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THE EVOLUTION OF THE CITY OF TIMMINS: A SINGLE-INDUSTRY COMMUNITY

Ву

JOE G. TORLONE

B.A. Laurentian University, 1976

THESIS

Submitted in partial fulfillment of the requirements for the Master of Arts degree Wilfrid Laurier University 1979

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ABSTRACT

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The Evolution of the City of Timmins:

A Single-Industry Community

Ву

Joe G. Torlone

The purpose of the thesis was to historically trace the development of a single-industry community, Timmins, Ontario. Five time periods were studied beginning with the incorporation of the Town of Timmins in 1912 and ending with the time period 1973 to 1977.

Three aspects of economic development were used to analyze the growth of Timmins. The economic base of the town was analyzed in order to gain a better understanding of the sources of income and employment because these two elements in turn influenced demographic factors and the development of other sectors of the Timmins economy. The second aspect was a study of the demographic characteristics of the community. The third aspect of economic development considered was transportation and communication. These were studied to determine whether they were adequate to serve Timmins in light of its isolated location and whether the existence of these transportation and communication facilities aided or deterred the total development of Timmins.

The possibility of developing viable secondary industry in Timmins was analyzed using seven essential

industrial location factors. Also, four models for urban growth were examined to indicate whether they were applicable to Timmins during the various time periods.

The thesis effectively traced the development of Timmins and indicated the effect that the three aspects of economic development had on the total growth of the community. Timmins' viability was dependent upon the fluctuations in the strength of it's economic base and this specified the need for more diversification. The problems associated with diversification are clearly illustrated throughout this thesis.

Finally, by the end of 1977, it was found that

Timmins had developed within the constraints of a northern

location and in accordance with the prosperity of the

primary sector. The evolution of Timmins from a frontier

town to a regional center resulted from the growth of the

mining industry in the region.

ACKNOWLEDGEMENTS

I would like to express my thanks to Russell Muncaster who gave me so much of his time and knowledge towards the completion of this thesis. I also thank those who supplied me with the needed material for this work and especially my wife who has given me continual encouragement.

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CHAPTER ONE

Introduction

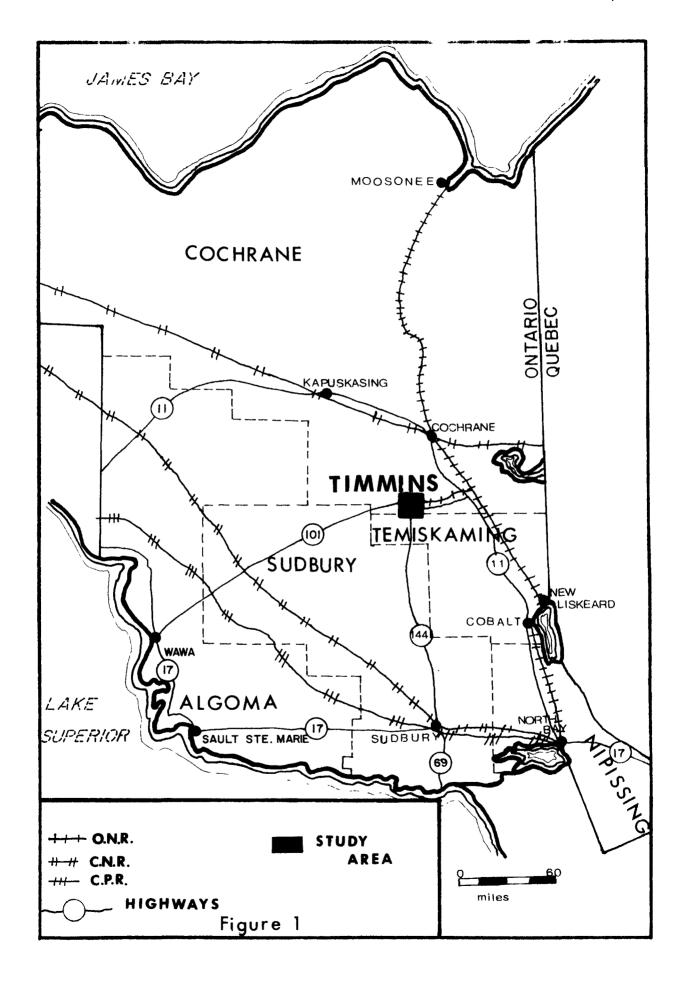
The introduction of a modern transportation system (railroads) into Northeastern Ontario, in the early part of the twentieth century, led to the discovery of precious metals in various locations and the formation of several single-industry (mining) communities. It is the intention of this thesis to trace the historical development of one of these single-industry communities, Timmins, Ontario. (Figure 1)

A single industry is,

"...one in which there exists a single dominant economic activity (a single employer or group of employers in a single economic activity) and which is not within commuting distance of another area or areas offering alternative employment opportunities."1

The raison d'être of a single-industry community is the need to house and service employees of firms directly or indirectly engaged in the extraction and processing of natural resources. The central problem associated with this type of settlement is a sense of uncertainty about the lifespan of the community because it is dependent upon a finite, non-renewable single economic activity. Many single-industry communities are generally isolated due to the location of mineral deposits and must be consequently somewhat independent.

Canadian single-industry communities usually fall into one of two broad classes: communities established



during the early settlement of Canada, and newer, planned towns created by the requirements of the industry. Timmins falls in the first category but is unlike communities of that era. The single dominant economic activity in Timmins is mineral extraction and by its very nature is responsible for Timmins' site and situation. Timmins has been classed by many authors as a company town but it is not in the strictest sense of the term. The relationship between a single company and a community to form a company town is explained as.

"...not only the employer but is landlord, storekeeper and local government combined. This signified that all property including the houses, stores, churches, transportation and other facilities as well as the mine or mill, is owned by the one company which runs the town as it likes."3

Timmins did not evolve in this manner; the mineral industry played the role of a very influential industrial citizen.

R. Lucas, in his book, <u>Minetown, Milltown, Railtown</u> indicated the role of the Timmins mines when he stated.

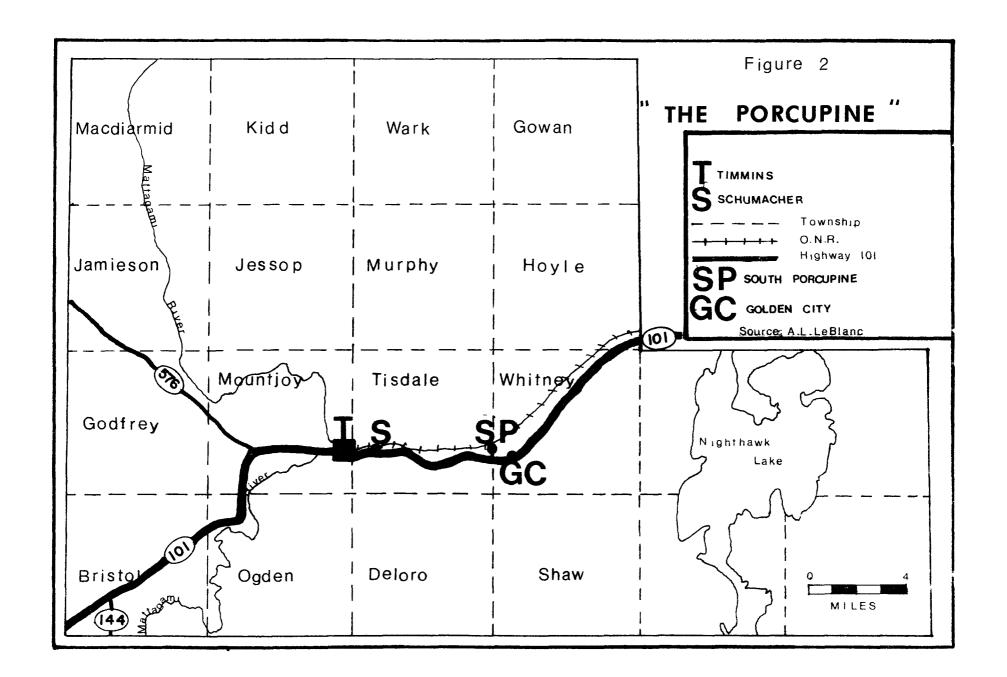
"...Because of the large number of employees and its wealth the policy of the company in relation to the town has wide-reaching effects. Whether it plays the role of leader, follower, or non-participant in community affairs; it has great influence upon the attitude and relationships in the community. Such simple decisions and policies as to the size, frequency and extent of donations to worthy causes affect the relationships among the people in the community."4

Also, Timmins was not dominated by a single company but by a

number of mining companies.

It is also important to note that throughout this paper reference is made to "The Porcupine". "The Porcupine", of which the Town of Timmins is part, encompasses all of the mining operations which influenced the development of Timmins and the townships of Tisdale, Whitney and Mountjoy (Figure 2). Smaller communities exist in "The Porcupine" but merely serve as dormitory settlements. Timmins is the focal point of the area.

Timmins is studied and analysed using three aspects of economic development. The first and most influential aspect is the economic base of Timmins. The economic base of Timmins is dominated by the primary sector of which mineral extraction is the most influential. Other primary industries, such as lumbering and agriculture are also evident in the community but are of secondary importance. The lumber industry which is discussed later in this thesis had a minimal influence upon community development until the early sixties. Although, the Timmins area is located in the heart of the Great Cochrane Clay Belt, distances from heavily populated centres and the high cost of transportation restrict agriculture to local consumption on a limited basis. establishment of the Timmins Slaughter House sparked some agricultural activity but it had to be closed because it could not secure a sufficient volume of beef-cattle for its operation. 5 Therefore, when considering the economic base of Timmins, the mineral industry is the most dominant force.



Research of the economic base allows for a bette understanding of the sources of income and employment which in turn influence demographic factors and the development of other sectors of the Timmins economy.

The second aspect is the Timmins population. The demographic characteristics are analysed in order to explain the historical development of the city. These characteristics are investigated to determine whether they contribute to the distinct character of Timmins.

The third economic aspect is the transportation and communication facilities serving the Town. These are studied to determine whether they are adequate to serve. Timmins, in light of its isolated location and whether the existence of transportation and communication facilities have aided or deterred the total development of Timmins. The three indicators of economic development which are mentioned above are also studied to determine what contribution they have had, in total, to the functional development of Timmins in the regional and provincial context. Therefore, an analysis of the Timmins economic base, population and transportation and communication services assists in the total analysis of the Town of Timmins.

Chapter Two consists of the historical background of Timmins from 1912 to 1931 as this marked the frontier stage of development. The next four chapters present the analysis of four distinct time periods. The first time period between 1932 and 1945 was chosen because of the changes caused

7 mm tu-1

by an increase in the price of gold and the effects of the Second World War. The second time phase, from 1946 to 1962 marked an era of decline and excessive governmental influence. From 1963 to 1972, Timmins again experienced boom conditions with the discovery of large and rich non-ferrous ore bodies. And finally during the time period 1973 to 1977 the Town of Timmins was amalgamated with thirty-five surrounding townships into the City of Timmins.

Each chapter is further subdivided into residential, commercial and industrial categories and an other category. The other category consists of the recreational, educational, medical and news media services contained within Timmins. The possibility of developing secondary industry in Timmins is also studied and analysed using seven industrial location factors which are essential for the viable location of secondary industry. E. W. Miller, in his book, A Geography of Industrial Location, lists the seven factors as raw materials, power, fuel, markets, labour, transportation and capital. For secondary industry to develop there must be a favourable number of factors at a particular site in order to counterbalance the disadvantageous ones. 6 The location of secondary industry is very important because Timmins' economic life is presently dependent upon mining which is very sensitive to cyclical variations in the level of economic activity. The thesis also attempted to explain the evolution of the City of Timmins with the use of growth The work conducted by Pred, North and Dunn models.

theoria of the evolution of urban growth with four listinct but interrelated models. $^{\mbox{\footnotesize B}}$

A. R. Pred theorized that urban growth could be studied from two aspects. First, he dealt with the strong influence of the mercantile city in determining the growth of its subsystem. By using American cities between 1790 and 1840, Pred effectively indicated the core-peripheny relationship. In 1967, Pred wrote about the relationship between urban growth and industrial growth and again employed American cities to illustrate his concept. He believed that industrialization created a multiplier effect which generated growth in all sectors of the urban system's economy. 11

On the other hand, Douglass North explained the growth of an urban system to be determined by the price of its goods and services and by its productive factors. 12 North based his arguement on the assumption that the resource base must be complex in order for an urban system to survive. North also made specific reference to the staple theory and the effects of external market demands.

Finally, Dunn's work on urban growth centered on a different aspect. ¹³ His work was similar to other authors, with respect to economic forces causing change, but he also added the dimension of social behaviour. Dunn theorized that social change interwoven with economic forces created growth within an urban system.

The work of these authors and others was capsulized

and the same and the same and

by J. W. Simmons to explain the evolution of an urban system over time. Simmons used four models for urban growth and these are studied to indicate whether they are applicable to Timmins at various time periods. J. W. Simmons, in his article, "The Organization of the Urban System" stated that the models are,

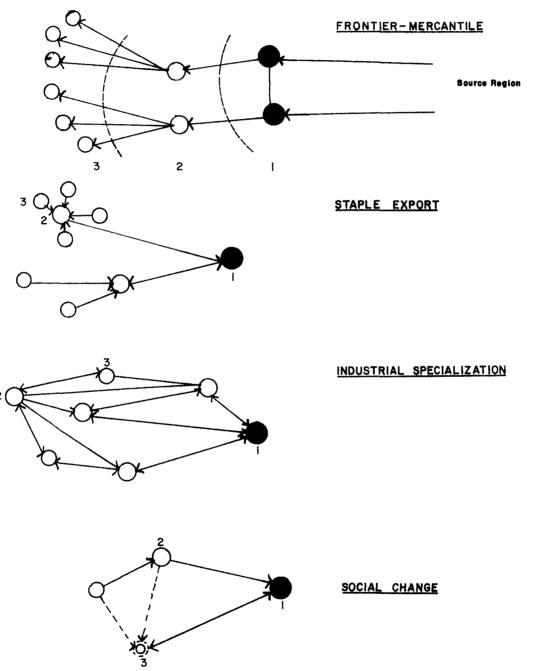
"...concerned with the description of the organization of a nation's territory and how it evolves over time."14 (Figure 3)

The first model, the frontier mercantile model, describes the relationship between the heartland and the hinterland. In this model, the growth of the urban frontier subsystem is controlled by the source region. The source region services zone two by supplying higher-order goods and services. These linkages as well as those between zones two and three tie each new subsystem into the national urban system. As the subsystems grow and strive for independence a relationship forms. The frontier centres produce the staples and the older higher order centres supply the industrial goods and services. The model also describes how the effects of various economic, labour and political forces influence the development of the frontier region.

The staple export model is the second one developed by Simmons and deals specifically with the organization and development of peripheral regions which are dependent upon the production of primary products. The expansion of centres within this model are determined by external demands

Figure 3

Models of Urban System Organization: Spatial Structure and Paths of Growth



Note: 1,2 and 3 are levels in the urban hierarchy.
Source: L.S. Bourne and J.W. Simmons, Systems of Cities:
readings on structure, growth and policy, Oxford
University Press, New York, 1978, p.64.

which cause production to fluctuate from year-to-year.

There are three types of linkages within this model and

Simmons describes them as.

- 1. "Backward linkages are inputs from other industrial sectors required for production of the staple.
- Forward linkages are the outputs from production of the staple when those outputs are used by other firms.
- 3. Final-demand linkages trace the impacts on other sectors of the staple incomes, creating a tertiary economy in the form of a local system of central places. "15

The major aspects of this model are the effect of external forces and the direction of flow within the model. The flow originates in zone one and spreads directly to zone two and then to zone three. The feedback system operates in the reverse. There is also no interaction between centres within the same zone causing a definite lack of integration.

The third, the industrial specialization model indicates the evolution of an urban system into a powerful and integrated industrial economy. Simmons best described this model when he stated,

"The industrial model of the organization and evolution of urban systems stresses size, internal industrial structure and recent growth trends (momentum) rather than regional linkages, hierarchic level and relative location within the national system."16

The most dominant aspect of this model is the complex integration of linkages between all zones.

The social change model is the last and is concerned

with the introduction of social and cultural variables. Specifically, these variables combined with economic forces effect and change the development and evolution of an urban system. Some analysts believe that the urban system evolves according to a wide variety of complex interwoven forces. This complex integration begins in zone one and filters down to the other zones and then feeds back into zone one. In essence, the growth or decline of an urban system within this model is open and affected by a multitude of variables that occur at random.

In this study, Timmins' role in the urban system of Ontario will be analysed for each time period and an attempt will be made to judge the applicability of these models to the Timmins situation. This analysis will provide an improved understanding of Timmins' position in the urban system.

In conclusion, the development of a railroad and the subsequent discovery of precious metals led to the formation of single-industry communities in Northeastern Ontario. The following is a study of Timmins, a single-industry community.

FOOTNOTES Chapter One

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- ⁹A. Pred, <u>op. cit.</u>, 1973 pp. 186-238.
- ¹⁰<u>Ibid.</u>, p. 197.
- ¹¹A. Pred, <u>op. cit.</u>, 1966, p. 137.
- ¹²D. North, <u>op. cit.</u>, p. 7.
- ¹³E. Dunn, <u>op. cit.</u>, p. 28.
- 14 J. W. Simmons, "The Organization of the Urban System", ed. L. S. Bourne and J. W. Simmons, Systems of Cities: readings on structure, growth and policy, (New York: Oxford University Press), 1978, p. 61.
 - ¹⁵<u>Ibid.</u>, p. 66.
 - ¹⁶Ibid., p. 68.

