female \$21,483)
 - Avg. household income \$42,990 (rate of households designated low income 21.9%)
- Educational accomplishment (highest level achieved);
 - University 11.1%, college 27.8%, trade 12.9%, secondary 35.2%, primary 13%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 3.276**
 - metals & mining 3.018
 - utility & energy 2.318
 - education 1.706
 - government 1.645



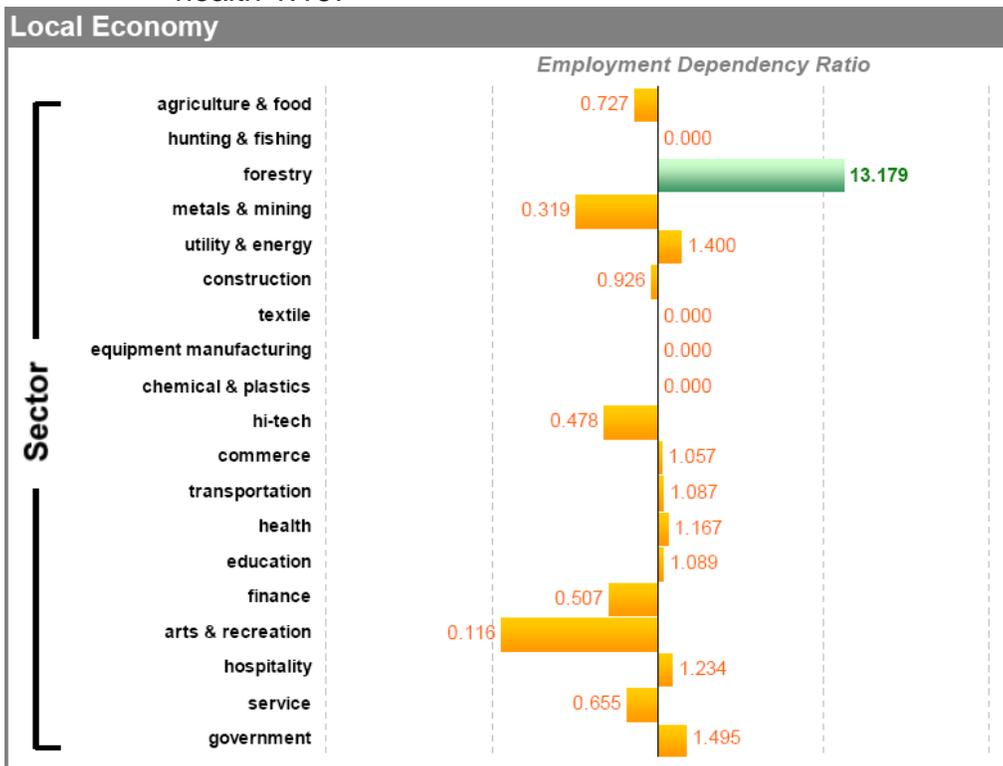
2.2.4 Larder Lake

- Population and labour force;
 - total population 790 (male 51.3 %, female 48.7%)
 - labour force; 330
 - employed; 80.3%, unemployed; 19.7%, participation rate; 49.6%
 - main occupation categories; trades 27%, sales 20.6%, finance 15.9%, primary 11.1%, management 6.3%
- Community diversity and official language;
 - English only 46.5%, English & French 48.4%
- Household characteristics;
 - No. households 350, avg. persons per household 2.2
- Individual income by gender, household income;
 - Avg. individual income \$23,592 (male \$28,398 female \$18,241)
 - Avg. household income \$39,277 (rate of households designated low income 16.2%)
- Educational accomplishment (highest level achieved);
 - University 12%, college 21.6%, trade 15.2%, secondary 36.8%, primary 14.4%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 8.780**
 - metals & mining 7.705
 - government 2.527
 - construction 1.376
 - hospitality 0.917



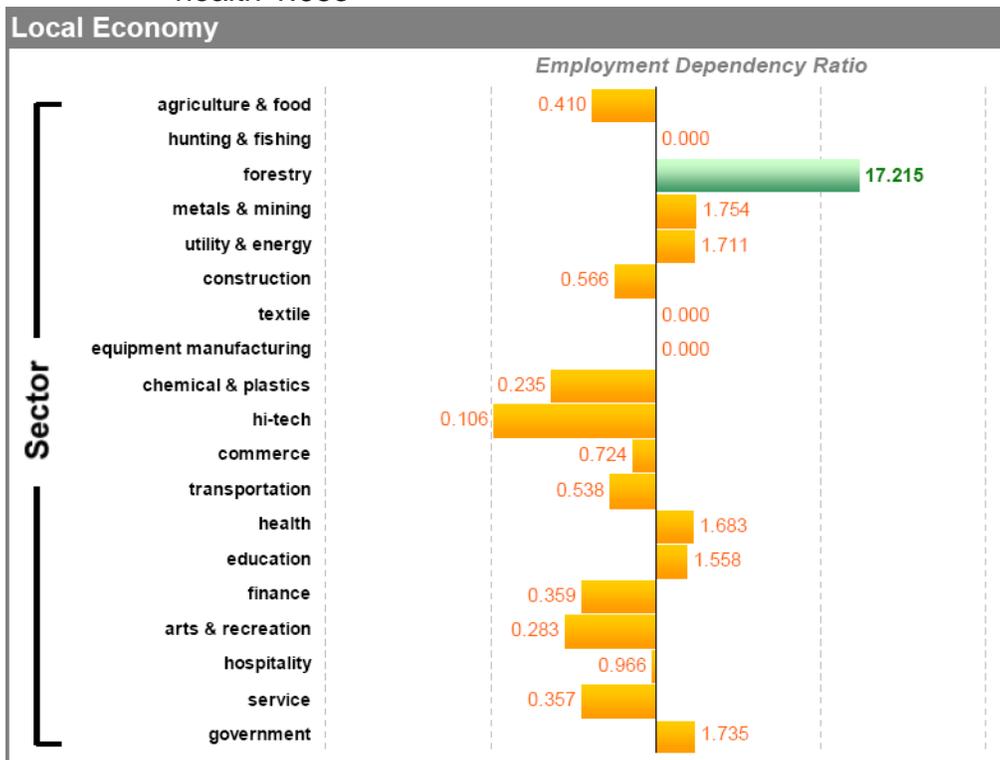
2.2.5 Cochrane

- Population and labour force;
 - total population 5,690 (male 50.9 %, female 49.1%)
 - labour force; 2,825
 - employed; 90.6%, unemployed; 9.4%, participation rate; 62.8%
 - main occupation categories; sales 27.6%, trades 21%, finance 15.8%, processing 9.5%, social 8.4%
- Community diversity and official language;
 - English only 38.7%, English & French 56.6%
- Household characteristics;
 - No. households 2,310, avg. persons per household 2.4
- Individual income by gender, household income;
 - Avg. individual income \$28,467 (male \$36,499 female \$20,035)
 - Avg. household income \$52,691 (rate of households designated low income 13.3%)
- Educational accomplishment (highest level achieved);
 - University 8.7%, college 17.8%, trade 12.5%, secondary 46.1%, primary 14.8%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 13.179**
 - government 1.495
 - utility & energy 1.400
 - hospitality 1.234
 - health 1.167



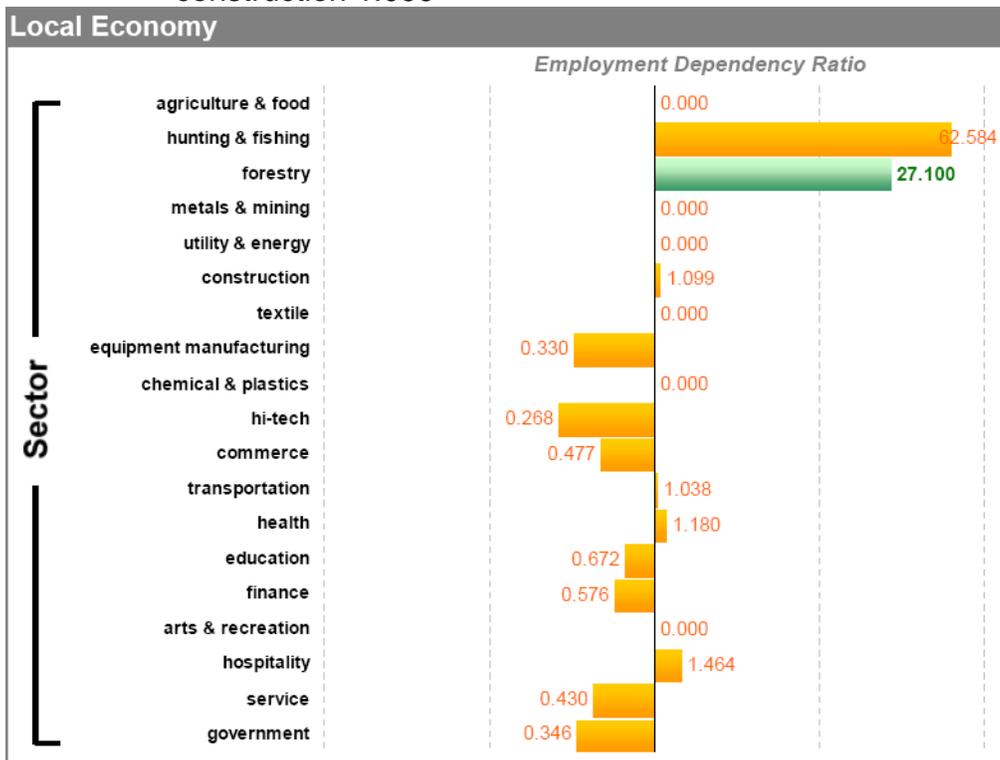
2.2.6 Iroquois Falls

- Population and labour force;
 - total population 5,217 (male 49.3 %, female 50.7%)
 - labour force; 2,415
 - employed; 86.7%, unemployed; 13.3%, participation rate; 56.8%
 - main occupation categories; sales 25.6%, trades 21.8%, finance 11.6%, processing 9.5%, social 8.9%
- Community diversity and official language;
 - English only 37.1%, English & French 59.5%
- Household characteristics;
 - No. households 2,090, avg. persons per household 2.4
- Individual income by gender, household income;
 - Avg. individual income \$28,115 (male \$37,051 female \$19,121)
 - Avg. household income \$52,970 (rate of households designated low income 15.7%)
- Educational accomplishment (highest level achieved);
 - University 14.7%, college 25.7%, trade 10.5%, secondary 36.8%, primary 12.1%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 17.215**
 - metals & mining 1.754
 - government 1.735
 - utility & energy 1.711
 - health 1.683



