

FOR IMMEDIATE RELEASE

December 18, 2025

FONOM Calls for Continued Provincial Partnership to Secure the Future of Northern Ontario's Forestry Economy

KAPUSKASING, ON – December 16, 2025 – The Federation of Northern Ontario Municipalities (FONOM) is recognizing the Government of Ontario's longstanding support for the forestry sector and is calling for a renewed provincial partnership to help sustain one of Northern Ontario's most significant economic engines.

Since 2023, the Province of Ontario has invested approximately \$60 million to support Kap Paper and the broader forestry supply chain. That investment has enabled the mill to continue operations that generate an estimated \$320 million annually in regional economic activity, delivering substantial benefits to Northern Ontario communities and to the province as a whole. Over the same period, Kap Paper has contributed approximately \$40 million in taxes, fees, and other revenues directly to provincial government coffers.

The federal government has demonstrated its confidence in the future of Canada's forestry sector by supporting Kap Paper with funding through FedNor and the Strategic Response Fund (SRF), which is designed to advance modernization, innovation, and long-term competitiveness. FONOM believes this federal commitment presents an important opportunity for continued provincial collaboration to help protect jobs, communities, and economic resilience across Northern Ontario.

"FONOM sincerely thanks the Government of Ontario for the support it has provided to date," said Dave Plourde, President of FONOM and Mayor of Kapuskasing. "That investment has paid real dividends for the province, helping sustain thousands of good-paying jobs, strengthening municipal tax bases, and generating hundreds of millions of dollars in economic activity each year. It's a clear example of how a strategic provincial partnership can deliver measurable returns."

Northern Ontario municipalities are facing mounting pressures as global market shifts, aging infrastructure, and rising operating costs challenge the forestry sector. FONOM believes that continued provincial engagement is essential to ensuring that past investments are protected and that Northern communities remain viable contributors to Ontario's economic future.

“Our message is straightforward,” Plourde added. “When Ontario invests in the North, the entire province benefits. We are asking the government to build on the progress already made by continuing to work with communities, industry, and workers to secure long-term solutions that will keep Northern Ontario strong.”

About FONOM

The Federation of Northern Ontario Municipalities represents 110 municipal governments across Northern Ontario. FONOM advocates on behalf of its members to advance policies that support economic development, infrastructure investment, and sustainable communities throughout the region.

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Federal Funding through FedNor the Strategic Response Fund (SRF)