CHAPTER TWO

Historical Background 1912-1913

During the early 1900's, a transportation system was introduced into Northeastern Ontario with the purpose of initiating settlement and to develop the agricultural potential of the area. This system came in the form of a colonization railroad which served as a catalyst for development in the frontier era.

Between the years 1900-1914, it was the federal government which played the most active role in Northern Ontario development. It was the government's firm conviction that a railroad was needed across the Canadian Shield, because they had realized the potential of the Shield to act as a catalyst for Canadian growth and prosperity. The result was the construction of the Canadian Pacific Railroad (CPR) across Northeastern Ontario. This action was soon followed by the Provincial government in 1903 with the building of the Temiskaming and Northern Ontario Railway (T&NO). The T&NO railroad was described as 'the road to nowhere', therefore, investors were reluctant to invest forcing the government to construct the railroad on its own initiative and entirely at its own expense.

As the railroads proceeded north and west in hope of opening up new agricultural areas, the government's initial perception of the resource base was drastically altered.

Large mineral discoveries were made in Sudbury during the construction of the CPR to Western Canada and in Cobalt

during the building of the T&NO to the Clay Belt of Northern Ontario. Because of these mineral discoveries the government was no longer building the railroads for purely agricultural reasons.

The discovery of silver at Cobalt through the construction of the T&NO railway created a large influx of prospectors, fortune-seekers and investors into the area. The railroad served as a means for importing labour and equipment for the exploitation of the resource as well as acting as a transportation means for further resource discovery. Therefore, the railroad in the early exploration stage controlled the pace of growth.

The railroads contribution to the development of the North was unquestionable. On the other hand, it can be argued that the railroads original agricultural intention and its inexpensive and rapid transporting of commodities from the south hindered the development of an economy based on heavy industry and the manufacturing sector. Furthermore, had the mineral resource potential of the Canadian Shield been realized, development may have been wisely planned and systematically implemented instead of the actual process of settlement, typified by accidential mineral discoveries and haphazard community development. In particular, the transportation system introduced into Northern Ontario could have been implemented so as to render accessible the natural resource potential instead of the agricultural capabilities.

The railroad allowed prospectors to travel into the

interior of Northern Ontario and disperse exploration in all directions while using the railroad as a focal point. The mineral finds at Kirkland Lake and in "The Porcupine" were discovered in this manner.

"The Porcupine" were Benny Hollinger and Alec Gillies who found large ore bodies of gold which assayed at \$52.00 to the ton in 1909. Others that followed were Clary Dixon, Tom Middleton, Jack Millar, Hens Buttner, Sandy McIntyre, Jack Wilson, Harry Preston, Cliff and Frank Campbell and George Burns. From this group of prospectors and investors emerged the three largest mines in the Porcupine camp, which was later to become one of the largest gold producing areas in the world.

Burns backed by American investors were responsible for the large Dome Mines discovery. The nucleus of Dome Mines was an outcropping or dome of quartz called 'the Golden Staircase'. It was described in these terms, "...the gold appeared in blocks like cendle drippings and spongelike messes, some of them as large as a cup, lying under the moss." The other two large finds evolved into the Hollinger and McIntyre gold mines. By October 1909, the news of these large and wealthy discoveries had reached the outside world and the rush began. Shortly after, the Timmins brothers, mining promoters from Haileybury, entered "The Porcupine" scene. The brothers formed a syndicate and began purchasing various mining

properties within the area.

The success of "The Porcupine" initiated the further extension of the T&NO railway line to Golden City, Ontario on Dominion Day, 1911. (Figure 2) The improvement of transportation facilities to "The Porcupine" increased accessibility and enabled the cheap and rapid transporting of men and equipment to the area. It seemed as if at this time, "The Porcupine" was well on its way to becoming a major focal point in Northern Ontario but the early development of this area was inhibited by a disasterous fire in 1911 which ravaged virtually the whole area. Almost all the mines, big or small, were either totally demolished or badly burnt. The settlement of South Porcupine was devastated and the official death count was put at seventy-three but estimates ran as high as two-hundred. The fire destroyed approximately five-hundred square miles encompassing the Porcupine Camp. Some felt that this was the end but those that remained were not discouraged and began to rebuild. The T&NO played an important role in reconstruction because it transported needed supplies, food, clothing and medical equipment into the area.

The fire and the expected wealth of "The Porcupine" mines prompted the Timmins Townsite Company, under the direction of Nosh Timmins, a major shareholder in the Hollinger Mine, to lay out the foundation for the Town of Timmins in 1911. Nosh Timmins was responsible for the planning of the townsite, from choosing the site to the sale of

the land, to giving the town his name. The first lots, registered under Plan M-30 Sudbury, were sold at public auction on Labour Day, 1911, and ranged in price from \$5.00 to \$10.00 for residential sites, to \$75.00 to \$1000.00 for thirty foot commercial properties. Average lot sizes measured thirty feet by ninety feet.

In the early stages of development, the community of South Porcupine was the most important town in "The Porcupine" but was later to be surpassed by Timmins and Schumacher.

Timmins was incorporated as a municipality on January 1st, 1912 with a population of over six hundred. The situation of "The Porcupine" was summarized by a visiting reporter from the Toronto Globe in March 1912 when he explained.

"...one year's labour devastated by fire...
the Porcupine Camp is passing from the exploration to the production stage... no
one has ever before received the benefit
of intelligent investment of capital
and expert management with which the
Porcupine field has been favoured and
no other find has produced anything
like the values upon development at depth..."

The Timmins Townsite Company, in 1912, attempted to plan the community along rigid guidelines but there still existed a feeling of uncertainty as to whether the Town would be permanent because its existence depended upon a non-renewable resource. The result led to the establishment of an ad-hoc type of settlement in various portions of "The Porcupine". This type of settlement was soon stopped

because the longevity of the community was ensured due to the rapid increases in gold production of "The Porcupine" mines (Figures 4 and 5). Timmins was no longer considered a short-term mining community and therefore, began to develop in a more structured manner. This state of stability created an influx of population and Timmins became the 'melting pot' for the various number of ethnic groups immigrating to the area. By 1916, Timmins possessed the structure of a permanent community with a municipal organization and infrastructure.

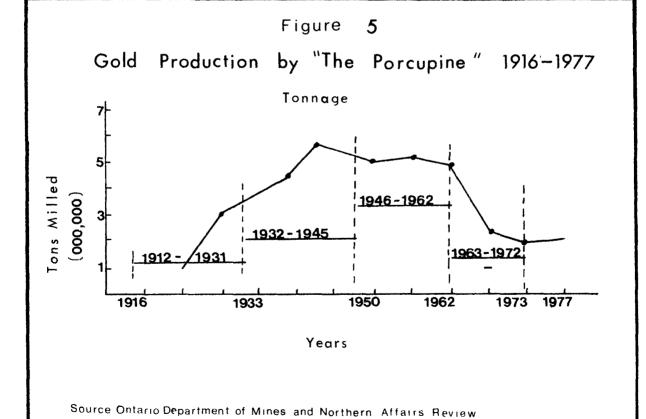
The three largest mines, the Hollinger, McIntyre and Dome controlled the pattern of development for "The Porcupine" in terms of the existence of the communities and their economic prosperity. The largest producer, the Hollinger played the most dominant role. It provided funds for the establishment of other mines as well as for the building of the community. When Timmins issued water works debentures in 1915, Hollinger subscribed to all ninety-five thousand dollars worth at par. And by 1916, the Hollinger mine amalgamated with several major properties to form the Hollinger Consolidated Gold Mines Limited.

The flourishing mineral industry also created a 'spin-off' effect for other industries in the primary sector. The lumber industry played a secondary role in Timmins' evolution being greatly overshadowed by the mining industry. The need for timber for underground support and for the construction of the community created the first lumber

Gold Production by "The Porcupine" 1916-1977

Dollar Value

50 (100-1970) (\$ 001) (\$ 0



market. The importance of the wood industry also grew during this time period because of a pulp and paper plant located forty miles away in Iroquois Falls. At the height of the lumber business, four saw mills were located along the Mattagami River.

During this frontier stage of development, the Town of Timmins began to take the form of a frontier town. Two sources of hydro-electric power, from Sandy Falls and Wawaitin Falls, produced an abundance of energy to serve the mines and the surrounding communities. Coal was the major heating agent during this period, with woodstoves second until oil furnaces became popular. Telephones were also installed with power lines in 1912 and by 1914, the population grew to 935 (Figure 6).

Medical facilities in the town of Timmins were minimal in 1912; there was a small hospital equipped to accommodate ten patients. It was owned by the Hollinger Consolidated Gold Mines and later in 1919 Noah Timmins invited the Sisters of Providence from Montreal to manage and staff the hospital. In 1927, the hospital was signed over from the Hollinger to the Sisters of Providence Order and further expansion occured. With money provided by the Hollinger and McIntyre mines, the hospital facilitated eighty bed patients, a laboratory and St. Mary's School of Nursing which had been established earlier in 1926.

Evidence of a municipal structure in Timmins enticed businessmen to invest in the retail sector of the

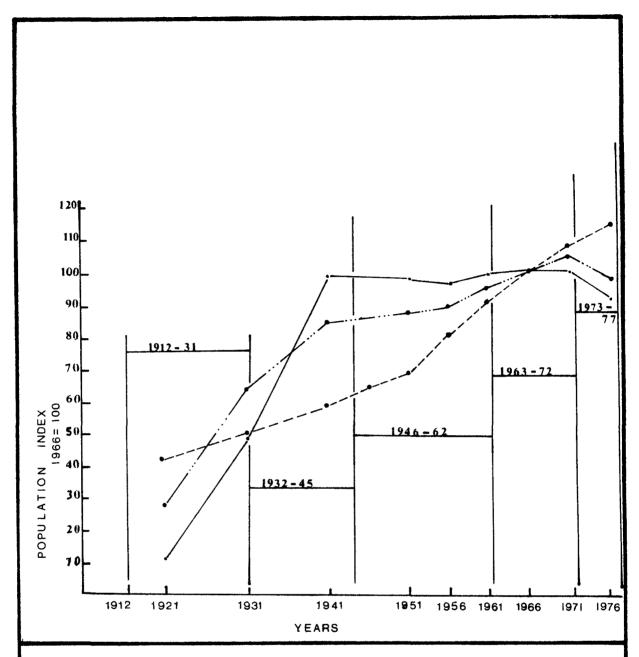


Figure 6

POPULATION: Timmins; District of Cochrane;

Province of Ontario

1921-1976

_____ DISTRICT of COCHRANE

____ONTARIO

Source: Census Canada

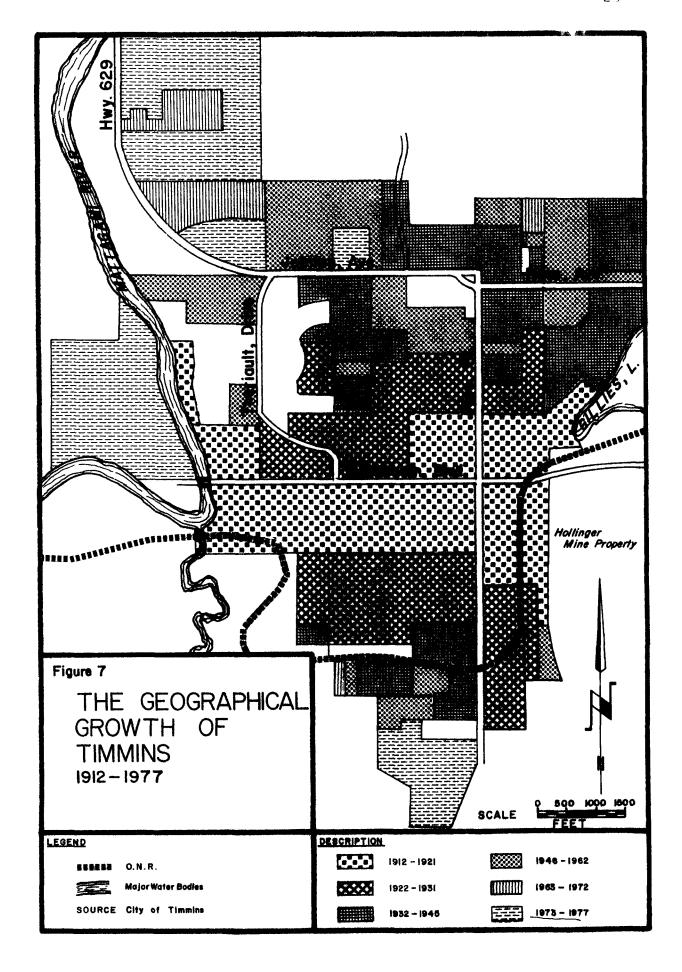
community. Entrepeneurs soon took up residence in the central business district (CBD) which focused around the train terminal. The CBD formed the nucleus of the community and residential areas began to develop around it to preserve accessibility. Other smaller unorganized settlements were also established along the Mattagami River, Gillies Lake and Millar Lake for trade and transportation purposes (Figure 7). Therefore, the geographical development of Timmins in the frontier period evolved around the various transportation means.

The relationship between the mines and the community was amiable but by 1919, it became evident that the mine management held control in the Town Council and in the school boards which were being formed at this time.

With the influx of miners into the area, the various mines constructed townsites to house the labourers and their families. One such area was the Hollinger Townsite located in the northwest sector of the community. The size of the home was governed by the miners position in the mine. The labourers lived at the Hollinger Townsite while managerial staff occupied homes on the "Hill Section" of the Town. These conditions resulted in a rudimentary class structure within a relatively varied group.

Three main class groups were evident in Timmins during the early 1900's. The upper class consisted of mine managers, top professionals and influential businessmen.

The middle class was made up of small business entrepeneurs,



merchants, mine foreman, mine shift bosses and business accountants. The third and largest of the three, the labour group of the lower class contained the labourers from many ethnic backgrounds such as Mid-European, Italian, French-Canadian, Finnish, Scandanavian, Croation, Yugoslavian, and British.

The Hollinger mine management, mostly made up of Anglo-Saxons set the upper social life of Timmins right up to the 1920's. They belonged to the golf club, which was built and owned by the Hollinger mine. The mine manager was the club president and set the social norms for the club members. For example, since the manager was a tea-totaler and a religious person, no member was allowed alcoholic beverage at the golf club and only English-speaking people were eligible for the club membership. The large number of professionals brought into the area created a need for more social amenities and by 1927, three movie theatres had been built.

Since there was very little social interaction, the sub-cultural groups had very little relationship with the upper class other than in matters of welfare. Because of the extremely different social backgrounds, these groups kept to themselves, retaining the habits and culture of the country from which they came. These groups created ethnic areas within Timmins and in turn established their own recreational and social activities. Even though labour and management interact to a much greater extent at the present time;

these same cultural and social organizations still exist.

By 1931, the population of the Town of Timmins had reached 14,200 and possessed all the amenities and necessities of a flourishing community (Figure 6). These included a town council, police chief, jail, volunteer fire brigade, water system, electricity system, a public hall, arena, two tennis courts, several parks, and hockey, hardball and soccer teams.

To accommodate the increase in population, the townsite was enlarged by annexing lands from the surrounding area. Six different annexations occurred: three from Tisdale township, two from Mountjoy township and one joint annexation from both townships (Figure 7).

Growth of the Town up to the time of the Depression was rapid due to increases in gold production, fixed prices for gold, and a stable market. By the end of 1931, Timmins had expanded in a north, south, and northwest direction (Figure 7). This semi-concentric development pattern was basically an enlargement of the pre-existing area. This territorial expansion was needed to house the large influx of population into the area which increased between 1921 and 1931 by two-hundred and seventy percent to a total of 14.200 (Figure 6).

The problem of a shortage of workers was easily overcome for the Timmins mines. A skilled labour force already existed in the North and miners from the Cobalt, Kirkland Lake and Sudbury camps came to mine the gold in

"The Porcupine". Since Census Canada fails to give a population breakdown according to characteristics for 1931 and since the City of Timmins itself cannot supply this information, it was assumed that its population characteristics were similar to other mining communities of this era. was concluded that a large percentage of the population consisted of young, single men along with a small percentage of married couples. Ethnic groups were also evident with a high proportion being mid-Europeans and Italians who seemed to characterize all mining communities of this time period. Between 1912 and 1931, the inhabitants were also highly mobile due to the isolation of the community, the lack of commercial facilities offered and the expectations of the single personnel and the wives of the married men. 12 Timmins during this time period lacked many of the social amenities which could be found in most southern Ontario communities.

The sharp increase in population also resulted in the establishment of retail and service functions. By 1931, sixty-six retail service establishments existed as well as one hundred and fifty-nine retail merchandise stores. 13

Table 1 indicates the number of retail establishments and retail sales for the Town of Timmins and for five southern Ontario communities in 1931. The five communities were chosen because they were approximately the same population size as Timmins. This comparison was implemented to establish if Timmins in 1931 possessed the same retail

TABLE 1

Retail Merchandise Trade - 1931

<u>Place</u>	<u>Population</u>
S-St. Thomas T-Timmins B-Belleville C-Chatham W-Woodstock G-Galt	15,430 14,200 13,790 14,569 11,146 14,006
T-Timmins B-Belleville C-Chatham W-Woodstock	14,200 13,790 14,569 11,146

N-number of stores
\$-sales in thousands of dollars
(x)-insufficient data

Type of Business		T	5	В	С	W	G
Food	N	85	80	38	56	44	71
	\$	1241	2003	1588	1918	1540	1698
General	N	4	7	9	7	7	9
Merchandise	\$	(×)	391	318	(×)	102	231
Automotive	N	10	39	28	53	26	27
	\$	704	12 0 4	1780	1 70 2	1134	766
Appar e l and	N	29	35	30	30	26	24
Accessories	\$	669	551	722	688	479	400
Hardware and	N	14	24	22	29	22	26
Home Furnishings	\$	542	708	628	762	404	595
Other Retail	N	30	83	76	75	61	61
Stores	\$	1534	1714	1832	1525	1277	1104
TOTAL NUMBER OF STORES		159	286	246	276	194	225
TOTAL RETAIL SALES IN MILLIONS		5.7	6.6	6.9	6.6	4.8	4.8
RETAIL SALES PER PERSON		401.34	425.85	497.34	451.15	434.77	342.50

Southern Ontario Average 430.32

Source: Census Canada, 1931; author calculations.

characteristics as those found in southern Ontario communities. When comparing the types of retail functions in the various communities; it was found that Timmins did not lack any of the basic retail functions such as food, general merchandise and apparel stores. Though these services existed their number and total retail sales were lower than those of the other five communities. In Timmins the average retail sales per person was only \$401.34 where as in the other communities it was \$430.32.