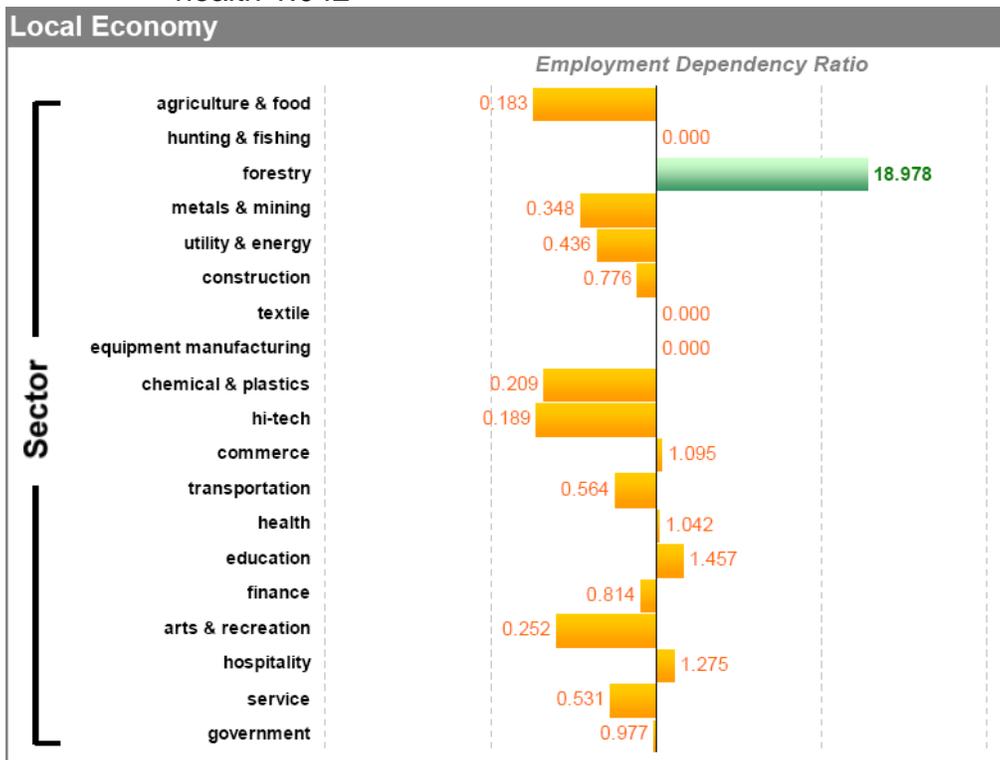
2.2.7 Smooth Rock Falls

- Population and labour force;
 - total population 1,830 (male 50.8 %, female 49.2%)
 - labour force; 925
 - employed; 89.7%, unemployed; 10.3%, participation rate; 61.1%
 - main occupation categories; trades 26.6%, sales 20.7%, processing 13.0%, finance 10.3%, management 10.3%
- Community diversity and official language;
 - English only 14.1%, English & French 74%
- Household characteristics;
 - No. households 735, avg. persons per household 2.5
- Individual income by gender, household income;
 - Avg. individual income \$33,789 (male \$44,806 female \$21,163)
 - Avg. household income \$61,385 (rate of households designated low income 8.3%)
- Educational accomplishment (highest level achieved);
 - University 8.2%, college 17.6%, trade 18%, secondary 41.2%, primary 15%
- Labour force dependency ratios (top five industry sectors);
 - hunting & fishing 62.584
 - **forestry 27.100**
 - hospitality 1.464
 - health 1.180
 - construction 1.099



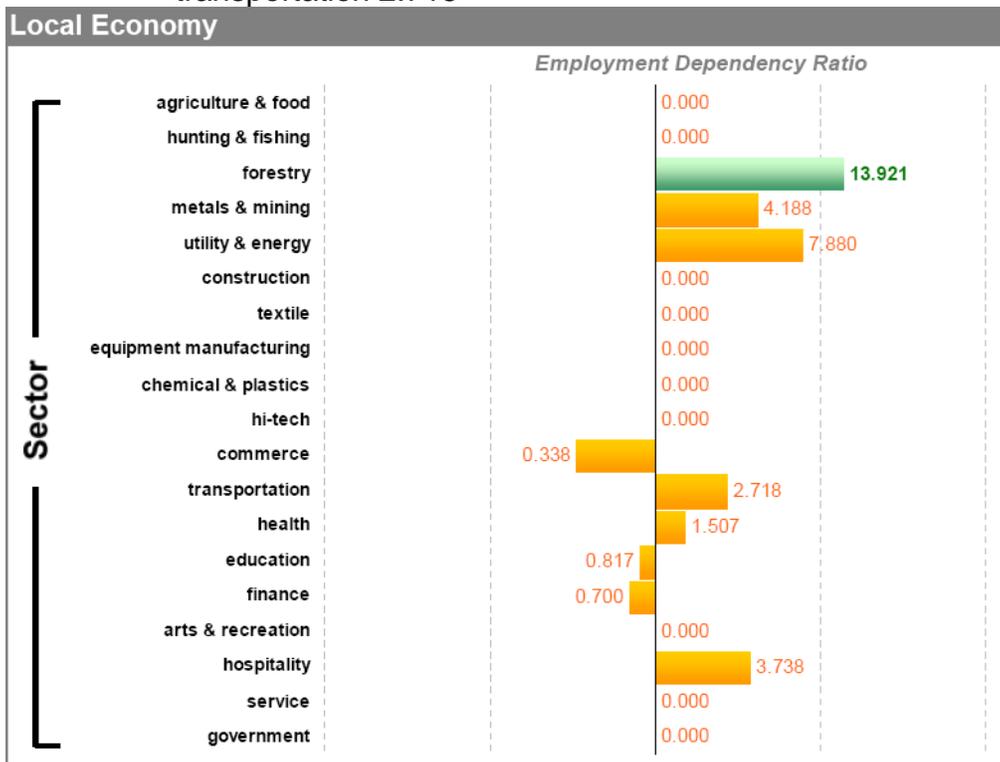
2.2.8 Espanola

- Population and labour force;
 - total population 5,449 (male 48.4 %, female 51.6%)
 - labour force; 2,640
 - employed; 89%, unemployed; 11%, participation rate; 60.2%
 - main occupation categories; sales 31.4%, trades 19.6%, finance 13.2%, processing 11.0%, management 7.6%
- Community diversity and official language;
 - English only 74.3%, English & French 25.2%
- Household characteristics;
 - No. households 2,200, avg. persons per household 2.4
- Individual income by gender, household income;
 - Avg. individual income \$27,199 (male \$36,517 female \$19,164)
 - Avg. household income \$50,228 (rate of households designated low income 18.2%)
- Educational accomplishment (highest level achieved);
 - University 12%, college 22.8%, trade 12.7%, secondary 42.2%, primary 10.3%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 18.978**
 - education 1.457
 - hospitality 1.275
 - commerce 1.095
 - health 1.042



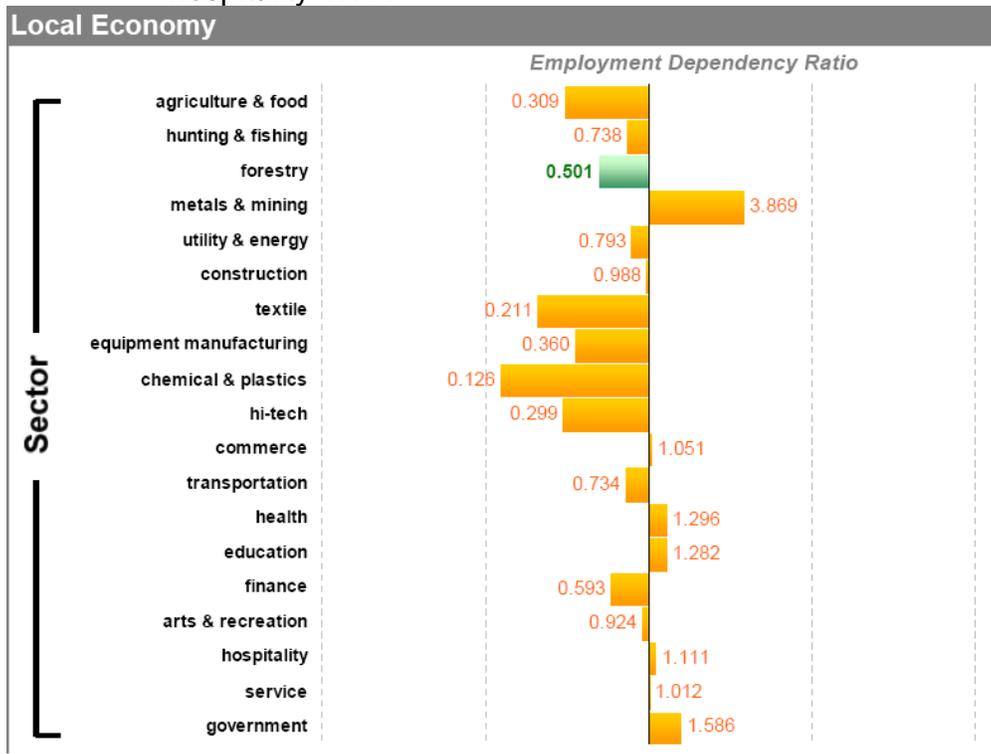
2.2.9 Nairn & Hyman (Nairn)