The only major difference occurred in the automotive category. In 1931, Timmins had fewer automotive functions than the Southern Ontario sample and this was attributed to the lack of an adequate transportation system in the North and to the isolated location of Timmins away from major transportation corridors.

Table 2 indicates a similar comparison between the communities in 1931 but in the area of retail services. The number of service establishments and sales were much lower in Timmins in comparison with the five southern Ontario communities. The only difference between the communities was in the bowling and pool hall category in which Timmins had a high volume of sales. This was attributed to the characteristics of a mining community's population which has a high proportion of single transient males. Therefore, the location and nature of the Timmins community influenced the development of retail and service functions. Timmins in 1931 possessed a sufficient number of functions to satisfy the wants and needs of its

TABLE 2
Service Trade - 1931

T-Timmins
S-St. Thomas
B-Belleville
C-Chatham
W-Woodstock
G-Galt

N-number of stores \$-sales in thousands of dollars (x)-insufficient data

Type of Business		T	S	В	С	W	G
Bowling and	N	3	1	4	(×)	3	2
Poolhalls	\$	22	(×)	4 7		18	(x)
Theatres	N	2	3	2	1	2	2
	\$	(x)	1 0 5	(x)	(x)	(x)	(x)
Cleaning and	N	3	4	8	9	4	4
Drying	\$	30	(×)	55	46	33	25
Launderies	N	6	8	7	9	3	4
	\$	23	(×)	26	16	11	24
Barber Shops	N	19	26	20	27	11	11
	\$	49	61	50	59	35	38
Beauty Parlor and Hair- dressers	N \$	2 (x)	7 (×)	7 15	10 20	4 19	5 10
Photographers	N	1	2	2	2	3	3
	\$	(×)	(x)	(x)	(x)	12	15
Undertaking and Burial	N \$	2 (x)	3 60	2 (×)	3 (×)	3 43	•••

Automotiva	N	4	8	9	13	1	6	
Repair Shops	\$	(×)	12	35	54	(x)	29	
Blacksmith and Carriage Shops	N \$	3 6	2 (x)	4 5	3 6	2 (×)	5 (x)	
Boot and	N	9	8	7	10	7	13	
Shoe Repair	\$	11	19	22	20	15	21	
Cartage and	N	3	8	13	11	10	9	
Storage	\$	43	17	58	56	18	13	
Taxi	N \$	2 (x)		9 14	5 (x)	4 9	3 (x)	
Motor Trans-	N	1	4	4	4	6	5	
protation	\$	(×)	26	40	22	43	47	
All other	N	6	16	8	29	10	7	
Services	\$	12	31	33	65	30	21	
TOTAL NUMBER OF STORES		66	100	106	137	73	79	
TOTAL SALES (\$,000)		196	331	400	364	286	243	
SALES PER PERSON		13.80	<u>5</u> 21.4	45 29	<u>B</u> .00 24	<u>C</u> 4.98	<u>W</u> 25.66	<u>G</u> 17.35

Southern Ontario Average 23.69

Source: <u>Census Canada</u>, 1932, author calculations.

population.

By the end of this time period. Timmins was firmly established as a community in a frontier region. Its growth up to this point was applicable to Simmons' frontier-mercantile model (Figure 3). With particular reference to this model, Timmins was positioned in zone two with the Toronto area occupying zone one and the surrounding communities of Schumacher and South Porcupine forming zone three. The construction of a transportation system and the discovery of precious metals in northern Ontario established the settlement pattern within the region. Throughout this chapter, it was extremely evident how capital investment decisions and transportation improvements from the core area influenced and directed the development of Timmins. Relatively high levels of capital investment and in-migration were supplied from zone one which in turn allowed the mineral industry to grow. Although the growth of the Timmins subsystem had a cumulative impact upon the whole urban system, this impact was mostly felt in the Toronto area. Timmins produced the staple and the older centres supplied the needed industrial goods and Simmons describes this relationship as the heartland-hinterland pattern. This relationship between the mercantile city and its subsystem was initially explained by Pred who used the cities in Northeastern United States as examples. 14 Throughout his book, Pred discussed the circular and cumulative feedback processes of urban-size growth as well as focused on the same determinants of urban growth as

mentioned by Simmons. 15

By the end of 1931, Timmins was firmly established as a service centre receiving goods and services from zone one and in turn supplying the communities of zone three.

In conclusion, from the time of Timmins' incorporation to the pre-Depression years, it had evolved from a "confused and fluid period of uncertainty" towards a more stable community. 16 Stability was achieved because of the prosperity of the mineral industry, but a balanced community was not possible due to a dependence upon a single economic activity. which was based on resource exploitation. The arrival of the railway initiated the development of Timmins which was later enhanced by the introduction of services and by minor industrial support from the wood industry. The favourable price for gold, a demanding market and sufficient ore reserves put little pressure on the community to diversify its economic base. These thriving conditions were expected to continue for some time because the monetary systems of the world's leading nations were based on the gold standard and gold was needed to support international trade. This confidence was further strengthened in the Depression and War years which is the subject of the next chapter.

FOOTNOTES

Chapter Two

- ¹S. Carlesso, "Perspectives of Development of a Resource Base Region: Northeastern Ontario, 1900-1972", (London: University of Western Ontario), (unpublished M. A. Thesis), 1976, p. 12.
- ²M. Barnes, <u>Gold in the Porcupine!</u>, (Cobalt: Highway Book Shop), 1975, p. 21.
- ³<u>Ibid.</u>, p. 23.
- ⁴<u>Ibid.</u>, p. 40.
- Damas and Smith Limited, <u>Transportation Planning Study</u>.

 <u>Timmins area, 1970-1990</u>. Toronto, March 1971, p. 6.
- ⁶<u>Ibid.</u>, p. 6.
- ⁷M. Barnes, <u>op.cit.</u>, p. 48.
- 8 <u>Ibid.</u>, p. 77.
- ⁹R. Bucksar, "Timmins, the Porcupine and Gold", <u>Habitat</u>, Volume XII, Number II, March-April, 1969, p. 10.
- 10 Interview with Mr. B. Toffanello, city resident, February 1978.
- 11R. Bucksar, op.cit., p. 10.
- ¹²R. A. Lucas, <u>op.cit.</u>, p. 69.
- Dominion Fureau of Statistics, <u>Census of Canada</u>, 1921, 1931, Retail Trade, Ottawa: Queen's Printer.
- 14A. Pred, <u>Urban Growth and the Circulation of Information:</u>
 The <u>United States System of Cities, 1790-1840.</u>
 (Massachusetts: Harvard University Press), 1973, pp. 186-238.
- ¹⁵Ibid., p. 192.
- 16 For a further explanation of the term, see R. A. Lucas, Minetown, Milltown, Railtown, 1971, p. 69

CHAPTER THREE

The Depression and War Years, 1932-1945

The Great Depression which rocked the foundations of the world's leading nations had little economic effect on the Town of Timmins.

Economic Base

From 1932 to 1945, two factors were responsible for the fluctuating trends in mineral production in Timmins. The first was an increase in the price of gold in 1934 and the second was the effect of the Second World War and its aftermath. A 69.3 percent rise in the price of gold from \$20.67 an ounce in 1933 to \$35.00 an ounce in 1934 increased mineral production tremendously and ensured longevity for a longer period of time. Had this appreciation in the price of gold not happened; gold mining activity in "The Porcupine" would have been severely hindered. "The Porcupine" mines would have been forced to mine strictly high grade ore in order to make their operations profitable. High grade ore is that ore which has a higher content of gold per ton versus low grade ore which has a lesser content of gold per ton. To profitably operate a mine, a balance between high and low grade ore must be extracted to ensure that the mine will not be short-term and to ensure that operating costs are sufficiently less than the price of gold. Prior to the increase in the price of gold, Timmins' mines were faced with a 'cost price squeeze' where operating costs were escalating while the price for gold remained constant.

Therefors, the change in gold prices allowed the gap between costs and price to widen to produce more profit. The resulc allowed "The Porcupine" mines to increase production and mine ore which was previously too costly to extract. It also provoked the opening of new mines as well as the reopening of other mines with lower grade ores. Between 1933 and 1940, the number of tons milled increased by 51.6 percent and the total value of the bullion produced escalated from 21.5 million dollars in 1933 to 47.8 million dollars in 1940 (Figures 4 and 5). The rise in price ensured a longer life for all of the mines in "The Porcupine".

The arrival of the Second World War also enhanced the gold mining situation in the Timmins area. Production reached an all-time high of 54.4 million dollars in 1941 due to the ever-increasing demand for gold by the Federal government. 3 During wartime, the government pressured the gold mines to produce more gold in order to purchase American arms. The demand for gold was open-ended due to an agreement between the mining industry and the Government of This agreement stipulated that all gold produced Canada. would be purchased by the Government. Therefore, a market for gold was ensured by the Government but this assurance coupled with demands for more gold attributed to the more rapid depletion of reserves. As the wartime induced demand lessened, so did the prosperity of the Timmins mining community. The mines were beginning to feel the consequences created by this lessened demand for gold and production

dropped to \$32 million by war's end. During the late years of the war, seven mining operations closed because the remaining ore was too low grade to be profitably mined. Also, the 150 million dollars of gold bullion that left the community during the early stages of the war left a sizeable depletion in gold deposits. This depletion occurred because in order for the mines to meet Government gold demands, they had to mine high grade ore which was most easily accessible. Therefore, a balance between high and low grade ore was not possible which in turn led to "The Porcupine" mines reaching their apex of production prematurely.

Population

The fluctuating economy of Timmins' main industry created repercussions in the development of the Town. The boom conditions during the Depression created a sudden population increase. The unemployed from all parts of the country and abroad flocked to the Timmins area in hopes of securing steady employment. The harsh realities of a depression were stifled in Timmins due to the steady employment conditions. The Depression's impact was further reduced because gold prices and miners wages remained at pre-depression levels while all other prices throughout Canada were accordingly lower. 5

Between 1931 and 1941, Timmins experienced a growth rate of 103 percent compared to that of 18.5 percent in the District of Cochrane and 10.4 percent for the Province of Ontario. 6 This excessive growth rate created demographic

problems.

The influx of a large number of people further amplified the multifarious character of the population. The community contained a multitude of ethnic backgrounds and by 1941, sixty percent of the Timmins population was of Continental European origin followed by 39.6 percent of British background and 0.6 percent Asiatic.

The population structure in general, still had a majority of young, single males but the ratio of males per one-hundred females had dropped from 163.58 in 1921 to 114.87 in 1941. Bue to a lack of statistical data a complete analysis of the population is impossible. But it is felt that the data available are adequate to present a general picture of the population structure and influence.

More professionals entered Timmins because of new mining operations and the social ranks soon set new norms for a more organized community. The roles of Municipal Council, Boards of Trade and School Boards were infilterated by the influx of new people such as doctors, lawyers, mining engineers and influential businessmen. By the early forties the children of the lower class, (now better educated), began taking over positions of importance within municipal organization and became people of influence within the social structure of the community.

The large growth rate of population in the thirties was followed by a slight decrease due to World War Two.

Though military service had a limited effect on the

community, the consequences of the war did. As R. Bucksar stated.

"...the greatest single wartime difficulty was the restraint placed on gold mining by a shortage of manpower and material. These had been shifted to more vital industrial efforts."9

The number of men employed in gold mining dropped from 9,200 at the beginning of the war to 5,600 by its end. 10

Transportation and Communication

Transportation and communication facilities were improved during the Depression and War years by the completion of a highway to Timmins. Bus service began between Timmins and Iroquois Falls and routes linking Timmins with North Bay and Cochrane and points south were also put into operation.

This period also saw changes in government policy.

Following 1935, provincial subsidization of railway construction was terminated. While the existing rail system continued to be considered a vital necessity for both

Northeastern Ontario and the Province, it came under increasing pressure to make operations more efficient and profitable. The change in transportation policy was deeply felt in Northeastern Ontario and particularly in Timmins. The net profit for the T&NO railway soared from \$33,000.00 in 1933 to 1.3 million dollars in 1937.

Residential

The increased population also required the building of new homes, the enlarging of school systems and the

absorption of outlying squatter settlements. Territorial expansion was created by the annexing of land from portions of Mountjoy and Tisdale townships. Expansion of the Town limits between 1932 and 1945 continued following the pattern of the previous settlement. The majority of residential activity occurred in the north and northeast sectors with some minimal development in the south (Figure 7). The topography of Timmins was a definite location factor. Development of this area was economically feasible because the land was flat and sewage by gravity could be implemented. This reduced the cost of installing sewage pumping stations to maintain a constant flow.

During the later stages of the war, Timmins experienced limited growth and expansion. Development took place in the form of infilling rather than expansion.

Commercial

The high rate of gold production and the increase in the price of gold resulted in a prosperous economic base. This prosperity coupled with an enlarged population produced repercussions in the retail and service sectors of Timmins. The number of retail and service establishments almost doubled between 1931 and 1941 which reflected the high wage rates and thriving economic conditions. 12 Tables 3 and 4 indicate the number of functions and sales for both the retail and service sectors of Timmins and these are also compared to a sample of five southern Ontario communities for the year 1941. The tables indicate that Timmins lacked retail

TABLE 3

Retail Merchandise Trade - 1941

Place	<u>F</u>	opulati	<u>on</u>				
T-Timmins B-Brantford K-Kingston S-St. Catherines O-Oshawa P-Peterborough		28,790 31,948 30,126 30,275 26,813 25,350	\$- s	number of sales in -insuffi	thousand	ds of dol ata	lars
Type of Business		T	В	K	S	0	P
Food	N	115	144	106	133	109	98
	\$	4567	4317	4126	4628	3793	33 6 6
General	N	7	16	11	13	8	12
Merchandise	\$	1031	1609	1766	2426	1540	1688
Automotive	N	28	43	40	52	32	52
	\$	2919	3874	3052	4462	3261	2610
Apparel and	N	39	63	55	67	45	57
Accessories	\$	18 6 5	2099	2277	2417	1582	1687
Hardware and	N	9	22	16	22	14	13
Home Furnishings	\$	677	757	1159	1284	589	1136
Other Retail	N	85	145	146	147	103	120
Stores	\$	2671	3875	4697	4459	4028	2850
TOTAL NUMBER OF STORES		291	453	389	457	330	370
TOTAL SALES	1	4212	17504	17602	21227	15512	14534
SALES PER PERSON		493.64	547.	.89 584.	.28 701.	.14 578 <i>.</i>	53 573.33

Southern Ontario Average 597.03

Source: Census Canada, 1941; author calculations.

TABLE 4 Service Trade - 1941

T-Timmins

S	N-number of stores \$-sales in thousands of dollars (x)-insufficient data							
s	T	В	κ	S	0	P		
N	14	11	8	9	8	9		
\$	367	365	379	385	330	259		
N	4	6	9	8	4	4		
\$	15	(x)	128	(×)	(×)	(×)		
N	95	113	96	108	88	90		
\$	308	459	453	536	335	344		
N	4	6	8	6	3	5		
\$	28	65	49	(×)	21	(x)		
N	2	4	4	6	3	5		
\$	(×)	(×)	23	98	50	57		
N	22	43	22	28	19	21		
\$	95	233	142	159	66	82		
N	6	14	23	10	4	5		
≸	(×)	79	133	172	(×)	(×)		
N	20	39	32	35	29	33		
\$	32	72	61	87	54	50		
N	6	20	6	9	8	9		
\$	26	155	44	97	46	51		
	147	197	170	175	129	139		
	926	1408	1307	1511	885	858		
IN	32.16	44.07	43.38	49.91	33.01	33.85		
	\$ Z\$ Z\$ Z\$ Z\$ Z\$ Z\$ Z	\$ \$-sale (x)-in \$ T N 14 \$ 367 N 15 N 95 \$ 308 N 28 N 28 N 22 \$ (x) N 22 \$ (x) N 32 N 32 N 32 N 32 N 32	\$ \$-sales in the (x)-insufficients \$ T B \[N	\$ \$-sales in thousands of (x)-insufficient data S T B K N 14 11 8 \$ 367 365 379 N 4 6 9 \$ 15 (x) 128 N 95 113 96 \$ 308 459 453 N 4 6 8 \$ 28 65 49 N 2 4 4 \$ (x) (x) 23 N 22 43 22 \$ 95 233 142 N 6 14 23 \$ 95 233 142 N 6 14 23 \$ 133 N 20 39 32 \$ 32 72 61 N 6 20 6 \$ 26 155 44 147 197 170 926 1408 1307	\$ \$-sales in thousands of dollar (x)-insufficient data S T B K S N 14 11 8 9 \$ 367 365 379 385 N 4 6 9 8 \$ 15 (x) 128 (x) N 95 113 96 108 \$ 308 459 453 536 N 4 6 8 6 \$ 28 65 49 (x) N 2 4 4 6 \$ (x) 23 98 N 22 43 22 28 \$ 95 233 142 159 N 6 14 23 10 \$ (x) 79 133 172 N 20 39 32 35 \$ 32 72 61 87 N 6 20 6 9 \$ 26 155 44 97 147 197 170 175 926 1408 1307 1511	\$ \$-sales in thousands of dollars (x)-insufficient data S T B K S O N 14 11 8 9 8 9 8 367 365 379 385 330 N 4 6 9 8 4 4 15 (x) (x) N 95 113 96 108 88 88 308 459 453 536 335 N 4 6 8 6 3 335 N 4 6 8 6 3 335 N 4 6 8 6 3 355 N 4 6 8 6 3 355 N 22 4 4 4 6 3 3 500 N 22 43 22 28 19 50 N 24 4 4 97 66 N 6 14 23 10 4 159 66 N 6 14 23 10 7 1511 885		

Southern Ontario Average 40.84

Source: Census Canada, 1941; author calculations.

and service functions when compared to southern Ontario communities of similar population size. Although, the retail sales and service sales per person rose for Timmins by the end of 1941; they still remained well below that of the southern Ontario sample average. This occurred because Timmins could not capture a larger market area due to its relatively isolated location.

Industrial

The industrial development in Timmins during the period 1932 to 1945 was minimal because the majority of money and investment went to the war effort. Only one significant industrial development occurred in September 1933 when a weekly newspaper was started in Timmins called the <u>Timmins Citizen</u>. The Citizen was soon purchased by Mr. Roy Thomson in 1934 and this was his first newspaper purchase. The newspaper was soon published twice weekly and in September 1934 it was renamed the <u>Daily Press</u> and was published daily. It was from here that the future Lord Thomson of Fleet launched his world-wide publishing organization.

Other

Other ramifications created by these prosperous times and conditions were evident in a 280 percent increase in the number of amusement and recreational facilities which were needed to accommodate an expanding population (Tables 2 and 4).

Analysis

The dependency of a single-industry community on a

fluctuating economy is shown in the previous section. The economic condition of "The Porcupine" mining industry had a tremendous effect on the development of the Town of Timmins during the period 1932-1945.

The Depression and War era created trends in the mining industry which produced prosperous conditions initially and later conditions of economic instability. By the end of the war, the gold mining industry in Timmins was faced with a rapid rise in costs against a stable or declining price.

The change in the price of gold during the 1930's had an effect on the prosperity of the Timmins area. Due to the increase in gold prices Timmins did not feel the strong consequences of the Depression. High gold prices on the world market caused high productivity in the mines of Timmins. The 'boom' conditions were further enhanced by the unnatural situation created by the Second World War. nature of mining activity during wartime was a crucial variable for the mining industry and the community of Timmins. The pressures exerted by the Federal government to increase gold production caused some mines in the Timmins area to close and others to shorten their life span. To meet government requirements, only the most highly accessible high grade ore was extracted, thereby making the longevity of some mining operations short-term. During less pressured times, mines would extract a balance of high and low grade ore in order to ensure continued production. Therefore, after the demand for gold settled, most mines were faced with only

high wage rates and low grade ore deposits which were too costly to mine. Technological changes had very little effect because they were aimed more at decreasing costs than increasing output. The war which benefitted Timmins during the early forties had also shortened the already finite life of the gold mining industry.

Government wartime policy towards the purchasing of bullion was both a catalyst and deterrent for the mineral industry. "The Porcupine" mines were highly confident because they were not faced with a fluctuating or problematic market. The Federal government purchased all of the bullion produced, which assured a market. The detrimental effects of this policy were exhibited near the end of the war when it was realized that most of the mines in the Timmins area had reached the apex of their production prematurely.

The first thirty years of development marked Timmins' first distinct period of growth. Population escalated to an all-time high due to the increased mineral activity. Although population growth trends are usually accompanied by important changes in the structure of the population; this situation was not realized in Timmins. Only one minor change occurred; the number of single males decreased in the Town of Timmins. It was further noted that Timmins became the 'melting pot' of the various ethnic groups and the location for many of these groups' clubs and organizations. A complete analysis of the population was hindered due to a lack of statistical data.

The increase in Timmins' population from 14,200 in 1931 to 28,790 in 1941 had tremendous effects on the development of the community. The need for more homes and community services created an urban-industrial interaction. The increased spending of the various mining companies as well as the increase in population furthered the development of the community's retail and service sectors. The expansion which took place on mining properties also benefitted the construction industry. Although the mines indirectly invested in the development of business; they contributed directly to social and recreational facilities. In turn, Timmins provided services and additional housing.

At this time, Timmins had no official plan but expansionary and infilling development took place in an orderly fashion due to the already existing rigid grid pattern which was closely adhered to. By the outset of the war Timmins had developed a well-defined and flourishing business sector. Increases in population, wage rates and disposable income created a demand for more retail functions.

By the end of 1941, the CBD ranked second only to mining as an employer of the labour force within the Town of Timmins. 14 The growth of this sector of the Timmins economy indicated its strong position as a regional centre in "The Porcupine" area. The evolution from a frontier gold mining town to a regional centre was rapid but there was an evident weakness in Timmins' economic structure. Although the commercial sector was relatively prosperous; it was unable to

draw a significant amount of money from the other settlements in the District of Cuchrane. Commercial activity was based on capital within "The Porcupine" area which was directly derived from the mining industry. Therefore, the prosperity and development of all sectors of the Timmins economy were still dependent on the mineral industry which was finite by nature.

Among the large number and variety of retail functions in Timmins, one very distinct feature appeared. Within and around the central business district were many hotels with beverage rooms on the main floor and sleeping accommodations above. This large number of hotel establishments reflected the population structure of the community. The buildings housed, on a room and board basis, the large number of single transient men who worked in the surrounding mines.

Timmins from 1912 to 1945 experienced continuous growth due to the economic prosperity of the gold mining industry. The fortunes of the industry were reflected in all areas of the Timmins economy which collectively improved Timmins' hierarchial position from a frontier town to a regional centre in "The Porcupine". During this period Timmins could not secure a stronger position in the region of Northeastern Ontario because of its restricted market area. When Timmins was compared to five southern Ontario communities of similar population size, it had less retail and service functions and sales. An important difference between

areas for the various towns. The southern Ontario communities had smaller market areas but could draw from a larger and wealthier population even when considering the influence of larger cities near them. In the case of Timmins, it had a large market area with a small and relatively poorer population. Its market area in 1941 was restricted to the District of Cochrane which had a total population of 80,730 persons. 16 Timmins' market area was severely hampered by the influence of Kirkland Lake in the northern section of the District of Temiskaming and also by the location of Kirkland Lake on Highway #11, a major transportation corridor. Timmins' market area was confined to that area north of its location which was made up of a number of lumbering. Indian and Eskimo settlements whose inhabitants in 1941 rarely journeyed to Timmins. In 1945, Timmins could only rely on its immediate area to support trade.

During this particular time period and in the next, Timmins' evolution can be explained through Simmons' staple export model. (Figure 3) This model evolved from the work of many authors but in particular that of Douglass North's. North theorized that urban growth was the evolution of a market economy where the behaviour of prices of goods services and productive factors were the major elements in any explanation of economic change. 17 Simmons' extrapolation of these ideas and those of his own were extremely applicable to the development of Timmins. The over-riding variable which linked Timmins to this model

was the external market demands which had caused year-toyear fluctations in productivity. The frontier mercantile model no longer applied because development decisions were not totally made in the source region. There can be no arguement that Timmins' growth and prosperity within the urban system was governed by external forces. The economic effects of the Second World War and the type of internal production needed to satisfy these demands both contributed and hindered the development of Timmins. The growth created by these external forces facilitated the upgrading of the transportation system and the retail and service sectors of Timmins. Although, these improvements lessened Timmins' dependence on the source region, there still remained a need for a strong linkage between the two. Backward linkages were required to supply Timmins with mining machinery and technological innovations. Forward linkages were needed to export the staple (gold) to the market. linkage was not particularly effective because of the type of market system used for gold. The final demand linkages were the most influential because they allowed Timmins to develop a small tertiary economy to serve it surrounding area. Basically zone one supplied zone two with higher order goods and services which in turn were distributed to zone three and the feedback system operated back to zone one through two. There was also no internal integration between centres within each zone. Timmins' growth during this time period exhibited all aspects of Simmons' staple export model. Although this time period was prosperous in Timmins, there still remained a feeling of uncertainty about the longevity of the community because of its inability to survive without the mineral industry. Finally by the end of 1945, gold production had reached its peak prematurely and Timmins was beginning to feel the conditions of a postwar slump and decline which is the subject of the next chapter.

FOOTNOTES

Chapter Three

- ¹"Report of the Committee of Inquiry into the Economics of the Gold Mining Industry", 1955, p. 16.
- ²"Annual Statistical Report on the Mineral Production of Ontario", vol.XLII, 1933; vol.XLIX, 1940.
- ³H. Browning, "Mining in Ontario during the 1940's", Canadian Mining Journal, vol. LXII, Feb. 1941, p. 75.
- ⁴A. L. LeBlanc, "The Evolving Economy of the Porcupine Mining Region of Northern Ontario", (London, Canada: University of Western Ontario, Department of Geography), B. A. thesis, 1969, p. 9.
- ⁵R. Bucksar, <u>op.cit.</u>,p. 10.
- ⁶Dominion Bureau of Statistics, <u>Census of Canada</u>, 1931, 1941, Population, Ottawa: Queen's Printer.
- 7 <u>Ibid.</u>, 1941, author calculations.
- ⁸<u>Ibid.</u>, 1921, 1941.
- 9R. Bucksar, op.cit., p. 10.
- ¹⁰A. L. LeBlanc, <u>op.cit.</u>, p. 12.
- ¹¹Temiskaming and Northern Ontario Railway, <u>Annual Reports</u>, 1933 and 1937.
- 12 Dominion Bureau of Statistics, op.cit., 1941.
- ¹³<u>Ibid.</u>, 1931, 1941.
- ¹⁴Ibid., 1941.
- 15E. H. Fors, "The Porcupine District: A Regional Study", (Toronto: University of Toronto), (unpublished B. A. Thesis), 1956, p. 63.
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CHAPTER FOUR

The Post War Decline, 1946-1962

After the Second World War, most parts of Canada experienced prosperous growth. The building of new highways and freeways and rapid industrial expansion caused the base metals industry in Canada to flourish. On the other hand, the gold mining industry was suffering from the effects of the Second World War.

Economic Base

The gold mining industry after the war was faced with a fixed price for gold, increasing wage rates and increasing operational costs. The lack of other known ore deposits to mine in the area and a shortage of gold reserves created by the Federal governments demand for gold during World War Two complicated these factors which contributed to the post war decline period of "The Porcupine".

Gold prices remained at a fixed level while wages and operating costs increased causing the profits of "The Porcupine" mines to decrease. From 1940 to 1960 gold production declined 13.5 percent and the total value of "The Porcupine" bullion decreased forty-seven percent (Figures 4 and 5). The decrease in gold production was caused by the Federal governments lessened demand for gold and the value of the bullion decreased because the price of gold was fixed at a wartime level while operating costs and wages increased. The result was that the gap between rising costs and a fixed price narrowed creating a smaller profit for "The Porcupine"

mines.

By 1948, it was evident that gold mining was threatened and something had to be done. In the face of declining gold production, the Federal government instituted the Emergency Gold Mining Assistance Act(EGMA). EGMA was the major factor responsible for the extended life of "The Porcupine" mines and the Town of Timmins. Without this assistance, the mines would have severely exhausted their reserves which would have led to the eventual termination of the mines and "The Porcupine".

The purpose of the Emergency Gold Mining Assistance Act was.

"...to assist Canadian gold mine operators in meeting the greatly increased costs of production of gold for which, unlike all other primary mine products there has been no compensating increase in price. It was designed primarily to assist the high cost or marginal mines to continue in operation over a difficult period and also to enable such mines to continue to maintain their dependent communities."3

The subsidization offered through EGMA afforded the opportunity for most mines in the Timmins area to increase their lifespan; to more fully exploit their ore reserves and thus enlarge the total amount of employment. EGMA continued throughout the fifties until it was phased out in the midsixties.

In the early fifties the profit margin between the price of gold and operating costs was widened but "The

Porcupine" mines were faced with another problem; a hydro shortage. This shortage of power held back some of the mines from going into high production. The lower rate of immigration of European workers in the late forties and early fifties also created a shortage of labour.

Between 1950 and 1962, Timmins experienced two major developments. In 1953, Timmins was hit by its biggest blow in the postwar era. A paralyzing strike at the Hollinger mine closed down every producing mine except non-unionized Dome, Pamour Porcupine and Hollinger-controlled Ross. Gold production in July 1953 amounted to \$3.3 million but by the middle of the strike in December, production had dropped to approximately \$1 million. By 1954, the strike ended and labour conditions were somewhat better but the effects of the strike were felt for some months. Once the strike was settled, the mines introduced a back to work process extending over a minimum period of four months before the prestrike level of production would be reached again.

The second major development was a lower averaged realized price for gold stemming from an appreciation of the Canadian dollar in relation to United States currency. All gold is purchased in American currency, and when the value of the Canadian dollar is raised; it then requires more American dollars to purchase the gold, therefore, the price of gold decreases. At this time a steady continuity of production, unaffected by strikes was far more important than the lower price of gold as far as the individual mines were

concerned. The mines could still produce even with a low gold price but in the case of a strike, production would be ${\rm nil.}^5$

with the gold mining industry in "The Porcupine" relatively stable, other difficulties occurred. The cost-aid assistance (EGMA) by the Federal government was lowered and many miners were leaving "The Porcupine" to work in the new uranium camps such as in Elliot Lake. During this period the larger Timmins mines were forced to use their outside investments such as oil, uranium, gas steelmaking and base metals to subsidize their lagging gold profits.

The economic situation of "The Porcupine" mineral industry received a boost in the early sixties when the McIntyre mine revealed a major copper-ore discovery. Also, at this time, other small base metal deposits were discovered. By 1962, the economic situation of the mineral industry had become progressively better.

The wood industry between 1946 and 1962 experienced some expansion and by 1961, four timber companies employed 340 persons in "The Porcupine" area. The expansion of this activity in the primary sector strengthened Timmins' economic base. This expansion did not increase employment opportunities because new technological advancements were implemented to increase production and decrease labour.

External factors during this postwar slump period had some effect on the development of Timmins and also helped offset some of the mining problems. Timmins, in the fifties

and early sixties experienced three short-term economic 'boom' and 'bust' cycles. The three consisted of the change over from twenty-five to sixty cycle electricity; an addition to the hydro-electric system and the building of the Trans-Canada pipeline. The workers of these developments created a short-term influx of population and capital in the Timmins area. Because of the temporary nature of the developments, a housing shortage occurred and was offset by a large number of mobile homes being brought into the area. This was good for the community because once the workers moved; they also took the mobile homes with them and consequently Timmins was not left with a housing surplus.

Population

During this seventeen year period, Timmins experienced a nearly stable population level, although a few structural shifts did occur. Between 1941 and 1956 the population had dropped by only 1,239 persons but then increased by 1,719 persons by 1961.

Three major shifts in the population structure of Timmins were evident during this postwar era.

- 1. The portion of the population in age groups above 55 years had increased substantially. In 1951, persons over 55 accounted for 9.8 percent of the population; by 1961 they accounted for 13.4percent in the Town of Timmins.
- 2. The number of children and their proportion of the population had declined slightly, in 1951 those under 10 years accounted for 24.5 percent in 1961.

3. The number and proportion of persons in the 25-54 age group, the main working group also declined substantially in the period. They accounted for 40.6 percent of the total population in 1951 in the Town of Timmins and only 36.3 percent in 1961.9

Table 5 indicates a declining trend in the average family and household size coupled with an increase in the number of households and families. Other demographic data surveyed revealed that the male-female ratio was narrowing and the community still contained a large ethnic segment. The only difference in the ethnic make-up of the community was that the European dominance in 1941 shifted to French-Canadian in 1941. Of the total population in 1961, French Canadians consisted of 45.2 percent; English-speaking amounted to 30.1 percent and all other ethnic groups consisted of 23.3 percent. 10

The troubled economy and a static population were further reflected in the labour force. Although, mining remained the most dominant industry in Timmins; its share of the total labour force declined steadily from 50.1 percent in 1941 to 35.2 percent in 1961 (Table 6 and 7). This decrease in the primary sector was offset by a 14.0 percent increase between 1941 and 1961 in other sectors of the Timmins economy (Table 6 and 7). This increase took place in the areas of construction, trade, finance and services. The number of females employed in the labour force between 1941 and 1961 increased 50.0 percent (Table 6 and 7). By 1961, the total labour force of the Town of Timmins

Families, Population and Households,
Town of Timmins - 1951-1971

	<u>1951</u> <u>1961</u>		<u> 1971</u>
Population	27,743	29,270	28,540
Number of Households	6,920	7,311	7,870
Persons per Household	4.0	3.9	3.6
Persons in Families	25,212	26,302	25,110
No. of Families	6,662	6,757	6,670
Persons per Family	3.9	3.8	3.8

Source: <u>Census Canada</u>, 1971.

consisted of 10,136 persons of which 38.7 percent were employed in the primary sector; 10.8 percent worked in the secondary sector and 47.0 percent in the teritary sector (Table 6 and 7).