- Population and labour force;
 - total population 420 (male 50.6 %, female 49.4%)
 - labour force; 205
 - employed; 95.1%, unemployed; 4.9%, participation rate; 60.3%
 - main occupation categories; sales 36.6%, finance 19.5%, trades 17.1%, processing 12.2%, management 4.9%
- Community diversity and official language;
 - English only 89.3%, English & French 10.7%
- Household characteristics;
 - No. households 160, avg. persons per household 2.6
- Individual income by gender, household income;
 - Avg. individual income \$29,115 (male \$41,950 female \$16,264)
 - Avg. household income \$55,394 (rate of households designated low income 7.3%)
- Educational accomplishment (highest level achieved);
 - University 7.8%, college 26.6%, trade 10.9%, secondary 46.9%, primary 7.8%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 13.921**
 - utility & energy 7.880
 - metals & mining 4.188
 - hospitality 3.738
 - transportation 2.718



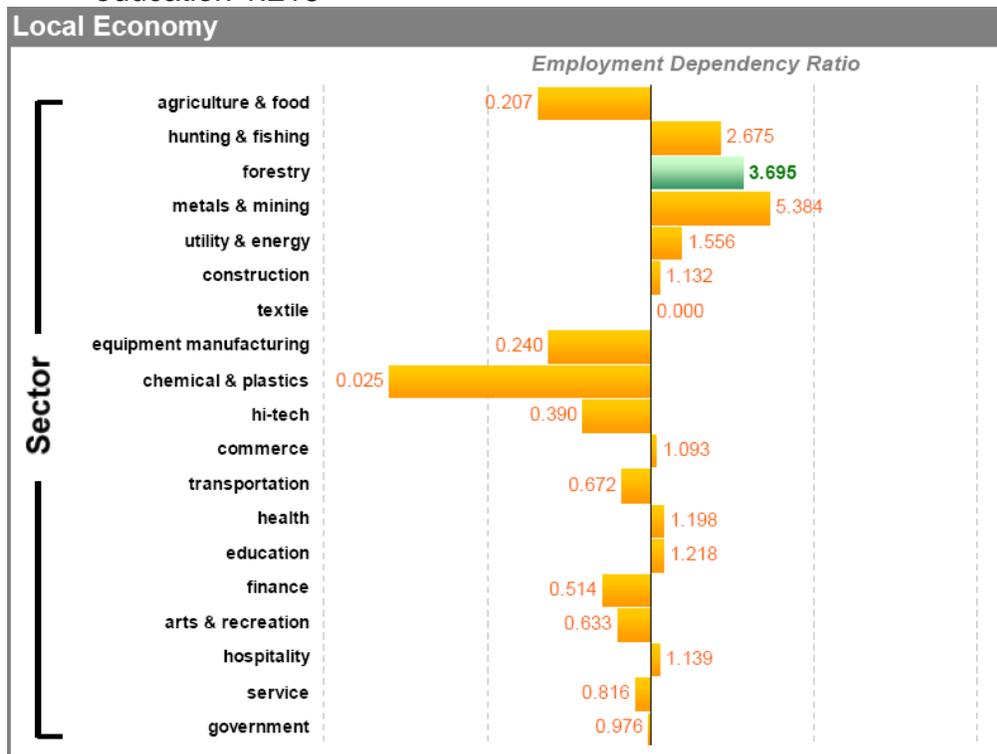
2.2.10 Greater Sudbury

- Population and labour force;
 - total population 155,219 (male 48.5 %, female 51.5%)
 - labour force; 77,475
 - employed; 90.9%, unemployed; 9.1%, participation rate; 61.9%
 - main occupation categories; sales 27.9%, finance 18.4%, trades 16.7%, management 9.6%, social 8.0%,
- Community diversity and official language;
 - English only 58.6%, English & French 40%
- Household characteristics;
 - No. households 63,015, avg. persons per household 2.4
- Individual income by gender, household income;
 - Avg. individual income \$29,015 (male \$36,235 female \$22,062)
 - Avg. household income \$54,646 (rate of households designated low income 15.7%)
- Educational accomplishment (highest level achieved);
 - University 17.1%, college 25.3%, trade 13.5%, secondary 32.8%, primary 11.2%
- Labour force dependency ratios (top five industry sectors);
 - metals & mining 3.869
 - government 1.586
 - health 1.296
 - education 1.282
 - hospitality 1.111



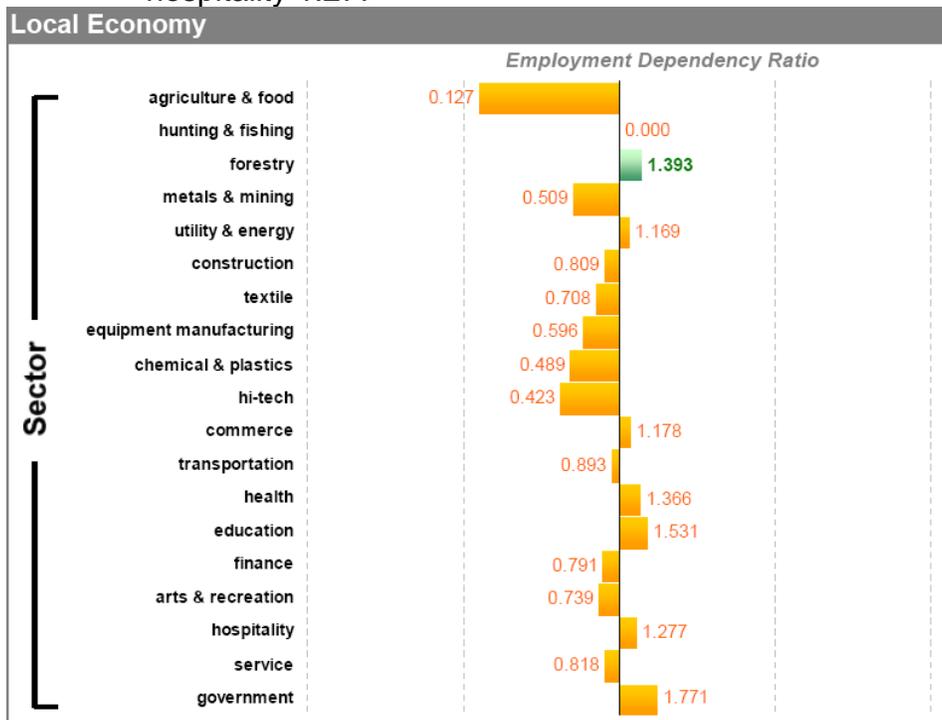
2.2.11 Timmins

- Population and labour force;
 - total population 43,686 (male 49.5 %, female 50.5%)
 - labour force; 21,855
 - employed; 88.8%, unemployed; 11.2%, participation rate; 63.9%
 - main occupation categories; sales 26.8%, trades 18.7%, finance 14.6%, social 7.9%, management 7.6%
- Community diversity and official language;
 - English only 45.2%, English & French 52.1%
- Household characteristics;
 - No. households 17,055, avg. persons per household 2.5
- Individual income by gender, household income;
 - Avg. individual income \$28,147 (male \$36,085 female \$20,212)
 - Avg. household income \$53,124 (rate of households designated low income 15.7%)
- Educational accomplishment (highest level achieved);
 - University 12.7%, college 24.7%, trade 14.0%, secondary 37.0%, primary 11.6%
- Labour force dependency ratios (top five industry sectors);
 - metals & mining 5.384
 - **forestry 3.695**
 - hunting & fishing 2.675
 - utility & energy 1.556
 - education 1.218