The conditions of Timmins' economic and population bases did not deter urban growth and development. In the immediate postwar period, Timmins annexed two parcels of land from Tisdale township and one from Mountjoy township. On August 2, 1947, the Minister of Planning and Development designated that all the lands within the municipal boundaries of the Town would be controlled by the Timmins Planning Board. It This resulted in the establishment of the first Official Plan and Zoning By-Law for the Town of Timmins in 1948.

Transportation and Communication

The strengthening position of Timmins as a regional centre in the northland required transportation improvements and developments to meet the needs of the community. The highly profit-orientated Ontario Northland Railway system (ONR), formerly the T&NO, greatly affected the economic development of Timmins. High transportation costs to the luctrative southern Ontario markets hindered and deterred the development of secondary industry in the area. The lack of other means of transportation to compete with the railroad further retarded the economic development of Timmins. The trucking industry provided competition for the railroad but in 1960, Star Transfer Limited, one of the largest firms in the North was acquired by the Ontario Northland Transportation

TABLE 6

Labour Force Distribution By Industry - 1941-1951

<u>Town of Timmins</u>

	<u>Male%</u> 1941 1951			<u>Female%</u> 1941 1951		ta 1% 1951
Agriculture	0.3	0.1	0	0.1		0.2
Forestry, Fishing	1.5	3.6	0	0.1	1.5	3.7
Mining	50.0	42.4	0.3	0.6	50.1	43.0
Manufacturing	5.2	5.8	0.5	0.8	5 .7	6.6
Electricity, Gas	0.5	1.8	0	0.1	0.5	1.9
Construction	4.6	4.4	0	0.2	4.8	4.5
Trans. and Comm.	2.1	3.7	0.4	1.1	2.5	4.8
Trade	8.9	10.3	2.8	5.0	11.7	15.4
Finance, Insurance	1.3	1.2	0.5	0.8	1.8	2.1
Services	6.8	7.9	8.9	8.8	15.7	16.7
Public Admin., Defense	4.8	**	0		4.8	_
Not Stated	0.6	0.9	0.1	0.2	0.7	1.1
TOTAL	86.6	82.1	13.5	17.7	100.0	100.0
				_		

Source: <u>Census Canada</u>, 1941, 1951; author calculations.

TABLE 7

<u>Labour Force Distribution by Industry - 1961-1971</u>

<u>Town of Timmins</u>

		Male%		<u>Female%</u> 1961 1971		tal%
	1961	1971	1961	19/1	. 1961	. 1971
Agriculture	0.1	0.2	0	0	0.1	0.3
Forestry, Fishing	3.2	1.4	0.1	0.1	3.4	1.5
Mining	34.8	22.9	0.4	0.7	35.2	23.5
Manufacturing	4.5	5.5	0.7	0.6	5.2	6.1
Construction	5.3	7.8	0.2	0.3	5.6	8.2
Trans. and Comm.	6.3	5.6	0.9	1.1	7.2	6.7
Trade	10.2	8.2	6.0	6.9	16.3	15.1
Finance, Insurance	1.5	0.9	1.2	1.5	2.6	2.4
Services	6.5	8.3	10.9	14.3	17.4	22.6
Public Admin., Defense	3.0	5.0	0.5	1.8	3.5	6.8
Not Stated	2.5	3.7	1.0	3.1	3.5	6.9
TOTAL	77.9	69.5	21.9	30.4	100.0	100.0

Note: category Electricity, Gas is contained in Trans. and Comm. for the years 1961 and 1971.

Source: Census Canada, 1961, 1971; author calculations.

Commission. The same commission also operated the ONR, therefore, Star Transfer took on the same highly profit-orientated transportation policy and by almost monopolizing the industry reduced the available alternatives to the local shipper.

This problem was partly solved with the opening of Timmins' first airport in 1955. TCA (now Air Canada) began to service the area on a scheduled daily basis. The service of TCA was transferred from an airport at Porquis Junction to the Timmins airport because of inadequate facilities; the thirty-six mile time-consuming drive necessary to get to Porquis and the recognition of Timmins as the focal point for this part of Northern Ontario.

Residential

From 1958 to 1962, Timmins experienced its biggest building boom while the economic and population situations were in a relatively stable position. The total value of building permits including housing reached \$3.2 million in 1959 which was a forty-eight percent increase from the previous year. One hundred new housing units were started in 1959 compared to half that number in 1958. Total housing units completed in the Town of Timmins between 1956 and 1961 amounted to three hundred and ninety-nine. Half of the total number of permits were issued for residential uses, with one-third of the total used for institutional and governmental purposes and the remainder were for commercial and industrial developments. This development geographically expanded the

Town's boundaries to the North with a minimal amount of development in the south (Figure 7). Infilling within the already existing community also occurred during this time period. In 1962, the total assessement for Timmins reached \$26.4 million; an increase of 15.3 percent in seven years. 13 Commercial

The increase in housing activity created growth in the construction industry and trade sectors of the Timmins economy. In trade, the most important development was the establishment of Timmins' first television station.

Although Timmins' economy was relatively stable between 1951 and 1962, the number of retail establishments in the Town dropped from 282 in 1951 to 261 in 1961 (Table 8). The decrease in the number of stores was not reflected in Timmins' retail sales because sales increased 25.3 percent and the retail sales per person rose 18.8 percent between 1951 and 1961 (Table 8). It was impossible to indicate in which area these increases occurred because the retail data compiled for Timmins in 1961 Census Canada was based on Timmins, Schumacher and South Porcupine combined. This same problem occurred when trying to compare Timmins' retail functions with five southern Ontario communities of similar population size. Because of the grouping of the three communities, Timmins was classed as a community with a population of 30,000 and over which eliminated the majority of the southern Ontario communities because comparable retail data were not available. This same problem also occurred in the

<u>TABLE 8</u>

Retail Trade - 1951, 1961

<u>Place</u>	Popu	<u>Population</u>				
	1951	<u> 1961</u>				
Timmins	27,743	29,270				
St. Thomas	18,173	22,469				
Belleville	19,519	30,6 55				
Chatham	21,218	29,826				
Welland	18,382	36,079				
Galt	19,207	27,830				

	Numbe stor			<u>les</u> 000)	Sales per person		
	1951	1961	1951	1961	1951	1961	
Timmins	282	261	24,635.6	30,864.8	888.00	1,054.50	
St. Thomas	246	275	23,061.0	31,923.2	1,268.97	1,420.75	
Belleville	244	294	27,330.1	44,615.1	1,400.17	1,455.39	
Chatham	291	363	32,057.9	43,496.7	1,518.04	1,458.36	
Welland	207	378	22,144.4	39,033.1	1,439.60	1,081.88	
Galt	225	272	18,859.4	30,279.9	981.88	1,088.03	

Source: <u>Census Canada</u>, 1961; sales per person calculated by author.

service sector but it was possible to acquire some statistical data from Timmins' 1964 Official Plan. Also, some data for Timmins and the five southern Ontario communities were available through <u>Census Canada</u> but only for the total number and sales of retail and service functions (Tables 8 and 9).

Table 8 indicates that the retail sales per person in the Town of Timmins increased but when compared to a sample of southern Ontario communities it was considerably less.

The Timmins service sector between 1951 and 1961 experienced a slight increase in the number of establishments while sales for this sector grew by 17.5 percent (Table 9). A further analysis of Table 9 indicated that the service sales per person increased 11.4 percent while the average service sales per person for the southern Ontario sample increased 1.3 percent. Although, the Timmins service sales per person increased considerably; they still remained lower than the Southern Ontario level.

Table 10 presents the increases in sales for consumer, professional, financial and business services as well as for the contracting trade in the Town of Timmins between 1950 and 1962. Between 1946 and 1962, Timmins' central business district experienced a moderate growth in most service sales with sharp increases in the financial and business services offered in the community.

Although the number of retail establishments de-

TABLE 9
Service Trade, 1951-1961

	Number of Stores		<u>Sal</u> (\$. 0		Sales per person	
	1951	1961	1951	1961	1951	1961
Timmins	139	142	3406.7	4004.6	122.81	136.83
St. Thomas	115	147	2689.3	3589.7	147.97	159.78
Belleville	108	163	3403.3	5315.2	174.34	173.38
Chatham	139	180	3812.6	5527.4	179.69	185.31
Welland	102	180	2493.3	4513.0	135.69	125.09
Galt	84	106	1983.1	2979.5	103.24	107.08
Average Sale Ontario Comm	148.19	150.1				

Source: Census Canada, 1961; author calculations.

TABLE 10

Service Sales Town of Timmins 1950-1962

Services		%
Consumer	increased	9
Professional	11	9
Financial	19	61
Business	11	70
Contracting trade	11	62

Source: Official Plan of the Town of Timmins, 1964, p. 43.

creased, the locational boundaries of the CBD remained the same with a pronounced east-west, north-south axis beginning to form.

Industrial

By 1949, some secondary industry had developed in Timmins. Established within the community were a Union Brewery, an abbatoir, four lumber mills, a concrete block plant and Mascioli Construction Company. Although these secondary industries existed; they were not of sufficient size to support the community if mining were to falter. Timmins also supported twenty-four hotels, eighteen churches, both public schools and separate schools, a vocational high school, and five banks.

Other

By 1961, medical facilities were upgraded and the addition of a new wing to the hospital in 1959 brought bed capacity up to 160 and made available other needed facilities.

Analysis

Economic factors such as high wage rates, rising operational costs, a fixed price for gold, limited ore reserves and unsettled labour conditions placed Timmins' gold mining industry in a post war slump. The Hollinger strike of 1953 also created economic problems for the Town in terms of decreasing production and employment.

The introduction of the Emergency Gold Mining Assistance Act in the late forties was the single most influential factor in the continued life of "The Porcupine" mines and

the Town of Timmins. Without this assistance, it is doubtful whether Timmins would still exist today. An improved
labour picture and government assistance ensured a moderate
rate of production and development. By the mid-fifties "The
Porcupine" gold mines passed the billion dollar mark in gold
production. 14 This greater stability in the mining industry
influenced the economic development of Timmins.

Due to the economic prosperity of the mineral industry in the frontier period, Timmins felt little pressure to diversify its economic base but this thinking was changed after the Second World War. By 1949 it was realized that the mineral industry could no longer be relied upon for continued community growth, therefore, Timmins' unbalanced economic system was faced with two alternatives. The first was to rely on the mining industry which would most likely lead to the eventual termination of the community or secondly to diversify its economic base. Timmins' choice was diversification and the initial step was the formulation of an Official Plan and Zoning By-Law in 1948. This instituted development policies for a more structured and orderly growth. The plan indicated the need for increased secondary and tertiary activities in order to minimize Timmins' dependence upon the mining industry. Between 1946-1962, some secondary activity occurred but it was in the form of satellite industries to the primary sector. In other words, the capital flow which established and maintained these industries was derived from the primary sector. The character of products rather than the degree of diversification determines the impact of added industrial development. 15

Although labour relations were settling and government assistance assured, gold production still declined. The steadily decreasing levels of production created changes in labour and finance. The reduction in a ployment opportunities directly affected the amount of circulating capital in the Town. The decrease of capital flow was partially offset by a twenty-six percent increase in wage rates between 1951 and 1962. The increase in wages increased the purchasing power of the community but also created a burden to the gold mining industry at the same time because they had to pay a higher wage which further increased operational costs.

Another important aspect which was also a contributing factor to the development of Timmins between 1946 and 1962 was its static population. Although employment was lost in the mining industry, some of the unemployed shifted to other sectors of the economy. Conditions in Timmins, at this time, seemed progressive but when compared to the province and Canada, they were not. Between 1950 and 1962, the annual average population increase for Timmins was 1.04 percent compared to 3.05 percent for the province and 2.6 percent for the nation. 17

When considering all the factors, Timmins during the period 1946 to 1962 was in a period of slow decline. Reflecting the slowdown were:

- l. an average annual rate of population increase much lower than the provincial national levels.
- 2. A decline in the total employment of "The Porcupine" gold mines from 5,561 in 1941 to 3,564 in 1962.
- 3. a decline in retail sales per capita from \$888 in 1951 to \$726 in 1961 when compared in 1949 dollars. 18

The above factors indicated a gradual slowdown but by the end of 1962, the mineral industry began to prosper.

In the late fifties the mining climate was enhanced by a copper find at McIntyre mine which led to diversification within the mineral industry and a gained confidence in the future of the community. The upsurge of confidence was reflected in the rising building boom and the establishment of a television station. A large portion of the new residential units were built by merchants and professionals whose attitude was a sensitive gauge of the economic conditions in the community and of its prospects for future development. The discovery of non-ferrous ore bodies were able to offset the economic instability of the gold mining industry.

The population structure of Timmins indicated that there was a significant decrease in the working age group. This signified a slight out-migration of young adults who saw little future in gold mining. Timmins was unable to hold onto its young adults who would, normally, produce new families. The result left Timmins with a large portion of children and elderly persons who put additional strain on

municipal finance; in terms of welfare services and schooling. William Lougheed summarized the population dilemna
well. when he stated.

"The aging process is definitely characteristic of all non-developing communities. The usually rapid postwar expansion in the mining of metals other than gold, attended as it was by the emergence of wage rates higher than those in gold mining, naturally attracted many of the young people from the gold mining communities. The drain of youth is not merely a symptom of a dreath of occupational opportunities; it is also a casual factor in the prevailing lack of economic diversification which might otherwise be prompted more actively from within the communities themselves." 20

The ethnic composition of Timmins remained relatively constant with one exception. From 1931 to 1941 the percentage of French-speaking persons increased by 110.5 percent and further rose by 26.5 percent in 1961. 21 By 1961 the French-speaking population constituted 45.2 percent of the total population while English-speaking persons accounted for 30.1 percent. 22 This large number of French-Canadians created a gradual sociological change in Timmins with respect to the use of the French language. The change was not brought about by the influence of the French-Canadian power group, but by a continuous indoctrination by educated clerical authorities. The increase in the number of French-speaking people was also evident at managerial and profes sional levels, but numbers were disproportionally small in contrast to the total number of French-Canadians in Timmins.

The variety of ethnic groups also influenced the static character of the population. Sixty-nine percent of the population were not of English origin but of French, Italian, Polish, and Scandanavian backgrounds. These Europeans emigrated to Canada and then to Timmins in groups, mostly with friends and family from their European habitats. Europeans are very 'home and family orientated' which greatly influenced their decisions to remain in Timmins. By the midfitties, Timmins was no longer divided into ethnic areas as it once was because many of the class and ethnic barriers were no longer evident.

Transportation was made more favourable during the late fifties with the extension of Highway #101 to the southwest linking Timmins with Foleyet. This provided direct access to the Canadian National Railway which was linked to all major points in Southern Ontario and Canada. The ONR, at this time, was receiving competition from airlines, highway trucking companies and private motor cars due to highway improvements which increased Timmins' accessibility. O.T.G. WILLIAMSON, in his article Yesterday and Tomorrow summarized the situation.

"...While giving service essentially necessary to the national economy, it (ONR) was facing ever-increasing competition, much of it unfair, from airlines, highway trucking and private motor cars. For Ontario Northland Railway, this has been particularly galling, since many of its commodity rates had been set and maintained at low levels to encourage regional development while its less than carload traffic was being skimmed off by

under-cutting competition."23

Although competition existed; transportation costs still remained high enough to deter secondary development. The Ontario Northland Commission eliminated a large portion of its competition when it acquired Star Transfer Limited, a major trucking firm in Timmins and Northern Ontario.

The low level of commodity rates were maintained to stimulate development solely within Northeastern untario.

It was the governments belief that Northeastern Ontario should not compete with Southern Ontario markets but should merely serve its own local market. The governments position was clearly put forward when it stated,

"It is felt that economic activity in Northeastern Ontario should fulfill two main objectives. First, it should satisfy the basic needs of the local population - its own market - through expanded agricultural and industrial production ... It would appear that keeping the competition by the South away from the area, by non-interference with the transportation costs, should contribute to the success of this pro-Second, the North should concentrate on the production of the Southern Ontario market of complementary, not competitive products. such a case, the success of the industry would depend on the demand of a price which would include the prevailing cost of transportation."24

The government also felt that it was unrealistic for active or potential northern producers to expect government support as a compensation for their uncompetitive position at public expense including that of their competion in the South. 25

Therefore, an animosity existed because government policy

was to enhance industrial development within the region but the transportation system in Northern Ontario had not evolved as a regionally-orientated network, but as a linkage on a north-south basis. This was the case because one of the original intentions of the northern transportation system was to expand the Toronto hinterland. Also, since the rail-roads were built to penetrate the province and aid in exporting goods, rather than facilitate internal circulation, the railroads created a bias toward internal economic development in Southern Ontario.

The lack of a regionally oriented transportation network was further amplified by the unnecessary distances separating Northern communities due to earlier highway and rail construction. Construction was allowed to adhere to existing transportation corridors which increased the time and cost of moving goods between intra-regional centers. For example, the linear distance between Timmins and Kapuskasing was less than seventy miles; by highway it was inflated to 125 miles.

In the case of air transportation, government policy was also weak although Timmins received air service in 1955.