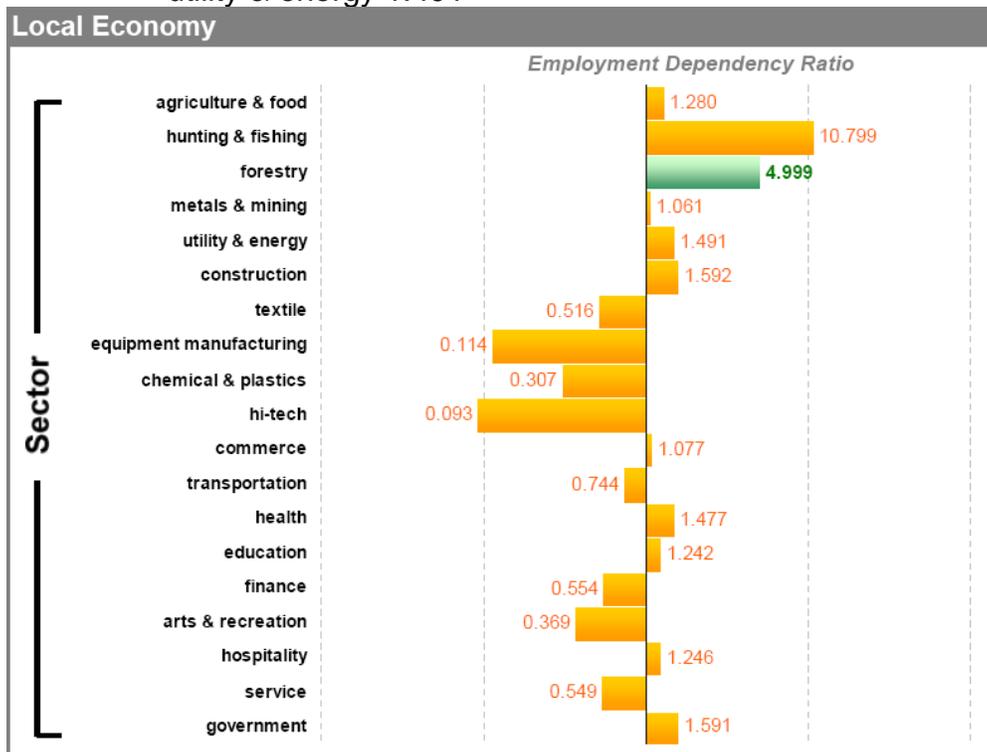
2.2.12 North Bay

- Population and labour force;
 - total population 52,771 (male 47.6 %, female 52.4%)
 - labour force; 25,795
 - employed; 91.7%, unemployed; 8.3%, participation rate; 61.4%
 - main occupation categories; sales 30.8%, finance 17.7%, trades 14%, management 11%, social 8.8%,
- Community diversity and official language;
 - English only 71.1%, English & French 28.2%
- Household characteristics;
 - No. households 21,390, avg. persons per household 2.4
- Individual income by gender, household income;
 - Avg. individual income \$27,625 (male \$34,326 female \$21,570)
 - Avg. household income \$51,576 (rate of households designated low income 18.2%)
- Educational accomplishment (highest level achieved);
 - University 19.5%, college 28.1%, trade 13%, secondary 31.4%, primary 8%
- Labour force dependency ratios (top five industry sectors);
 - government 1.771
 - education 1.531
 - **forestry 1.393**
 - health 1.366
 - hospitality 1.277



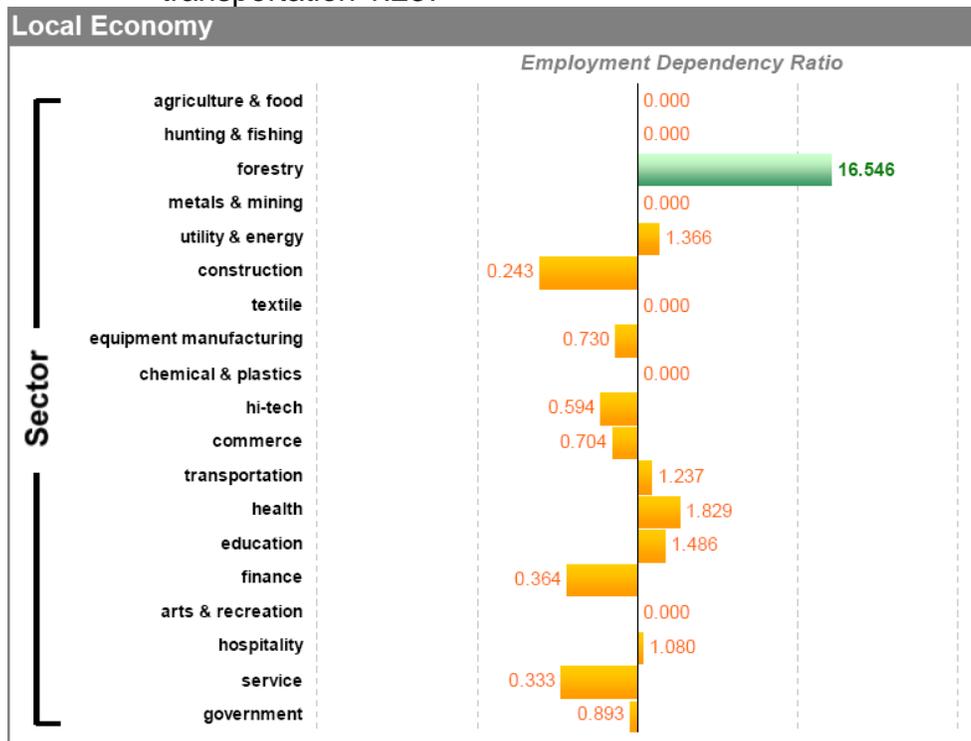
2.2.13 West Nippissing (Sturgeon Falls)

- Population and labour force;
 - total population 13,114 (male 48.8 %, female 51.2%)
 - labour force; 5,490
 - employed; 87.6%, unemployed; 12.3%, participation rate; 51.8%
 - main occupation categories; sales 25.2%, trades 22.7%, finance 14.2%, management 7.9%, health 7.4%
- Community diversity and official language;
 - English only 18.7%, English & French 73.4%
- Household characteristics;
 - No. households 5,355, avg. persons per household 2.4
- Individual income by gender, household income;
 - Avg. individual income \$21,806 (male \$25,708 female \$17,855)
 - Avg. household income \$40,025 (rate of households designated low income 21.2%)
- Educational accomplishment (highest level achieved);
 - University 10.2%, college 21.1%, trade 14.7%, secondary 38.8%, primary 18.2%
- Labour force dependency ratios (top five industry sectors);
 - hunting & fishing 10.799
 - **forestry 4.999**
 - construction 1.592
 - government 1.591
 - utility & energy 1.491



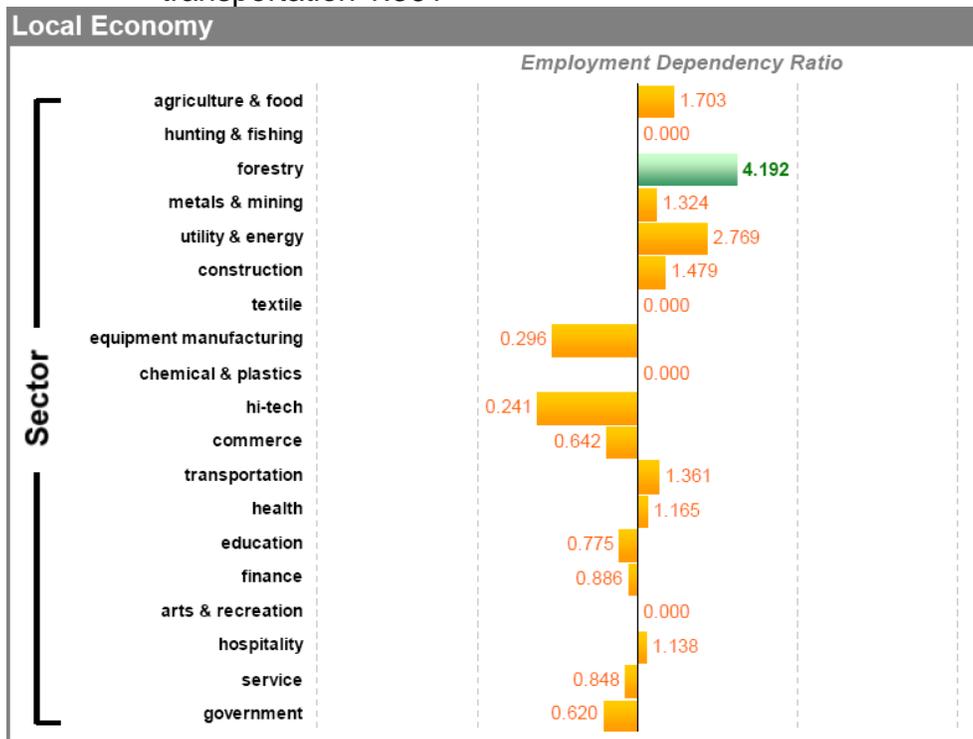
2.2.14 Mattawa

- Population and labour force;
 - total population 2,270 (male 47.3 %, female 52.7%)
 - labour force; 885
 - employed; 85.3%, unemployed; 15.3%, participation rate; 50.1%
 - main occupation categories; sales 24.7%, trades 19.3%, processing 14.5%, finance 9%, management 7.2%
- Community diversity and official language;
 - English only 41.7%, English & French 55.5%
- Household characteristics;
 - No. households 940, avg. persons per household 2.3
- Individual income by gender, household income;
 - Avg. individual income \$20,140 (male \$22,370 female \$17,935)
 - Avg. household income \$34,839 (rate of households designated low income 26.5%)
- Educational accomplishment (highest level achieved);
 - University 9.1%, college 15.3%, trade 13.4%, secondary 40.9%, primary 21.3%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 16.546**
 - health 1.892
 - education 1.486
 - utility & energy 1.366
 - transportation 1.237



2.2.15 Bonfield (Rutherglen)

- Population and labour force;
 - total population 2,064 (male 50.6 %, female 49.4%)
 - labour force; 1,020
 - employed; 91.2%, unemployed; 9.3%, participation rate; 62.2%
 - main occupation categories; trades 28.6%, sales 17.6%, finance 12.6%, management 12.1%, primary 7.0%,
- Community diversity and official language;
 - English only 60%, English & French 39%
- Household characteristics;
 - No. households 765, avg. persons per household 2.7
- Individual income by gender, household income;
 - Avg. individual income \$25,221 (male \$28,995 female \$20,717)
 - Avg. household income \$49,968 (rate of households designated low income 10.2%)
- Educational accomplishment (highest level achieved);
 - University 9.9%, college 22.1%, trade 13.3%, secondary 42.9%, primary 11.9%
- Labour force dependency ratios (top five industry sectors);
 - **forestry 4.192**
 - utility & energy 2.769
 - agriculture & food 1.703
 - construction 1.479
 - transportation 1.361



2.3 Temagami CMU Demographic Profile Summary

As a comparable to the individual community profiles discussed above, a summary demographic profile was developed for all communities economically dependant, to some degree, on the Temagami CMU.

Population and labour force;

- total population 309,601 (male 48.6 %, female 51.4%)
- labour force; 151,700
 - employed; 90.3%, unemployed; 9.7%, participation rate; 61.3%
 - main occupation categories; sales 27.9%, trades 17.2%, finance 17%, management 9.4%, social 8.3%
- Community diversity and official language;
 - English only 56.7%, English & French 41.4%, French only 1.7%
- Household characteristics;
 - No. households 125,340, avg. persons per household 2.9
- Individual income by gender, household income;
 - Avg. individual income \$27,991 (male \$35,807, female \$21,172)
 - Avg. household income \$62,843 (rate of households designated low income 19.4%)
- Educational accomplishment (highest level achieved);
 - University 15.8%, college 25.1%, trade 13.6%, secondary 34.2%, primary 11.3%
- Labour force dependency ratios (top five industry sectors);
 - metals & mining 3.058
 - forestry 2.649
 - hunting & fishing 1.516
 - government 1.491
 - education 1.329

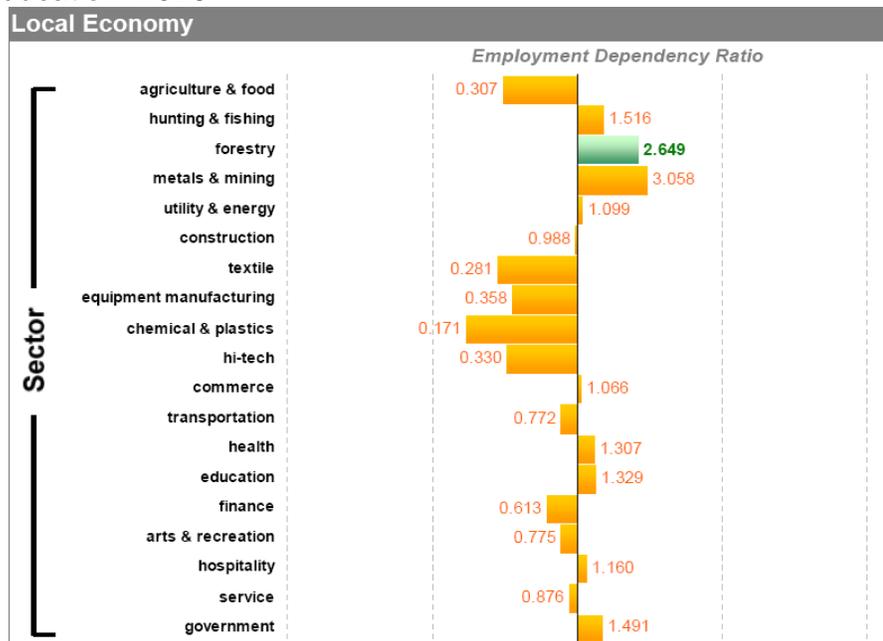


Table 1: Forestry Income & Employment Statistics

	Community Population	Community Labour Force	Community Labour Force in Forestry	Forestry Employment as % of Local Labour Force	Average Forestry Employment Income	Forestry Income
Bonfeild (Rutherglen)	2,064	1,020	50	5.1%	\$ 25,183.00	\$ 1,259,150.00
Cochrane	5,690	2,825	485	17.4%	\$ 46,168.00	\$ 22,391,480.00
Englehart	1,595	730	110	16.1%	\$ 29,296.00	\$ 3,222,560.00
James (Elk Lake)	467	250	125	53.2%	\$ 28,555.00	\$ 3,569,375.00
Kirkland Lake	8,616	3,840	155	4.2%	\$ 30,630.00	\$ 4,747,650.00
Mattawa	2,270	885	175	21.1%	\$ 29,376.00	\$ 5,140,800.00
Temagami First Nation (1)	150	125				
Sturgeon Falls	13,114	5,490	365	6.8%	\$ 38,089.00	\$ 13,902,485.00
Totals	Population	Labour Force	Forestry Employer	% Forestry Employer	Avg. Forestry Income	Forestry Income
	33,966	15,165	1,465	17.7%	32,471.00	\$ 54,233,500.00

Notes; (1) Data from Statistics Canada 1996 Census of Population
Source: Statistics Canada 2001 Census of Population

2.4 Aboriginal Communities in or Adjacent to Temagami CMU

2.4.1 Temagami First Nation

Note: numbers are 1996 data unless otherwise stated.

- Population and labour force;
 - total population on & off reserve; 667 people (male 317, female 350) as of October 2007.
 - labour force;
 - employment rate is 56%; unemployment rate is 22.2%, participation rate, 72%.
 - main occupation categories; management, social sciences, government, sales & service, trades & related and primary industry.
- Community diversity and official language;
 - Linguistic affiliation; Ojibwe
 - Mother tongue; English
 - Household characteristics;
 - No. dwellings 165, avg. persons per household
- Individual income by gender, household income;
 - Avg. individual income \$ (male \$, female \$)
 - Avg. household income \$ (rate of households designated low income %)
- Educational accomplishment (highest level achieved by person);
 - University 0, college or trade 30 people, some post secondary education 45 people, less than high school 50 people.
- Labour force dependency ratios (top five industry sectors);

2.4.2 Matachewan First Nation

Note: numbers are based on 2001 data unless otherwise stated.

- Population and labour force;
 - total population on & off reserve; 522 people (male 260, female 262) as of October 2007.
 - labour force;
 - employment rate is 56.6%; unemployment rate is 33.3%, participation rate, 66.7%.
 - main occupation categories; management, sales & service, trades & related.
- Community diversity and official language;
 - Linguistic affiliation; Ojibwe
 - Mother tongue; English
 - Household characteristics;
 - No. dwellings 65, avg. persons per household
- Individual income by gender, household income;
 - Avg. individual income \$ (male \$, female \$)
 - Avg. household income \$ (rate of households designated low income %)
- Educational accomplishment (highest level achieved by person);
 - University 0, college or trade 25 people, high school graduates 45 people, less than high school 50 people
- Labour force dependency ratios (top five industry sectors);

3.0 Description of the Industrial and Non-Industrial Uses

3.1 Forestry

Forest industry activities include logging, wood processing, road construction, hauling, renewal and maintenance (silviculture) of the forest.

3.1.1 Mills

Wood from the Temagami CMU is processed into pulp, paper, veneer, dimensional lumber, oriented strand board (OSB), fuel wood, pallets and specialty products. The wood is delivered to over 20 forest resource processing facilities in Ontario and Quebec.

Table 2 includes a list of facilities (in Ontario) that receive wood from the Temagami CMU, as well as the number of employees for each company. The number of individuals that rely on the forest industry for employment is over 6,000. This includes employees that work in the processing facilities as well as in the bush.

Table 2: Number of Employees by Mill, Location and Type.

Mill	Location	Number of Employees		Product Type/species
		Facility	Woodlands	
Abitibi Consolidated Company of Canada	Iroquois Falls	429	153	pulp mill
Chemins Lumber Inc.	Larder Lake	*27		sawmill
Columbia Forest Products Ltd.	Rutherglen	240	5	veneer mill
Domtar Inc.	Espanola	700	1	pulp mill
Domtar Inc.	Elk Lake	no returns		sawmill
Domtar Inc.	Timmins	109	5	sawmill
Goulard Lumber Ltd.	Sturgeon Falls	33	15	sawmill
Grant Forest Products Inc.	Englehart	185	12	strand board
Grant Forest Products Inc.	Timmins	159	6	strand board
Liskeard Lumber Ltd.	Elk Lake	no returns		sawmill
Norbord Industries	Cochrane	233	5	veneer mill
Northern Pressure Treated Wood Ltd.	Kirkland Lake	20	1	pole mill
Precut Hardwood Inc.	North Bay	39		sawmill
Temagami Cedar	Temagami	2		sawmill
Tembec Industries Inc.	Mattawa	117		sawmill
Tembec Industries Inc.	Kirkland Lake	*76	*2	
Tembec Industries Inc.	Timmins	111	3808	sawmill
Tembec Industries Inc.	Cochrane	233	5	sawmill
Tembec Industries Inc.	Smooth Rock Falls	217		pulp mill
	Total Employees	6,843		
* indicates returns filed 2003 - 2005 (most recent)				

In the past few years there has been a trend of mill closures across Canada. There are a number of factors that have triggered structural changes in the forest industry and impacted the profitability of forest product companies. Included among these factors is the U.S. softwood lumber dispute, a higher Canadian dollar, increasing energy costs, higher delivered wood costs, and increased competition from offshore producers.

There are a few relatively large companies that rely on the Temagami CMU which have been forced to discontinue operations; others are struggling to avoid closure. Recent mill closures include:

Temagami Forest Products Ltd. (Temagami, sawmill)

- prior wood supply commitments of 30,000 m³ of low grade white birch

Tembec Industries Inc. (Timmins, sawmill)
- indefinite closure resulting in 108 layoffs

Domtar Inc. (Espanola, pulp mill)
- shift reduction resulting in 116 layoffs.

Tembec Industries Inc. (Smooth Rock Falls, pulp mill)
- permanent closure resulting in 229 layoffs.

Uniboard New Liskeard Inc. (New Liskeard, particle board)
- formerly Rexwood Products Ltd. – sold to Uniboard in April 1999

Mill closures are occurring in all regions across Canada with the majority of closures are in Ontario and Quebec (accounting for approximately 67% of all mill closures). In February 2007, Tembec Industries Inc. pulp mill in Temiskaming, Quebec sustained damage due to an explosion and fire. The mill was forced to reduce production to 50% for a period of approximately 30 days. The majority of Crown logs going to Quebec are low grade hardwood and a large extent of it goes to the pulp mill at Temiskaming. This mill provides significant economic benefits for Ontario residents and businesses in the North Bay area.