In a report written by the Department of Economics and Development, air service in Northern Ontario between 1955 and 1962 was summarized as follows,

"...although existing regular airline service in Northern Ontario may not satisfy needs, there is by no means a lack of air transportation services. It should be recognized that there is always a substantial number of charter

operations who are ready to provide costly but efficient air transportation in the area". 26

In conclusion, transportation policy had greatly hindered the development of secondary industry during the period 1946 to 1962. Secondary development was retarded by the high cost of transporting goods to the southern Ontario markets and also from a lack of a regionally-oriented network to serve Timmins and Northeastern Ontario. The location of Timmins away from major transportation corridors and its large market area which contained a limited amount of population and capital further hindered the development of secondary industry. N. Bonsor indicates that most communities in Northeastern Ontario are located away from the areas of major economic acitivity. This disadvantage creates a problem because a major component for regional growth is the achievement of agglomeration economies - where producers obtain a reduction in transportation costs by locating adjacent to each other. 27 Bonsor also stated that,

> "For a region to develop a new export base, it must have a cost advantage over other regions. Transportation costs clearly reduce the potential advantage of regions distantly located away from the market."28

The economic constraints placed on the gold mining industry greatly affected the standard of living in Timmins. This was reflected in the decline of retail sales per capita between 1951 and 1961 when comparing the 1961 dollar value to the 1949 dollar value. In 1947, gold miners were one of the most highly paid groups in the country. The average

weekly wage was \$45.49 which compared closely to other mining earnings and was 32.0 percent and 25.0 percent above construction and manufacturing respectively. By 1958, all industries had surpassed gold mining primarily because of the high labour content of mining and the limited capacity of mining companies to absorb wage increases and keep operating under price rigidities. The lower wages had definitely decreased the purchasing power within the community.

The geographical growth of Timmins followed its previous pattern with expansion and infilling taking place in the north and south of the community. By the end of 1962, growth was forced in a northerly direction because of two natural barriers, the Mattagami River and Gillies Lake (Figure7). Growth was restricted in the south because the Town was sewaged by gravity and it was too costly to operate pumping stations in this section of the community. Linear development along Highway #101 (Algonquin Boulevard) expanded in an east-west direction. This type of development was characteristic of most Northern Ontario communities because of the influence of major transportation arteries.

One difficulty which existed in Timmins during the fifties and sixties was a lack of long-term civic planning. An uncertainty concerning the lifespan of Timmins was created because of its reliance upon a non-renewable resource. This produced special problems of stability and progress. The various functions of municipal planning had to be carried out within the restrictions and opportunities of a

unique industry. William Lougheed explained the situation when he stated.

"The economy of the traditional gold mining community remained wedded to gold and had been brought to a state of precarious stability quite out of harmony with national growth trends and prospects."31

Timmins, during this time period, progressed adequately in the area of short-term municipal planning because of its long history of planning which dated back to the time of Noah Timmins. In 1956, E. H. Fors described the appearance of Timmins when he stated,

"...with its regular grid pattern, attractive houses, and well laid out functional zones, Timmins more closely resembles a well-planned Southern Ontario city than it resembles such drab and mixed-up mining centres as Sudbury and Kirkland Lake situated on rough Shield terrain."32

This description was accurate for the late fifties but evidence of Timmins' earlier history of uncertainty still existed. Timmins came into being as a mining town in an era where the mining companies did not take much interest in the attractiveness of the community. The rows of dull, standardized company frame houses which existed in the older districts of the Town are evidence of this lack of interest in Timmins' appearance by the mining companies. The burden of uncertainty had been lifted by the early sixties and public and private investment improved the attractiveness of housing stock and upgraded the Town's publicly owned properties.

The site and situation are two important factors in

the development of the Town as the primate center in "The Porcupine". Located within a few miles from the two largest mines in the area, Timmins became the focal point for most of the settlement. Its site offered many advantages because the thick cover of sand and clay over the bedrock permitted the development of a regular grid network of roads, and facilitated the expansion of public facilities. The topography of Timmins benefitted the appearance of the community which was unlike the physical relief of the Sudbury area.

As indicated in the previous chapter, Timmins' development was still applicable to the staple export model during this time period but the model was in a static state. The Timmins economy was perhaps growing but not necessarily expanding in space. The economic, labour and operational problems encountered during this time period weakened Timmins' position within the urban system. The forward and backward linkages were also weakened due to the decrease in production. At this point it is important to mention the possible introduction of an external linkage, that being the governmental assistance needed to sustain the Timmins economy.

By the end of this time period, Timmins had become a primate centre in zone two and serviced the surrounding areas in zone three (Figure 3).

Finally, by 1962, Timmins had developed into the distribution and financial centre for the District of

Cochrane but its function within the provincial context was only as a residential-commercial centre because of its lack of secondary industrial development. Timmins was acknowledged as the centre for the District of Cochrane because it was the largest community and it offered more retail and service functions than any of the other communities.

During this period from 1946 to 1962, Timmins experienced a period of slight decline, but in 1963, Timmins was given a new lease on life by the discovery of new mineral deposits. The impact on Timmins is the subject of the following chapter.

FOOTNOTES

Chapter Four

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CHAPTER FIVE

A New Lease on Life, 1963-1972

The inability of Timmins to diversify its economic base was still evident in 1963, however a diversification within the mineral industry occurred. Large base metal finds compensated for the declining gold mining industry and gave Timmins more time to find ways to diversify its economic base. Base metals are those metals such as iron and lead which are altered by exposure to the elements, in contrast with the noble or precious metals. 1

Economic Base

Throughout the period 1963 to 1972, gold production declined to 2.0 million tons milled in 1971 with the total value of the bullion reaching \$16.3 million. The 52.2 percent decrease in the tons milled and the 56.8 percent reduction in the value of the bullion during this ten year period was dramatically overshadowed by a base metals discovery in Kidd Township. The major reasons for the decrease in gold production were a substantial depletion of gold ore reserves which forced the closure of seven mines and the reduction in production rates at most of the operating mines. In July 1963, Hollinger Consolidated Gold Mines Limited announced it would cease production by 1964 and employment would be reduced by 1,500.

A large base metals discovery by Texas Gulf Sulpher (TGS) in 1963 cushioned the effects of the declining gold mining industry in "The Porcupine". The discovery of rich

copper, zinc, lead and silver ore bodies near Timmins was the fruition of over eight years of intensive investigation at an expenditure of almost seven million dollars. The TGS announcement sparked immediate boom conditions.

Timmins was overrun by prospectors who staked more than 20,000 claims which tied up practically every square foot of ground for miles around. This exploration activity was reflected in the Toronto Stock Exchange which went 'wild' and broke all previous trading records. At the height of activity nearly 30 million shares were traded each day. The ramifications of the TGS discovery have been described as, "the biggest than any seen since the days of the Blind River uranium rush." The effects of the discovery were also far reaching and were explained by Morton Shulman,

"The announcement of Texas Gulf's discovery caused the 29,985 population of Timmins to swell by more than 5,000 as fortune-hunters descended on the Town to jockey for a piece of land near Kidd Township. There was no room at the 25 small hotels and motels, and the overflow of visitors littered the lobbies at night. The caravan that made its way to Timmins included cars with liscense plates from as far away as Florida and California."4

Ore reserves of the TGS discovery were estimated at 62 million tons and production began before the end of 1966. In the initial stages of the operation, TGS employed 400 men and an additional 800 for the construction of the plant and zinc concentrator. The concentrator was located near the community of Hoyle, some sixteen miles from Timmins and

processed 50 percent of the company's zinc concentrates. The remainder of the concentrates were shipped to Europe and Asia.

In 1966, two new copper zinc mines were opened and in 1968 a new asbestos mine was put into production in Reeves Township. Since 1963, the copper ore recovered in "The Porcupine" has exceeded gold in yearly production. As of 1970, the total value of both gold and copper extracted in "The Porcupine" was \$359.9 million.

On the other hand, guld production was declining and only seven of the original twenty-four mining operations were still active. The costs of production were rising while the price of gold remained fixed or actually lowered because of inflation. Therefore, gold production decreased which in turn reduced profits and employment. Table 11 represents the approximate employment reduction in gold mining in "The Porcupine" between 1960-1972.

The opening of three new base metal mines, Ecstall, KamKotia and Reeves compensated the employment reduction by employing approximately 2,000 people. Not all Timmins people enjoyed the 'boom' conditions created by the TGS discovery. Gold mine operators were forced to increase wages by 0.50 cents an hour or lose long-time employees to better paying jobs.

The economic base of the Town of Timmins received a boost in 1972 by a rapid increase in the price of gold. The increase assured a longer life for the gold mines by allowing

TABLE 11

Reduction in Gold Mining Employment in "The Porcupine"

Mine	Approximate Employment				
	Reduction, 1960-72				
Dome	95				
McIntyre-Porcupine	600				
Pamour	10				
Aunor	70				
Hallnor	100				
TOTAL:	875				

Source: Timmins Retail Needs Study, 1973, p. 23.

the 'cost-price squeeze' to widen which increased profits. This enabled the mines to extract a lower grade of ore and to activate production in areas which were previously too costly to mine. The ability to extract a mixture of high and low grade ore increased the longevity of all "The Porcupine" mines and also inspired expansion of existing facilities.

Population

The increased mining activity in Timmins did not create any lasting population changes. The Timmins population increased by 0.1 percent between 1961 and 1966 and then declined by 3.0 percent by 1971 (Figure 6). The only significant increase was in Mountjoy township which grew from 2,437 inhabitants in 1961 to 2,817 in 1971. The large number of prospectors and fortune-seekers did not have any effect on the population growth of Timmins because their presence was very short-term.

Changes in the population structure of Timmins occurred as follows.

- 1. The population in age groups above 55 years increased steadily. In 1961, persons over 55 accounted for 13.4 percent of the population; by 1971 they accounted for 16.4 percent in the Town of Timmins.
- 2. The number of children and their percentage of the population had substantially decreased; in 1961, those under ten years accounted for 24.1 percent of the total and this declined to 20.0 percent by 1971.
- 3. The number and percentage of persons in the 25 to 54 age range, the working

age, also declined considerably, in 1961 this group accounted for 36.3 percent of the total population in Timmins and only 33.7 percent in 1971.

Between 1961 and 1971 the ratio between males and females declined from 107 males to 100 females in 1961 to 104 in 1971. 8 Also, the single population declined while the married population increased.

The ethnic mix of the community remained relatively the same as the previous time period with French-Canadian being the dominant group. The only significant increase from 1961 to 1971 was in the French-Canadian population which accounted for 49.6 percent of the total population in 1971. The English-speaking group consisted of 29.7 percent with Italians making up 6.7 percent of the total Timmins population.

The TGS discovery brought about a change in the life and habits of the people of Timmins. A much more liberal economic approach was taken by the mining company. The company's policy with regard to the immediate need of the community was demonstrated by their financial support in recreational, sporting and social activities. TGS purchased a park and camping facilities for its employees and sponsored many athletic teams in community organizations. The Texas Gulf Sulpher company injected a new approach to education, community development and a general improvement of the cultural tone of the Town. Their local management became a subdued, though strong force in many facets of municipal organization and commerce.

A twenty-five percent reduction in gold mining employment created unstable short-term labour conditions in Timmins. But stability was achieved through the employment needs of the TGS mine and other new mines which were opening at this time. The total labour force for Timmins as of 1971 amounted to 15,085; of this total thirty percent worked in the primary sector; 14.3 percent were employed in the secondary sector and the tertiary sector consisted of 51.0 percent (Table 7). Thirty percent of the labour force were directly paid by the primary sector but the other 65.3 percent relied on the primary sectors paychecks and expenditures in the community.

Although, labour reductions in the gold mining industry were partially absorbed by new mineral activities; increased use of machinery and metallurgical innovations had simultaneously increased production levels and drastically reduced the labour requirements of the new mines. By way of comparison, in 1941, Hollinger Consolidated Gold Mines removed 1.7 million tons from its underground workings, which required the labour of approximately 3,700 men. That same year the entire Timmins mining district mined 4.3 million tons and employed almost 10,000 wage earners. Conversely, in 1971, the TGS mining operation extracted almost 4 million tons a year, singularly, and employed less than one thousand men in its production phase of activities.

Transportation and Communication

One major transportation development between 1963

and 1972 occurred in highway development. The provision of new routes which linked Timmins with Thessalon via Highway #129, and gave a direct access to Sudbury via Highway #144, increased Timmins' accessibility. The Sudbury link reduced transportation costs by making the distance between the two centers approximately 125 miles shorter. Previously, goods shipped from Timmins to Sudbury were transported 250 miles south to North Bay and then 75 miles west to Sudbury. This 325 mile trip has now been shortened to 200 miles. Other developments outside the region further strengthened Timmins' functional position. The completion of highway bridges at Mackinaw and Sault Ste. Marie allowed easier accessibility for Americans into Northeastern Ontario.

The Ontario Northland Railway in 1972 was plagued by high operating costs, repeated deficits, harsh criticism and extreme competition from the trucking industry. Once described as the 'development railroad', the ONR was consistently being blamed for inhibiting secondary economic growth within Timmins and Northeastern Ontario because of its high transportation costs.

Regular scheduled air service was still maintained by Air Canada with the addition of other chartered air companies such as Austin Airways and Georgian Bay Airways which provided non-scheduled air service.

Residential

The increase in the number of married persons; number of households and the type of people brought into Timmins

created a housing problem. The high wage rates paid by TGS and the various sub-contractors affiliated with the mine created a need for a better quality of housing. An article in Business Week summarized the situation well, when it stated,

"At the concentrator, a Texas Gulf contractor, Ralph J. Parsons Company, is paying some highly skilled men up to \$500.00 for a sixty hour week...In town, rentals have shot up 40 percent and there's a shortage of housing of the sort highly paid workers want."15

The high wage rates were also reflected in an 80.7 percent increase in average income per taxpayer in the Town of Timmins. 16

The number of homes built between 1970 and 1972 increased by 87.1 percent but the value of building permits issued dropped by 33.1 percent. This drop in the value of building permits was due to a large number of building renovations rather than the building of new homes.

The Town of Timmins exhibited minimal growth in the northwest portion of the community with the majority of expansion taking place in the Township of Mountjoy (Figure 7). In January 1967, 357.55 acres of land were annexed to the town limits from Mountjoy township. By the end of 1972, approximately 66 percent of "The Porcupine" population lived within the boundaries of the Town of Timmins, with 19 percent in Tisdale township and the remainder in Mountjoy township. The spatial distribution of Timmins remained the same in the early seventies until new subdivision activity began

in Mountjoy and Whitney townships.

Commercial

The revival of Timmins' economic base was reflected in retail and service activities. The number of retail establishments decreased 10.3 percent but retail sales for this sector increased by 61.3 percent from 1961 to 1971 (Tables 8 and 12). The average retail sales per Timmins resident increased from \$1054.50 in 1961 to \$1764.00 in 1971 and reflected the higher standard of living in the town which had been produced by the increased economic activity in the primary sector. (Tables 8 and 12).

When comparing the number and sales of Timmins' retail functions to a sample of southern Ontario communities; various differences occurred. Timmins had more retail functions than the five southern Ontario communities but the total retail sales for Timmins was much less than the average for the southern Ontario sample. Also the average retail sales per person in Timmins was 24.0 percent lower than the southern Ontario level in 1971. Timmins' retail activity still remained lower because of a lack of peripheral markets. Due to their location, the five Southern Ontario communities could rely on extra retail sales from outside markets whereas Timmins' isolated location restricted this type of activity.

In 1971, there also occurred a definite difference in the number of establishments in the Timmins food group when compared to the five southern Ontario communities. The

TABLE 12

Retail Trade - 1971

<u>Place</u>	<u>Population</u>
T-Timmins S-St. Thomas WH-Whitby WO-Woodstock ST-Stratford	28,542 25,545 25,324 26,173 24,508
B-Barrie	27,676

N-number of stores
\$-sales in thousands of dollars
(x)-insufficient data

Type of Business		Т	S	WH	WO	ST	В
Food	Г	88 17414	41 12861	29 13698	38 13906	45 128 23	30 18091
General	N	10	13	7	9	12	11
Merchandise	\$	6990	5357	(×)	8033	8233	10792
Automotive	N	32	48	70	58	53	79
	\$	9521	19280	23698	20 16 2	14386	33258
Apparel and	N	36	34	18	24	30	30
Accessories	S	5114	3598	1491	3506	3086	3896
Hardware and	2 \$	24	29	23	30	31	26
Home Furnishings		3802	3207	2216	3564	2698	6037
Other Retail	N	44	45	29	42	46	60
Stores	\$	7504	8073	(x)	7423	8324	12585
TOTAL NUMBER OF STORES		234	210	176	201	217	246
TOTAL SALES		50348	52380	58491	56597	49553	84661
SALES PER PERSON	1	764.00	2050.50	2309.71	2162.42	2021.91	3059.00

Southern Ontario Average 2320.71

Source: <u>Census Canada</u>, 1971; author calculations.

number of stores in this group for Timmins was twice the rumber of any of the five samples and the retail sales in this group was also high (Table 12). Timmins in 1971, as in the previous years had a fewer number of establishments and sales in the automotive group when compared to the southern Ontario sample.

Changes also occurred in the service trade sector of Timmins' economy between 1963 and 1972. Between 1961 and 1971, the number of service trade stores in Timmins increased 9.2 percent and service sales escalated by 172.5 percent (Tables 9 and 13). The service sales per person in 1961 was \$136.83 and by 1971 it had risen to \$382.31 (Tables 9 and 13). In 1971, Timmins possessed more service trade establishments and earned more sales than in any of the five southern Ontario communities. Timmins had more accommodation and food services in 1971 than in the five communities because of the increased mining activity in the earlier portion of the time period.

By the end of 1972, the boundaries of the CBD remained the same and it also retained its north-south, eastwest axes. Commercial linear development along Highway #101 continued to expand linking Timmins with the Town of Schumacher. Also between 1963 and 1972, Timmins experienced another form of retail activity, that of shopping centre and plaza development. Mike's Plaza was developed first on the periphery of the CBD and was then followed by the 101 Mall which was situated in the CBD. The 101 Mall's purpose was

TABLE 13
Service Trade - 1971

T-Timmins S-St. Thomas WH-Whitby WO-Woodstock ST-Stratford B-Barrie			number of sales in		s of dol	lars	
Type of Business		T	S	WH	WO	ST	В
Amusement and Recreation	N \$	11 795	11 553	7 406	6 366	10 553	7 659
Services to Business Man- agement	2 \$	20 1494	35 2145	25 2128	29 2100	26 1784	30 2728
Personal Services	N \$	56 1180	63 1340	39 1058	60 1170	60 1285	58 1859
Accomodation and Food	N \$	58 6775	43 3670	38 3930	45 37 6 6	49 4935	58 7898
Misc.	N \$	10 665	7 240	9 541	10 404	12 327	26 3483
TOTAL NUMBER OF STORES		155	159	118	150	155	179
TOTAL SALES	7	10912	7951	8064	7808	8886	16629
SALES PER PERSON		382.	31 311.25	318.43	298.32	362.5	8 600.85
Southern Ontario	A١	/erane		378,29			

Southern Ontario Average 378.29

Source: Census Canada, 1971; author calculation.

to revitalize the downtown core. In 1967, an urbal renewal study was conducted by E. G. Faludi and Associates which recommended the revitalization of the central core and the upgrading of other areas in the town. The report indicated that the CBD and other areas of the community were suffering from extensive blight. Eighty-seven percent of the buildings were built prior to 1945 with 26.0 percent of the buildings built prior to 1925. B Of all the buildings in Timmins, 31 percent were in good condition, 57 percent in fair condition, needing minor repairs and 12 percent in poor condition requiring major repairs and/or clearance. By 1972, an all out attempt was made to upgrade the CBD. As mentioned earlier, the 101 Mall was part of this scheme. It consisted of two floors of retail and service functions with the third floor comprised of office space.

Industrial

The improvement in the economic condition of the primary sector and especially in the wood industry produced some activity in the secondary sector. In the latter portion of this period, Timmins Auto Springs was established. The company employed sixty workers and manufactured trailers for heavy industry and logging operations. These trailers were exported to all parts of the country and the world.

Other

Recreational and medical facilities were also expanded and upgraded to meet the needs of the community. In 1965, the Sisters of Providence changed the hospital

structure to allow lay workers to be employed. In 1970, the St. Mary's School of Nursing was replaced by the Timmins District School of Nursing and in the same year, TGS donated a six bed intensive coronary care unit to the hospital. By the end of 1972, the Sisters relinquished ownership of the hospital which was taken over by the public corporation of St. Mary's General Hospital. The new corporation consisted of fifteen trustees who represented the medical staff, hospital auxiliary, city council, the province of Ontario and the citizens of Timmins.

Planning

The increased economic development of most sectors of the Timmins economy warranted the revision of the 1948

Official Plan. Short-term municipal planning was adequate until 1962 although the life expectancy of the community affected development. The psychological and financial dependence of the town's people on the mining industry created, "a pervasive fatalism about their existence and rejection of futuristic thought about the community." Brian Wilkes, in his article, "Timmins, Company town politics", summarized the planning situation in Timmins during the sixties when he stated.

"With such a mentality in place, planning just becomes nonsense, and politics begs community exploitation."21

Within this atmosphere, both a new Official Plan and a Zoning By-Law were implemented for the whole of the

Porcupine Planning Area in 1964. The Planning Board had jurisdiction over the Town of Timmins and the Townships of Jessop, Murphy, Hoyle, Mountjoy, Tisdale, Whitney, Ogden, Deloro and Shaw. This covered an area of 324 square miles with a population of about 42,000 persons. 22

The development policy of the 1964 Official Plan was to bring together the people and facilities of Timmins to meet their human and cultural needs. The Plan promoted economic diversification; the development of vacant or undeveloped lands for residential purposes and the creation of a satisfactory physical environment for the Timmins residents. The intention of the plan, with respect to the CBD, population density, municipal services, transportation improvements and the like were common Official Plan statements for bettering community development. In short, priority was given to the servicing of land in a three stage development process. The 1964 Official Plan was geared to promote this sentiment.

"The changeover of the Town of Timmins from a predominantly mining community to a regional centre serving the whole of Northeastern Ontario could be achieved by the economic stimulus that would be provided by the development of the expanded manufacturing, commercial, and tourism sectors of the economy."23

The 1964 Plan was still in effect in 1972 but had been amended throughout this time to allow for development which was inconsistant with general development policies.

In other words, the official plan was not adhered to in the strictest sense of its intention. The attitude of the mayor

and town council towards municipal planning was adequately summarized by Brian Wilkes when he stated.

"The council has an anti-planning orientation, and will cheerfully ignore Zoning By-Laws to grant building permits for incompatible land uses."24

On a regional basis, the Ontario government initiated planning proposals for all of Ontario in 1966. The program was called Design for Development which set forth the basic policy for Ontario's emerging regional development program. Its main purpose was to eliminate regional disparities in all sectors of the Province. The region of Northeastern Untario was designated as a planning region and the first document produced for the region was entitled, Design for Development, Phase 1, Northeastern Ontario. 25 This report analysed the trends and problems of the region and represented a tentative starting point in seeking general agreement concerning the most desirable direction and degree of emphasis for future regional change. In the final analysis of this Phase 1 report, eighty-two development objectives for Northeastern Ontario were stated with twenty-three of these given a high priority rating. Included in these objectives were the needs and priorities of all sectors of the Northeastern Ontario economy from diversification of industry to improving ski and snowmobile trails. The ultimate aim of the program was to encourage each region to reach its potential within the framework of provincial interests. the Phase 1 report, Timmins was classed as a sub-regional centre in Northeastern Ontario. This was of particular

importance because Timmins would receive funds for the upgrading of its area.

Analysis

The major mining developments in the base metals mining industry compensated for the declining gold mining industry. The TGS discovery could not have come at a better time. Timmins was facing disaster with a reduction in gold production and personnel which put immediate constraints on community development. Had not the TGS discovery come along, Timmins would have had to struggle until the price of gold was raised in 1972.

Due to the large cyclical fluctuations in the mining industry, the ever-increasing need to diversify the Timmins economic base became paramount. In terms of Timmins' survival, it was given a new lease on life and a chance to diversify its economic base. The estimated ore reserves of the TGS mine increased the longevity of the community and ensured prosperity for some time. The wood industry also played an important role during this period with increased production and expansion. This created one of the most significant developments in the secondary sector; the establishment of Timmins Auto Springs. Although, this manufacturer was a satellite industry to lumbering; it produced some employment opportunities and strengthened the lumber industry's position in the primary sector.

The ramifications of the TGS discovery were felt throughout the Timmins economy. It not only strengthened

the economic base but also absorbed employment reductions from the gold mining industry and prevented a drastic decrease in population.

The population structure of Timmins remained relatively the same as in the previous period because of the static nature of the population. The only major changes that occurred were in the ratios between males and females and between the single and married populations which all decreased. The gap between these two ratios narrowed which created a shift towards a more balanced population structure in Timmins.

The added capital generated within the community from the 1963 TGS discovery, a stable labour force and the already existing population produced extreme effects on the development of Timmins. Two factors most commonly held responsible for the deterioration or expansion of an economic system are labour and capital. Improved labour conditions which were created by the higher wages paid by TGS resulted in an increase of circulating capital within the community. This increased money flow was reflected in the upgrading and expansion of the residential areas, the business sector and especially the service trade. Although, developments in the secondary and tertiary sectors were introduced; these activities were directly related to the primary sector.

The major problems of locating secondary and tertiary industries in Timmins was its inability to produce advantageous locational factors to outweigh the disadvantageous ones. E. M. Miller stated that the seven primary locational factors are raw materials, power, fuel, markets, labour, transportation and capital. All seven factors are necessary industrial location components but only three factors deterred secondary development in Timmins. Although there were only three, these factors outweigh the advantageous ones.

The first and most important was transportation.

Transportation costs are extremely high because Timmins' access to markets outside its own are extremely limited. Distances and costs were much greater because highway development followed the existing pattern of railway development which made distances by highway much greater than the actual linear distance between centres. Also, Timmins was located away from the major transportation corridors and the northern transportation system was focused on a north-south axis rather than on a regional basis.

The existing structure of freight rates in North-eastern Ontario discouraged the establishment of secondary manufacturing plants. Freight rates on inbound shipments were found to be higher than on commodities exported from the region because a high proportion of goods moving into the region were manufactured goods or finished products and most items moving into the region were in insufficient volume to benefit from agreed charge rates. An agreed charge rate is the standard cost of shipping a prescribed amount of a particular commodity from a specific region. For example,

the average rate per ton-mile for a good transported under agreed charge rates is approximately 15 percent lower than the rates for the same product moving under commodity competitive rates. Also, the agreed charge rates are different when the commodity is shipped from a specific area in the province. Therefore, the importing of a variety of inputs which are needed for secondary manufacturing becomes very costly.

Although the railroad was receiving competition from the trucking industry, there still existed, during this time period, a lack of competition in the trucking industry. Highway rates in Ontario are among the highest in Canada because the Ontario Highway Trucking Board has a restrictive entry policy. N. Bonsor explained the situation when he stated,

"A study by the Ontario Ministry of Transportation and Communication found that one of the reasons for high truck rates on certain routes was the lack of intramodel competition. The lack of vigorous competition in the Ontario trucking industry has far reaching consequences for the over-all level of transportation costs. Since rail carriers actively pursue a value-for-service pricing principle, rail rates will be higher in the absence of competition in the trucking industry. Restrictions on the entry of carriers into the Ontario highway trucking industry thus can be seen as one of the causes for high freight rates - both road and rail - in the province."29

The second restrictive locational factor was the market. Most industries are now market orientated and are operated under mass production methods in order to

achieve economies of scale. As a result the size of the market becomes a critical factor in locating manufacturing Because finished products are usually more expensive to transport than raw materials, plants are established at sites where a definite freight advantage ensures control of a market. 31

Timmins' market area was not of sufficient size to support secondary and tertiary activities because it was large by area and the population was scattered with only small centres of any great density. In 1971, its market area consisted of the District of Cochrane and the northern portion of the District of Temiskaming with the total population of the market area amounting to 110,000 persons. Not only was the market area unable to maintain secondary and tertiary functions but the high cost of transportation further inhibited the location of these industries. For these industries to locate in Timmins, they must sell to the lucrative Southern Ontario markets.

During this time period, Timmins was faced with a dual problem. It could not rely on its own market area to support and maintain secondary and tertiary functions and so it had to compete in other market areas. To viably compete with other markets, northern producers would have to deal with the high cost of transporting finished manufactured products. For most types of industries these products are high in both bulk and weight making transport costs even higher.

The third industrial location component which deterred development was capital. Throughout the history of Timmins, it was found that investors were reluctant to invest money into the region with the exception of mineral exploration. This inability to attract capital has further hindered development because the availability of capital is needed to foster industrial growth.

For most manufacturing processes, raw materials are widely scattered and the cost of their assemblage varies according to the type, the transportation available, and the processes that convert them into finished products. The availability of raw materials as a locational factor is an advantageous one in Timmins with respect to wood and mineral ores. But the high transportation costs of importing raw materials into the region and the eventual cost of exporting finished products further retards secondary development for any industry not based on wood or minerals.

The three remaining factors of fuel, power and labour are basically positive locational factors. Although fuel was somewhat more expensive in northern Ontario it was readily available and the availability of power was abundant. There was also an adequate labour force in northern Ontario for secondary and tertiary activities to draw from. Most important was the surplus in the female labour force. The presence of low-wage surplus female labour would be an attraction for light industries which employ largely women.

From 1963 to 1972, Timmins lacked many of the

essential locational factors which were required to attract and maintain secondary and tertiary industries.

The Design for Development program had little effect during the period 1963 to 1972 because it was simply an initial report to state the objectives of the region and the Phase 2 document would not be published until 1976.

In the regional context, Timmins was still classed as a sub-regional centre due to the overshadowing influence of Sudbury, North Bay and Sault Ste. Marie. These cities were classed as regional centres within Northeastern Ontario by the Phase 1 document for Northeastern Ontario.

On the district level, Timmins strengthened its position as the retail, distribution and institutional centre for the Cochrane District. Substantial growth, the increased accessibility to Timmins through improvements in the transportation system combined with a lack of competition from other centres contributed to the evolution of Timmins as a higher order centre in the hierarchy of central places. By the early seventies, Timmins' regional importance was further highlighted by the construction of a regional mental hospital and a community college.

Timmins by the end of 1972 was established as the regional centre for the Cochrane District but still remained a single-industry community. The resource sector of the community was the economic pace setter and led the way for the development of secondary and tertiary industries, and because of this, expansion only occurred in relation to

proportional developments in the primary sector.

Incentive programs were developed by the Federal and Provincial governments to encourage secondary development, however, in many cases the incentives were not a sufficient inducement to encourage development in Timmins on the scale necessary to alter its economic structure.

It also became increasingly evident that development would be differentiated spatially because much of the future growth of Northeastern Ontario would occur in a band along the southern fringe of the region. Development would occur in this area because of its accessibility to other markets and because their market populations are able to support increased economic activity.

Between 1963 and 1972, Timmins attempted to diversify its economic base but due to locational, fiscal and market constraints it was unable. Timmins was again found to be applicable to the staple export model but through diversification it attempted to reach into and become part of the industrial specialization model (Figure 3). At this point, Timmins can only be viewed as a centre on the periphery of the industrial specialization model because most aspects of the staple export model were strongly apparent. The industrial specialization model's criterion of size, internal industrial structure and recent growth trends disqualified Timmins. Timmins was still bound to regional linkages. Also, the development of an internal industrial structure was greatly hindered by a lack of an adequate internal

transportation system. A. R. Pred, in his book, <u>The Spatial Dynamics of U. S. Urban - Industrial Growth, 1800-1914</u> also equated the urbanization process with industrialization and associated urban growth with industrial growth. ³³ Pred's work on the circular and cumulative process of industrialization and the multiplier effect also indicated that Timmins was not able to meet the criteria of the industrial specialization model.

Timmins had moved slightly beyond the staple export model with respect to the over-powering influence of zone one. New mineral discoveries had improved Timmins' economy, strengthened all linkages and fortified Timmins' position as a regional centre in zone two. The most dominant aspect which held Timmins to the staple export model was its reliance upon zone one to supply the needed industrial goods and services.

Finally, the introduction of a fourth linkage, an external one, appeared to have some bearing within this particular time period. In the previous chapter, the external linkage provided government assistance to supplement the lagging mineral industry. During this time period, the external linkage could be seen as the bridge between the staple export model and the industrial specialization model. This linkage, in the form of Federal and Provincial development programs and grants, attempted to provide the needed factors to diversify a single industry community and therefore, allow the urban system to develop according to the industrial

specialization model.

Finally, in the early seventies, discussion began concerning consolidation of the Town of Timmins with thirty-five townships to form the City of Timmins. The principal reasoning behind the amalgamation was to make the area one unit for purposes of planning and administration. This intention was carried out and January 1st, 1973, the City of Timmins was established and will be the subject of the next chapter.

FOOTNOTES

Chapter Five

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- ²¹ <u>Ibid.</u>, p. 134.
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CHAPTER SIX

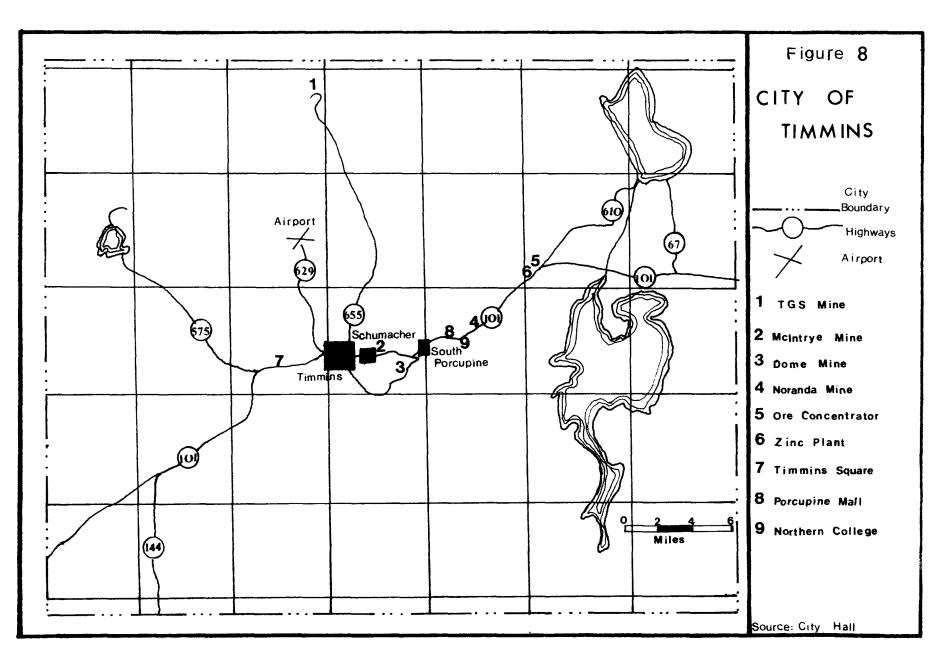
The City of Timmins, 1973-1977

The year 1973 marked the amalgamation of the Town of Timmins and thirty-five townships into the City of Timmins, the largest city in area in Canada (Figure 8). The city limits of Timmins now encompass all of the producing mining and industries within the former boundaries of "The Porcupine".