3.1.2 Wood Supply Commitments

A percentage of the available harvest is allocated to each licensee. Available harvest is distributed as follows:

- 1) Grant Forest Products Inc., Englehart
- target volume of 65,000 m³ of non-veneer quality aspen poplar logs
- 2) Norbord Industries Inc., Cochrane
- all aspen poplar veneer quality logs, target volume of 3,700 m³
- 3) Columbia Forest Products, Rutherglen
- all veneer quality white birch and tolerant hardwood logs, target volume of 2,700 m³
- 4) Tembec Industries Inc., Mattawa
- target volume of 1,000 m³ of saw log quality tolerant hardwood logs, 2,500 m³ of saw log quality red and white pine logs, 2,900 m³ of saw log quality spruce/jack pine and balsam fir logs and 5,000 m³ of saw log quality white birch logs
- 5) Tembec Industries Inc., Temiskaming, Quebec
- target volume of 15,000 m³ of pulpwood quality white birch logs

- 6) Temagami Cedar
- target volume of 3,000 m³ of cedar

3.1.3 Volumes of Wood

Table 3 provides, on an annual basis for each of the last five years, the actual harvest volume, the value of stumpage, payments to the forest renewal trusts, payments to the forestry futures trusts, and the average stumpage paid per cubic meter.

Table 3: Forest Industry Harvest Volumes and Expenditures.

	<u>2001/2002</u>	<u>2002/2003</u>	<u>2003/2004</u>	<u>2004/2005</u>	<u>2005/2006</u>
Actual Harvest Volume (m³)	108976.53	159142.81	270258.92	61816.93	146681.53
Total Stumpage	\$1,060,420.30	\$1,453,050.84	\$2,926,170.55	\$560,226.52	\$1,368,069.71
Payments to Forest Renewal Trust	\$561,873.67	\$789,334.87	\$1,289,390.78	\$137,248.77	\$692,026.21
Payments to Forestry Futures Trust	\$50,378.02	\$74,172.07	\$123,637.30	\$26,234.64	\$67,250.95
Average Stumpage per (m³)	\$9.73	\$9.13	\$10.83	\$9.06	\$9.33

3.1.4 Licensees

There are eight five-year forest resource licensees expected to harvest wood from the Temagami CMU during the term of this plan; one of which is held by an Aboriginal community.

Grant Forest Products Inc. (Englehart)
Goulard Lumber (1971) Ltd. (Sturgeon Falls)
Liskeard Lumber Limited (New Liskeard)
Domtar (Elk Lake)
Tembec Industries (Mattawa)
Alex Welch Logging (New Liskeard)
Sawdust City Sam (Latchford)
Temagami First Nation

3.2 Recreation and Tourism

The Temagami area is renowned for its significant natural, cultural and recreational resources. The unique landscape of Temagami is an ideal recreation destination for canoeing, boating, fishing, hunting, hiking, snowmobiling, camping, and cottages. The tourism industry has been an important component in Temagami, as early as 1893. Canoe campers were the

pioneers of the industry, followed by the opening of lodges and cottages starting in 1905.

3.2.1 Parks and Protected Areas

In total there are twenty-one protected areas within the Temagami CMU. There are four provincial parks in the western half of the Temagami area that cover over 102,000 hectares of Temagami’s land base. Connected to the core park, Lady Evelyn-Smoothwater, are five conservation reserves that occupy approximately 34,500 ha. Portions of these parks and conservation reserves fall in the Sudbury Forest Management Unit as well as the Temagami CMU. There are two recreational parks found along the Highway 11 corridor and ten additional conservation reserves found within Temagami CMU.

Temagami’s provincial parks can be categorized into three classes within the Ontario Provincial Park System; wilderness parks, waterway parks and recreation.

Wilderness parks are expansive areas in which visitors must travel by non-mechanized means.

Waterway Parks incorporate recreational water routes. These river corridors provide canoeists with high-quality recreation and historical river travel.

Recreation Parks usually contain many campgrounds, modern facilities, beaches, boat launches, picnic areas, hiking, and other utilities used in modern recreational camping. These parks provide facility-based camping and day use opportunities.

The following two tables (Table 4, Table 5) identify each protected area and the hectares that they occupy individually.

Table 4: Parks within Temagami CMU.

Provincial Park	Class	Area(ha)
Lady Evelyn-Smoothwater	Wilderness	72,400
Obabika River	Waterway	20,520
Solace	Waterway	5,943
Sturgeon River	Waterway	3,958
W.J.B Greenwood	Recreation	465
Finlayson Point	Recreation	37

Table 5: Conservation Reserves within Temagami CMU.

Conservation Reserve	Area
East Lady Evelyn Lake	5,612
Sugar Lake	6,143
Bob Lake	2,657
Pinetorch Lake	3,623
Jim Edwards Lake	8,656
North Yorston	13,323
Indian Bay South	241
Cliff Lake	2947
South Temiskaming	
Shoreline	703
Ottertail Creek	1650
Matabitchuan River	87
White Bear Forest	1242
Rabbit Lake West	491
Temagami Island North	126
Narrows Island	41

3.2.2 Tourism

There is a diverse range of businesses within the Temagami CMU. The hospitality sector is fueled by the wide variety of tourism opportunities that the Temagami forest provides for, including remote access and urban settings. There are over 180 tourist businesses within the Temagami area that have an interest in the management of the forest. For the establishments where the information was available, the number of accommodation units available for each one is listed in Table 6. The number of establishments that only operate in the summer months is slightly higher than the number of establishments that are open on a year-round basis. Seasonal establishments tend to cater to hunting and fishing parties and are therefore open through the spring, summer, and fall. The information in the table is based on the 2000 Ontario Near North Inventory (the most current resource).

Table 6: Tourism operators within Temagami CMU.

Business Name	Units	Season
Andorra Lodge	7 cabins, 2 lodge rooms	summer
Angus Lake Lodge	8 cabins, 4 motel rooms	summer
Anima Nipissing Adventurers	5 cabins	summer
Auld Reekie Lodge	6 cabins, 6 suites	year round
Bass Lake Beach	8 cabins, 43 campsites	summer
Bay-Lee-Mac Camp	6 cabins	year round
Becca's Haven	5 cabins	year round
Best Lake Outpost Lodge	7 outpost cabins, bunk house	year round

Bullock's Gowganda Lake Camp	12 cabins	year round
Camp Caribou	5 cabins	summer
Camp Richfield	7 cabins	summer
Camp Tamar	6 cabins, 1 houseboat	summer
Canusa Vacations	7 cabins	summer
Chitaroni's Portage Bay Lodge	9 cabins	summer
Conroy Cabins	7 cabins	summer
Ellen Island Camp	6 cabins	summer
Garden Island Lodge	8 cabins	summer
Golden Eagle Camp	9 cabins, 1 outpost, camp/trailer sites	year round
Gow-Bush-Kon Lodge	9 cabins	seasonal
Glen Aura Cottages & Motel	6 cabins, 6 motel rooms	year round
Happy Holiday Campground - Cottages	cabins, 2 trailers, 150 campsites	summer
Island 10 Retreat	6 cabins	summer
Island Lake camp	1 lodge, 7 cabins	seasonal
Ket-Chun-Eny Lodge	4 cabins, 3 motel rooms	year round
Knight's Fly-In Outposts	2 outposts	summer
Lady Evelyn Camp	4 lodge rooms	summer
Lake Herridge Lodge	10 cabins	summer
Lakeland Airways	5 outposts	summer
Land O' Lakes Lodge	10 cabins, trailer park	seasonal
Leisure Island Houseboat Rentals	12 houseboats	summer
Long Point Lodge	11 cabins, camp/trailer sites	year round
Loon Lodge	1 cabin, 5 motel rooms	year round
Lost Lake Wilderness Lodge	cabins	year round
Lowell Lake Lodge	7 cabins	summer
Maiden Bay Camp	6 cabins	summer
Manitou Lake Lodge	10 cabins, 1 outpost	year round
Marsh Bay Resort	5 cabins, 23 campsites	year round
Matabitchuan Lodge	4 cabins	summer
Mountain Home Lodge	cabins, campsites	seasonal
Northland Paradise Lodge	1 cabin, 7 motel rooms	year round
Obabika Lake Lodge	7 cabins	summer
Ojibway of Keewadyn	19 cabins	summer
Old Mission Resort	7 cabins, 35 campsites	summer
O-Pee-Chee Lake Lodge	12 cabins	year round
Papa John's Place	6 cabins, 15 campsites	year round
Placid Bay Lodge	5 cabins	seasonal
Poplar Point Camp	6 cabins	year round
Pozniak's Lodge	1 lodge, 10 cabins	seasonal
Ravenscroft Lodge	6 cabins, 3 motel rooms	year round
Red Pine Wilderness Lodge	8 cabins	summer
Ridgewood Cottages	6 cabins	summer
Shining Wood Lodge	10 cabins	summer

Silverwater Lodge	10 cabins	year round
Smoothwater Eco-lodge	2 cabins, 5 lodge rooms	year round
Sportsmen's Camp	cabins, campsites	seasonal
Spruce Shilling Lodge	9 cabins	year round
Temagami Lodge	4 cabins, 2 lodge rooms	year round
Temagami Shores Inn & Resort	3 cabins, 20 motel rooms	year round
Three Bouys Houseboats	7 houseboats	summer
Timberlane Cottage Resort	6 cabins	year round
Twin Bears Resort Camp	1 lodge, 7 cabins	year round
Waterfront Inn	41 motel rooms	year round
White Pine Lodge	6 cabins	summer
Wilson Lake Cottages	7 cabins	summer
Wolfhead Camps	7 outposts	summer
Wolf Within Adventures	1 lodge, 1 cabin	year round

There are numerous tourist establishments that are not necessarily within the Temagami CMU, however many of their clients partake in activities within the Temagami CMU. This includes eco-tourism and wilderness expedition companies that may operate outside of the management unit boundaries, but utilize the Temagami forest and local tourism businesses. These companies mainly focus on local culture, wilderness adventures, personal growth and learning ways to live off of the land; typically involving travel to destinations where the flora, fauna, and cultural heritage are the primary attractions. In Temagami a major attraction is the old growth white pine areas. Some of the eco-tourism and outfitter businesses within the Temagami area are listed below.

Outfitters/Other

- NorAir Flight Inc.
- Matachewan Outfitters Inc.
- Sunrise Eco-lodge

Another contributor to the tourism industry in the Temagami area is the number of youth camps that are within the management unit. Lake Temagami itself is home to nine youth camps that are currently operating. Some of the oldest camps in all of Canada are located on Lake Temagami. Table 7 contains a list of all operating camps on Lake Temagami, as well as camper capacity. A few of the original campsites have been taken over and renamed through time. A list of historic youth camps and the years that they operated has been provided in order to demonstrate the rich history that Lake Temagami has in regards to being a pioneer of the youth camp.

Table 7: Youth camps operated Temagami CMU.

Youth Camps	Years of	Camper
--------------------	-----------------	---------------

	Operation	Capacity	
Canadian Adventure	1975 to current	135	
Keewaydin	1904 to current	140	
Langskib	1971 to current	50	* formerly Windshift
Northwaters	1985 to current	50	* formerly Cayuga and Lorien
Project C.A.N.O.E	1999 to current	22	
Temagami	1999 to current	70	* formerly Wigwasati and Pays d'en Haut
Wabikon	1944 to current	200	
Wabun	1933 to current	90	
Wanapitei	1931 to current	85	

Table 8: Historic youth camps operated within Temagami CMU.

Historic Youth Camps			
Cayuga	1925-1967		
Litchfield YMCA	1986-1989		
Lorien	1969-1984	* formerly Cayuga site	
Metagami	1959-1970		
Northwoods	1937-1972		
Pays d'en Haut	1979-1998	* formerly Wigwasati site	
Temagami	1903-1972		
White Bear	1961-1976		
Wigwasati	1930-1978		
Windshift	1949-1970		

3.2.3 Recreation

The Temagami CMU has numerous recreational facilities that provide for cross-country skiing, dog sledding, hiking, mountain biking, snowmobiling, ice fishing, camping, canoeing, and boating. There are also a number of recreational activities that occur on Crown land in the Temagami forest including trail systems that identify ecology, geology, and historic values, cross-country ski facilities, canoe routes, and snowmobile trail systems. Land use permits are utilized for sugar shacks and tapping trees for the production of maple syrup, boathouses, camps, and numerous other activities on Crown land.

One of the most significant organizations that is associated with and promotes trail use on Crown land in the Temagami area is Nastawgan Trails Incorporated. The Nastawgan trails are a four-season, non-motorized trail network in the Temagami area. The goal of these trails is to connect Temagami's wilderness areas and historic landmarks. The trails provide educational and recreational opportunities and aim to improve the social and economic conditions of the Temagami area. The Temagami area is littered with trails of all types (ATV, snowmobile, hiking, dog sled, snowshoe, and ski) some of which are prepared

and groomed others that are not. These trails are all used regularly by local residents and tourists.

There are two significant cross-country ski facilities in the Temagami area: Temiskaming Nordic Ski Club (New Liskeard, Coleman Twp. with 20.2 km of trails), and Smoothwater Outfitters/Eco-lodge (with 50 km of private ski and snowshoe trails).

Canoeing is a very important recreational activity in Temagami and has attracted recreation-based tourism since the late 19th century. There are more than 2,400 kilometers of canoe routes within the parks and conservation reserves in Temagami. These are combined with 150 km of portages in a network which links over 2,200 lakes and rivers. Approximately 60,000-user days/year are spent in Temagami on canoeing alone.

Lake Temagami spans over 45 km in length and contains more than 1200 islands. Lake Temiskaming is part of the Ottawa River system and offers boaters travel from New Liskeard to Pembroke. Both of these large lakes are within the Temagami area. Their beautiful scenic shorelines attract a large number of boaters to the Temagami CMU each year. There are more than 700 cottages on Lake Temagami, primarily located on islands, which require boat access.

The Temagami area offers recreational activities that cater to all types of tourists, whether it is the adventurer that is looking for the ultimate remote wilderness experience or family type day trips that require convenient road access.

3.2.4 Hunting and Fishing

Temagami CMU provides opportunity for hunting and fishing on Crown land. The unit is comprised of three wildlife management units; 28, 40 and 41. A significant portion of these three wildlife management units are utilized for hunting and fishing. The large variety of lakes and rivers provide a wide range of angling opportunities. There are more than 80 natural lake trout lakes in the Temagami area, including Lake Temagami, Diamond Lake and Cross Lake. Natural brook trout are found in water bodies within Lady Evelyn-Smoothwater Wilderness Park. There are also a number of lakes in the area that the MNR stocks with fish. Stocked brook trout lakes can be found around Lake Temagami and Highway 11 areas.

In 2006 there were 20,547 resident fishing licenses, 6,517 non-resident fishing licenses, 11,789 resident hunting licenses for wild game and 570 non-resident wild game licenses issued. These numbers represent the entire North Bay district (which includes the Nipissing Forest). All licenses accounted for in these totals are licenses that were purchased from dealers only. Additional licenses that were handled through the Outdoors card are not included in these totals. The species of significant importance among the local population and non-residents include moose, deer, bear, small game, and waterfowl.

Within Temagami CMU there are three Wildlife Management Units (WMU). The percentages of the WMU's that are located within Temagami are listed below.

% of respective WMU in Temagami CMU

WMU 28 9.7 %
 WMU 40 41.9 %
 WMU 41 5.5 %

Moose

Table 9: Moose hunting profile.

WMU	% in Temagami FMU	# Adult Moose Tag Applications ¹	# Adult Moose applications X %WMU in FMU
28	9.7	6401	621
40	41.9	4383	1836
41	5.5	4532	250
Total			2707

Number of moose hunters (who applied for Adult Validation Tags [AVT's]) in the Temagami CMU in 2006 = 2707

Average expenditures per moose hunter on the Temagami CMU = \$747²

Annual expenditures from moose hunting in the Temagami CMU

2,707 x \$747 = \$2.022 million

Deer

Table 10: Deer hunting profile.

WMU	% in Temagami FMU	# Antlerless deer Tag applications ³	# Antlerless deer applications X % WMU in FMU
28	9.7	91	9
40	41.9	0	0
41	5.5	604	33
Total			42

Number of deer hunters (who applied for antlerless tags) in the forest management unit in 2005 = 67

Conversion to total deer hunters (42 x 1.055⁴) = 44

¹ Choice one only Pool 1 + Pool 2, Gun and Bow, From the 2007 Hunting Regulations Summary

² MNR 2001 Provincial Mail Survey

³ Choice 1 only (2006 #'s as reported in the 2007 Hunting Regulations)

Average expenditures per deer hunter = \$577⁵
Annual expenditures from all deer hunting in the Temagami CMU $44 \times \$577 = \$25,000$

Black Bear

In Ontario, in 63 wildlife management units, there were 11,737 resident and 7,924 non-resident bear licenses sold, generating revenue of \$2,099,678 in license sales alone.⁶

Table 11: Average of 186 resident and 126 non-resident licenses per WMU.⁷

WMU	% in Temagami FMU	Resident Bear Hunters per WMU	Resident Hunters X % WMU in MU	Non-resident Bear Hunters per WMU	# Non-resident Hunters X %WMU in MU
28	9.7	186	18	126	12
40	41.9	186	78	126	53
41	5.5	186	10	126	7
Totals			106		72

There are an estimated 166 resident bear hunters and 111 non-resident bear hunters on the Temagami CMU.

Table 12: Hunter expenditures reported.⁸

Bear Hunter Expenditure	\$ Resident	\$ Non-Resident
1997	512	2030
1999	603	2030
2000	585	2014
Average	\$567	\$2025

Residents $(106 \times \$567) + \text{Non-Residents } (72 \times \$2025) = \$206,000$

Total estimated hunting expenditures for the Temagami CMU (moose, deer and bear).

Moose equals \$ 2.022 million

Deer \$ 25,000

Bear \$ 206,000

⁴ See Appendix 1

⁵ MNR 2001 Provincial mail survey

⁶ Backler, J. and L. Gravelines. 2003. Appendix 21 : The Economic Impact of Bear Hunting in Ontario. In Nuisance Bear Review Committee Report and Recommendations. MNR.

⁷ Likely conservative due to un-uniform bear density

⁸ From Backler, J. and L. Gravelines. 2003. Appendix 21 : The Economic Impact of Bear Hunting in Ontario. In Nuisance Bear Review Committee Report and Recommendations. MNR.

Total annual hunting expenditures from the three species for the Temagami CMU: \$2.53 million

3.3 Mining and Mineral Exploration, Aggregates and Hydro Generation

3.3.1 Mining and Mineral Exploration

The Temagami Forest has a long history of mining and mineral exploration activity. Silver was discovered in the Cobalt area in the summer of 1903, during the construction of the Temiskaming and Northern Ontario railway. Within a few years the area was one of the largest silver producing areas in the world. In 1911 silver production exceeded 30,000,000 ounces. Mining continued until the 1930s, then slowed through the Great Depression and WWII. Mining activity picked up again in the 1950s, and slowly declined with the last mine continuing to operate until 1989. Some milling activity and silver exploration continued into the 1990s. In total, the Cobalt Camp and the Silver Centre (South Lorrain) Camp to the south produced more than 500 million ounces of silver. At the time of writing, silver traded at \$12.40 per ounce. Thus at 2007 prices, the total value of silver produced from the Cobalt area is about \$6.2 billion. Additionally, there are estimates that low-grade silver mineralization remaining in the ground may total up to 400 million ounces. Only time will tell if this mineralization will ever be recoverable.

Copper, nickel, gold, silver, platinum, palladium and iron have been recovered from a small number of past producing mines within present boundaries of the Municipality of Temagami.

The Copperfield's Mine (originally known as the Temagami Copperfield's Mine) operated from Temagami Island on Lake Temagami and produced copper from 1954 until 1972.

The Kanichee or Ajax Mine in Strathy Township produced copper, nickel, gold, silver, platinum and palladium in 1936 and resumed operations producing copper and nickel between 1973 and 1976. The mine grade 0.72% copper and 0.5% nickel. Reported remaining resources for the Ajax Deposit are 1,259,800 tones at an unspecified (presumably similar) grade.

The Sherman Mine, also in Strathy Township, operated from 1968 until 1990. The mine produced about 25,429,033 tones of iron pellets and reportedly has remaining resources of 5,000,000 tones.

Interest in mineral exploration within the Temagami CMU has increased considerably in the last decade which is attributed to Diamond exploration.

The most advanced diamond exploration property is the 95-2 property of Contact Diamonds in Lundy Township. A 652 dry tone bulk sample of kimberlite was extracted in 2003 and 2004 and yielded a total of 66.15 carats. The overall recovered grade of 10 carats per hundred tone (chpt) while the volumetrically dominant Eastern TKB showed a recovered grade of 17.42 cpht. (www.contactdiamond.com)

The following paragraphs highlight some of the diamond exploration that occurred in or near the Temagami Forest in 2006

Adroit Resources Inc. completed a diamond drilling program on its Temiskaming Rift diamond and metal properties in the Temagami area. The exploration program focused on targets defined from previous work completed as part of a Joint Venture Agreement with Tres-Or Resources Ltd. Diamond drilling tested three kimberlite targets located in Lundy Township (close proximity to Contact Diamond Corporation's diamondiferous 95-2 Kimberlite) and in Bucke Township (within 350 to 700 meters of the diamondiferous Bucke Kimberlite Pipe). (www.adroitresources.ca)

Temex Resources Corp. completed an exploration program on its Wilson Lake and Latchford diamond projects. The program included a 6000 line km airborne magnetic survey, diamond drilling and till sampling. Drill hole TD-06-03 (KRVY Target) intersected 88 meters of argillaceous sediments, followed by 76 meters of kimberlitic breccia, then 104 meters of sediments, followed by an additional 60 meters of volcanic breccia. A 218.95 kg sample of kimberlite returned 5 micro diamonds. The kimberlitic breccia intercept lies within a circular geophysical magnetic anomaly with an approximate diameter of 225 meters. The discovery occurs proximal to the regional Montreal River Fault (www.temexcorp.com)

SouthernEra Diamonds Inc. continued grass-roots exploration on their Centenary Project, located within the Kirkland Lake-Temagami diamondiferous kimberlite emplacement corridor and the Trillion Property which covers the area from north of Nakina and the Ogoki River, to Lansdowne House and Pickle Lake. Winter ground geophysics began in late February and will initially cover 55 airborne targets over both properties. Follow-up sediment sampling, in conjunction with additional ground geophysical surveys over the remaining targets, was completed this summer to prioritize targets for drilling. SouthernEra's proprietary assessment of inexpensive government geophysical data will reveal some worthwhile targets. Positive targets will be selected for Mobile Metal Ion geochemical sampling, the results of which will aid in the selection of drill ready

targets for a follow-up core-drilling program.
www.southernera.com)

Contact Diamond Corporation announced that it has entered into a support agreement pursuant to which Stornoway Diamond Corporation has agreed to make a take over bid to acquire all of the outstanding shares of Contact. Contact completed an exploration program consisting of integrated till sampling, prospecting and ground geophysics ahead of renewed drilling over their Temiskaming property. Contact has confirmed a minimum of 7 distinct KIM trains over the property. One new kimberlite, BA19, was discovered on their Baby Township property in Quebec. Samples from BA19 will be collected for micro diamond processing and geochemical analysis. www.contactdiamond.com)

In addition to their diamond exploration Temex Resources Corp. continued to search for the source of an extremely high-grade gold-bearing rock found in the road bed of Highway 11 between Latchford and Temagami. Temex management believes that the rock was blasted from nearby outcrop during road construction. The nature of the mineralization and alteration suggests that environment may be very favorable for discovering a giant iron oxide – copper – gold deposit in the region between Cobalt and Temagami. www.temexcorp.com)

Table 9 presents the claims staking activity since 2000 and the absolute minimum exploration expenditures required by the *Mining Act* to keep claims in good standing. A minimum of \$3.5 million was spent on mineral exploration in the Temagami Forest in 2006 and at least \$10 million was spent since the beginning of 2000. To demonstrate that these amounts are absolute minimum expenditures, Contact Diamond reported Canadian exploration expenditures totaling more than \$32 million between 2000 and the end of 2005. Contact's claims and properties in the Temagami Forest are the company's principle holdings and received the lion's share of Contacts' exploration budgets.

Table 13: Mining Claim information by year for the Temagami CMU.

Total	Year in Which Staking Occurred							
	2006	2005	2004	2003	2002	2001	2000	Pre-2000

Number of claim units*	1222	35	246	366	84	106	214	37	134
Area of Mining claims (Ha)	144915	4509	28756	58241	10743	14264	17444	2842	8115
Cost of Staking	\$305,500	\$8,750	\$61,500	\$91,500	\$21,000	\$26,500	\$53,500	\$9,250	\$33,500
Min. Possible Economic Impact - Current Year	\$3,510,143		\$718,892	\$1,456,037	\$268,587	\$356,605	\$436,103	\$71,045	\$202,874
Min Possible Economic Impact - Since 2000	\$9,912,881	\$8,750	\$780,392	\$3,003,575	\$826,762	\$1,452,921	\$2,234,013	\$364,477	\$1,250,742

* The numbers given in this row represent the number of active mining claims within the FMU as of April 2006. It must be recognized that many mining on which additional expenditures were made lapse from year to year. Therefore, all dollar values within this table must be considered as absolute minimum expenditures on mineral explorations.

3.3.2 Aggregates

There were 48 aggregate permits issued, for 2006, in the Temagami CMU for the extraction of sand, gravel and quarry stone. Additionally there are a number of category 14 pits. In 2005 there were 13 category 14 pits. The total tonnage removed from the pits was 62,850. MNR no longer administers the "tonnage" and "fee" information for permits and Licenses. This is all handled with The Ontario Aggregate Resources Corporation (TOARC), a private organization from Burlington, Ontario. The "royalty rates" for unconsolidated material (sand/gravel) has been \$ 0.25 per tone for the last 30 years. On January 1/07, the royalty rate increased to \$ 0.50 per tone. The "royalty rates" for consolidated material (rock-decorative stone) has been and still is \$ 2.00 per tone.

3.3.3 Hydro Generation

There are four hydro generating facilities within the Temagami CMU. All generating stations in the management unit hold waterpower lease agreements with the North Bay District Ministry of Natural Resources, with the exception of Ragged Chute, which is owned privately. Although there are numerous other dams within the Temagami CMU, due to a vast number of rivers, the principal

purpose is for water control and not hydro generation. Table 14 lists all current hydro facilities in the Temagami area.

Table 14: Current hydro facilities within the Temagami area.

Generating Station	Owner	Location
Ragged Chute	Canadian Hydro Developer's Inc.	Montreal River
Hound Chute	Ontario Power Generation	Montreal River
Lower Knotch	Ontario Power Generation	Montreal River
Mattawitchewan Generating Station	Ontario Power Generation	Mattawitchewan River

3.4 Other

3.4.1 Fur Harvesting

Trapping provides seasonal employment for 34 registered trappers with the Temagami management unit. There is one additional resident trapper that traps on private land. The approximate value of the fur harvest per year is \$75,372.21. This total is based on the total harvest for the 2006 season. The total number of animals trapped by species in 2006 and the average value of the pelts based on the 2006 average provincial price are as follows:

Table 15: Reported 2006 fur harvest within the Temagami CMU.

Species	2006 Harvest	Ave. Provincial Price (\$)	Value (\$)
Beaver	861	28.87	24,857.07
Mink	5	24.08	120.40
Marten	535	79.72	42,650.20
Otter	1	108.13	108.13
Fisher	58	94.97	5,508.26
Lynx	15	139.41	2,091.15
Muskrat	5	7.4	37.00
<i>Totals/average</i>	1480	482.58	75,372.21

3.4.2 Baitfish Operations

For the year 2005-2006, in the Temagami CMU, there were 15 licensed baitfish individuals of which nine were camp operators. There were a total of 95 harvest areas. The baitfish industry is utilized by the local angling industry and provides supplemental income to individuals involved in either of these industries.

3.4.3 Bear Management Areas

There are 12 bear management areas within the Temagami CMU. Bear management areas are licensed to tourist operators to provide bear hunting opportunities

3.4.4 Ministry of Natural Resources Employees

There are approximately 274 MNR district employees that are associated with the Temagami CMU. This includes all districts that are listed as being affected and/or participating in some capacity with forest products companies or management of the forest within the Temagami CMU. This number also includes fire management employees, but not the additional employees that are hired on a seasonal basis. Enforcement staff, support services, information management staff, administrative staff, and clerks have also been included in this total.

In the North Bay district office alone there are 62 MNR employees that work for either the Temagami area or the Nipissing area. There are also four full time fire management employees and 10 full time employees in the neighboring Southern Science and Research Section. There are also contract positions with all of these divisions so employment numbers are not static.