Economic Base

By the end of 1973, the rate of gold production declined to 1.9 million tons milled, but due to a sharp increase in the price of gold, the total value of the bullion escalated by 121.0 percent in 1973 from the 1971 value (Figure 4 and 5). The increase in the price of gold on the world markets remained high until the latter portion of 1976 when prices began to fluctuate. In 1977, gold prices dropped to an all-time low. The high price for gold in 1973 enabled the gold mines to raise wages in order to compete with the base metals industry for miners. This became a constraint and deteriorating factor when the price of gold dropped while operating costs remained at the same level or increased. By the end of 1977, the price of gold began to rise which offset costs and created confidence in a more stabilized marketprice.

The development of the City of Timmins was not affected by the declining production of gold because of an expansion in the base metals industry. In 1975, Texas Gulf



Sulphur (TGS) sank a Number Two mine shaft to increase production which facilitated the expansion of its metallurgical site in Hoyle. A new copper smelter and refinery is now under construction and is scheduled for completion in 1979.

From the start of operations in November of 1966 through to December 1976, TGS produced a total of 35.8 million tons of ore which produced excellent assays of an average 1.60 percent copper, 0.36 percent lead, 9.36 percent zinc and 4.09 ounces of silver per ton. Texasgulf estimated that production will remain at a rate of five million tons per year for more than twenty-five years. This estimate may be faulty because of two reasons. First there has been low prices for base metals recently and second the company has been stockpiling its product during these periods of price decrease.

In the early portion of this period, 1973 to 1977, three new mines opened, but were closed as of December 1977 because of a depletion in ore reserves, inflation and unstable market prices.

The 1963 TGS discovery added another feature to the mining industry of Timmins. It has now become one of the major centers of mining exploration activity with most of the leading exploration companies located within the city limits. In 1973, it was estimated that \$10 million were spent annually by these exploration companies which created over four-hundred jobs in the Timmins area. 3

The wood industry grew during the period between

1973 and 1977. The three original major saw mills in the community were reduced to two but these produced in excess of seventy-five million board feet of lumber annually during this period. In 1977, there were 2,000 workers employed in the primary and secondary sectors of the forest industry in Timmins.⁴

Population

Some demographic data were not available for Timmins due to the late publishing of the 1976 Census Canada, but a small amount of statistical information was available from newspaper articles. The population of the City of Timmins in 1976 was 44,747 with 38.0 percent of the total being French-Canadian, 50.9 percent English-speaking and 2.8 percent Italian. Although English-speaking persons became the dominant group in 1976, French-speaking persons still held the majority in the former Town of Timmins. Though the population characteristics had changed, there was no great change in population structure between 1971 and 1977.

In 1977, TGS employed 2100 persons in Timmins and an additional 1000 new jobs are expected once its present expansion is complete. These figures will probably be reduced because of the present unstable situation of the base metals market. TGS also announced it will extend its expansion program over a greater number of years due to the present market situation.

Transportation and Communication

Between 1973 and 1977, transportation services and

facilities were upgraded in the City of Timmins. On October 26, 1973, a new airport terminal building was officially opened for the city. The terminal services four major airline companies which all provide flights on a scheduled basis. Air Canada is the largest followed by Austin Airways, White River Airways and Nor Ontair which are regionally-oriented services. Air Canada provides passenger service with three flights daily in and out of Timmins. These direct flights to Toronto were recently rerouted to include a stop in North Bay in order to cup operational costs. The other airline companies have scheduled flights to all of the major centers in Northern Ontario, such as, to Sault Ste. Marie, Kapuskasing, Sudbury, North Bay and Englehart.

Rail services were expanded in 1977 to include the twice-daily service of the Northlander which is a European travel train imported to be used in Northern Ontario. This service terminated in the latter portion of 1977 due to financial and maintenance reasons. One of the major problems was the inability of the European train to cope with the harsh winters in the north. Discontinuance of the service was also decided after the Canadian Transport Commission rejected an appeal from the Northland Transportation Commission to underwrite 80.0 percent of the operating losses. By the end of January 1978, an agreement was reached and the Northlander now provides a once-daily service between Timmins and Toronto.

By 1977, Dominion Consolidated trucking had opened

a terminal in Timmins and was able to compete with Star

Transfer Limited. Manitoulin Trucking is presently applying

for a license in the Timmins area and may in future provide

competition for these two firms.

Residential

A slight increase in population coupled with the prosperous conditions created by the thriving mineral industry produced an increase in housing activity between 1972 and 1974. During these years, housing construction rose 106.2 percent from 210 new homes in 1972 to 433 in 1974. This increase in housing construction was followed by a decrease in 1976 to 278 new homes. The fluctuating pattern of house construction reflected the prosperity of the economic base. In 1974, the mineral industry was flourishing but in 1976, it was beginning to falter because of unstable market conditions. The building of these new subdivisions took on a modern style of planning and employed curva-linear street patterns, crecents and cul-de-sacs. The price of new homes in Timmins ranged from \$40,000.00 to \$100,000.00 in various sections of the city.

Between 1973 and 1977 the former Town of Timmins experienced some expansion to the south while the majority of growth took place in Mountjoy, Tisdale and Whitney townships (Figure 7).

Commercial

Due to amalgamation, statistical data concerning retail trade was compiled for the City of Timmins which made

3

comparison in retail trade between the previous time period and this time period impossible. Table 14 indicates the retail sales by types of business for the City of Timmins and for the City of Cornwall in 1977. Timmins total retail sales was still well below the level of Cornwall though the two cities were of approximately the same population size. The total sales per person in Timmins was \$2640.00 and as such was considerably lower than Cornwall's sales per person of \$3013.55. But, Timmins' average weekly earnings did increase 10.5 percent during this time period and this increase was reflected in a 12.0 percent rise in the personable disposable income per capita.

Retail space in the City of Timmins amounted to 765,000 square feet in 1973 of which 84.0 percent was located in the former Town of Timmins. 11 The Timmins central business district consisted of approximately 50 percent of the total retail inventory. 12

During this period from 1973 to 1977, a major development occurred in the area of shopping center construction. In December 1975, a local shopping centre was built in South Porcupine which consisted of twenty stores and had a retail floor space of 70,000 square feet (Figure 8). The Porcupine Mall is totally occupied by local branch outlets with the exception of a bank.

The latest shopping centre development was the Timmins Square which opened in the latter portion of 1977 (Figure 8). This development was the most controversial in

TABLE 14

Retail Trade - 1977
(Sales in # Millions)

Communities	Timmins	Cornwall
Population	44,747	46,121
Total Sales	118.7	138.6
Food Stores	38.3	37.3
Motor Vehicle Dealers	15.9	21.7
Service Stations	5.9	8.1
Clothing and Shoe Stores	9.8	8.4
Hardware Stores	1.7	0.4
Furniture, App., T. V., Radio	5.0	4.7
Retail Sales Per Person	2,640.00	3,013.55

Source: Survey of Markets, Financial Post, 1977/1978.

the history of Timmins and will be discussed in the following analytical section of this paper. The Timmins Square
was constructed as an automobile-orientated regional shopping centre on a thirty acre site consisting of fifty retail
and service outlets and occupied approximately 410,000
square feet. The shopping centre is anchored by two huge
department stores which represent 53.0 percent of the total
retail space.

Industrial

By 1973, secondary industry became more prevalent with the opening of a waferboard plant, Northern Armature Works Limited, Timmins Engineered Homes, Northland Ceder Products and Player's Computer Limited. The majority of these industries were derived from the lumber industry. The 5.5 million dollar waferboard plant which compresses wood chips into panel board is located six miles west of downtown Timmins on Highway #101. Presently, it has a capacity of 115 tons of waferboard per day. Northland Cedar Products which made cedar shingles was also located on Highway # 101 but is no longer in business because of a fire which devastated the operation. This company was not re-opened after the fire. Another industry is Northern Armature Works which repairs electric motors and is presently in the process of expanding its operation to other centres in Northeastern Included within the industrial sector is Timmins Ontario. Engineered Homes which manufactures pre-engineered homes and related products.

And finally Players Computer Limited was located in Timmins because of an available female labour force and the lack of competition from other computer firms. 13 This lack of competition was sited as a locational reason because once the women were trained they would not be lost to other firms. The computer firm, with head offices in New York, established a key punch operation which transmitted information from New York to magnetic tape in Timmins and this information was then returned to New York for computer use. This company has been temporarily inactive due to a recent fire.

In 1977, the economic base received a major setback by the closing of Timmins Auto Springs. The industry encountered financial problems which were caused by overproduction and a surplus of trailers on the market.

In the primary sector of Timmins, TGS has become the largest producer of zinc and silver concentrates in the world. It processes zinc concentrates into a variety of zinc metal products which are supplied to factories in Canada and the United States. The refinery also produces other metals for industry and large quantities of sulphuric acid are exported to the chemical industry in Southern Ontario.

By the end of 1977, the development of secondary industry in Timmins increased but still remained heavily dependent upon the primary sector. A quote from the Timmins-Porcupine News emphasized the situation when it stated,

"One of the strongest indicators of the opportunities for secondary industry growth in the future is an estimate by

Texasgulf that it will be spending \$55 to \$60 million for supplies and services in Northeastern Ontario."14

Other

Recreational, cultural and educational facilities and services were also expanded and upgraded to meet the needs of the city. Enclosed within Timmins' limits are 200 lakes, many parks, five arenas, curling facilities, an indoor pool, two golf courses, a ski resort, a tennis club and league sports of all kinds.

By the end of 1977, educational facilities in

Timmins consisted of ten public elementary schools, four separate elementary schools, two public secondary schools and one private secondary school of which all were English—speaking. The French school system consisted of 14 separate elementary schools and one public secondary school. At the post-secondary level many courses in the arts and sciences and several industrial apprenticeship programs are offered at the Porcupine Campus of Northern College of Applied Arts and Technology. University extension courses are also available in Timmins on a limited basis through Laurentian University, Sudbury, Ontario.

Health services were also expanded by 1977 with the opening of a ninety bed nursing home and the Cochrane and Temiskaming Resource Centre for the Mentally Retarded which was formerly Northeastern Ontario Mental Hospital.

The addition of a weekly newspaper, the Timmins-Porcupine News, further expanded the news media services. The City now possesses two newspapers, three television networks, two English and one French and has recently acquired the services of cable television which provides Southern Ontario and American stations. The area is also served by both an English and a French radio station.

Planning

The creation of the City of Timmins in 1973 warranted a new official plan for the whole of the city and this plan was completed in 1977. The crucial need for an official plan was adequately summarized by Alderman Pope of the City of Timmins when he stated.

"I have found since the inception of the city council that there is a general disregard for planning in this municipality and certainly an inadequacy of long term planning especially in dealing with park areas and greenbelts... I certainly hope we as a city will be purchasing more land in order to control the orderly development of our municipality, rather than be pushed or pulled either by developers who in the main have little or no concern about the future and an overall planning concept which is desirable to attain."15

The official plan has a time frame of twenty years to 1996 and revisions will take place every five years to coincide with Census Canada years. The Plan identifies two urban communities; the Timmins community and the Porcupine community. The Porcupine community is the area surrounding the community of South Porcupine and must not be confused with "The Porcupine" which is mentioned in the previous chapters. The reason for identifying two communities was to minimize conflict between the two communities and to promote the

concept of a single municipality. The purpose of the Official Plan is as follows,

"...to further the creation of an attractive urban environment and to maintain the amenity of the natural environment in ways compatible with the social and economic aspirations of the It seeks to organize the patpeople. tern of land use for those aspects of development and redevelopment that are related to it and to protect those areas where development would be detrimental to the environment. In doing these, the Plan deliberately seeks to reduce the elements of speculation that arise from uncertainties in the manner, sequence and location of future changes."16

The development scheme divides the city into development areas which are further subdivided into planning units with each specific unit having its own set of objectives. The Timmins Planning Board administers and oversees all planning and development strategies. Promoted in the Plan is a general upgrading of services with special emphasis on public works to eliminate the deficiencies of the past. The overall scheme, in its simplest form, is to diversify Timmins' economy and to improve the existing infrastructure.

In the latter portion of 1977, Design for Development Phase II for Northeastern Ontario was released by the
Ministry of Treasury, Economics and Intergovernmental Affairs. This document was of particular interest to Timmins
because the city was acknowledged as one of the four major
centres of the region. Phase II recommended planning solutions and development guidelines based on the analysis of

trends and problems in Phase I. The report described three development strategies; economic, social and spatial; of which the latter was divided into urban and resource strategies. 17

Analysis

In the primary sector, gold production was enhanced by an increase in the price of gold in 1973, but later suffered due to the fluctuating prices of gold in the midseventies. By the end of 1977, gold prices began to rise and this created stability in production rates. The early seventies again saw the base metals industry compensate the city for losses in gold mining activity. The influence of TGS upon the City of Timmins can not be underestimated. By the end of the time period, TGS was also experiencing economic problems caused by unstable market prices coupled with a huge surplus of refined metals. At the time of writing this paper, base metal market prices had not improved and it is felt that the TGS operation will remain low-keyed for some time.

The wood industry in the early seventies expanded and produced significant developments in the secondary sector. At the present time the majority of its products are exported out of the city with a small amount consumed by local construction. Lumbering has a distinct advantage over the mineral industry because improved forest management techniques have made the resource renewable. In conclusion, the wood industry has gained in importance as a contributor

to the Timmins economy but it cannot sustain the city if mining were to falter.

The development of secondary industry in Timmins up to 1977 has been directly affiliated with the primary sector with only a few exceptions. The newly created industries act as satellite industries to the primary sector. Mr. J. Reid, of the Timmins-Porcupine Development Commission indicated in an interview that Timmins was well on its way to diversifying its economy. ¹⁸ It is felt that this statement is overly exaggerated and that Timmins is only in the infant stage of diversification. If mining were to terminate; the secondary and tertiary sectors of Timmins' economy would falter and would definitely not be able to support the city. In conclusion, a lack of economic diversification is still evident but the compensating forces of the gold and base metals industries have strengthened the primary sector of Timmins.

The developments in the primary and secondary sectors of the City have created a minimal effect on the population. Population growth is virtually static but a more balanced demographic composition has evolved. In the labour force, the significant number of new employment opportunities were directly offset by the reduction or termination of employment in other sectors of the economy.

Growth of Timmins' central business district between 1973 and 1977 was minimal with the exception of peripheral shopping centre development. The tenants of the Porcupine

Mall are local retail branches and serve the communities of South Porcupine and Porcupine. The building of this centre was unwarranted because virtually the same services are offered in the CBD of South Porcupine. The only basic differences were a climate-controlled complex where all shopping needs are easily accessible. These same stores may be found in Timmins just seven miles away. The effects of the Porcupine Mall upon the South Porcupine CBD have not yet been totally felt. The general concensus is that the CBD has not been affected because many of the retailers are using their main operations in the CBD to support their branch operations in the Mall. Also, the thirty percent vacancy rate within a total of twenty stores, as of August 1977, further attests to the Porcupine Mall's economic situation.

Another shapping centre construction was the Timmins Square which was completed in 1977. At the time of the Timmins Square shopping centre proposal a number of other applications were submitted. Timmins was in an excellent planning position because it could control and properly plan the type and location of retail functions best suited for the city. The options open to Timmins were clear; either allow one or more developments to occur or concentrate on revitalizing the downtown core. A retail needs study was implemented to research the proposals and to analyse and determine future retail needs. The conclusion of this study is summarized as follows,

"l. Timmins is not like most other

cities within the Province of Ontario because by its very isolated location, and the nature of its economy, growth is slow and the trade area cannot be increased.

- 2. Timmins does not have the buoyant growth of other cities in the province and thus, the consequences of detrimental effects of shopping centers on existing space are more serious and long lasting.
- 3. Given the outside limit of population growth in the City by 1981, only 100,000 square feet of additional retail space could be accommodated without seriously draining the vitality of the downtown retail core.
- 4. We do not believe the City of Timmins can support additional retail facilities without reflecting a decrease in sales for the existing space.
- 5. And finally, we believe that the downtown core can only remain viable if development can be encouraged in close proximity to the existing facilities where shoppers can conveniently shop at facilities of their choice in either new or existing businesses."19

The conclusions were straightforward but the result was that the city approved all of the shopping centre proposals of which one, the Timmins Square was four times larger than the recommended additional retail space. The reaction from the downtown merchants was obvious and this led to an Ontario Municipal Board (OMB) hearing. The OMB proceedings took all of a few minutes because the Timmins Square proposal was protected by Township By-Laws which were enacted prior to January 1973. In light of this, the OMB approved the Timmins Square proposal and rejected the others.

The affects of the Timmins Square upon the CBD of the city were not evident at the time when this paper was written. But, it is felt that it will have a detrimental effect on the CBD due to the nature of the retail functions in the complex. The Timmins Square is occupied by a number of large chain-store organizations which can usually underprice the local morchants forcing some of them to lose their retail sales. Also, the income gained by the chain-stores will go directly to their southern Ontario main offices and will be redistributed accordingly, rather than back into the development of Timmins. Another consequence will be the reduction of sales in the downtown core which will result in a loss of municipal revenue and employment.

The 1976 Official Plan attempts to regulate and/or counteract the obvious effects of the new shopping center. The main objective of the central area development scheme is as follows.

"...to progressively build up the downtown area and to reinforce its function as a major business core for the City and for the surrounding region that it serves."20

The objective is straightforward and can only be fulfilled if city council relinquished its old planning habits and adheres strictly to the Official Plan policies.

One of the major deficiencies in the City is a general lack of social services. A brief presented to the Hartt Royal Commission on the Northern Environment indicated that the region of Timmins has one of the highest recorded incidences of suicide among males between 18 and 35 in comparison to any other part of Canada. Between 1961 to 1975, there were four hundred percent more suicides in the region and mental health problems increased three hundred percent. Although problems exist in human services; hospital facilities in Timmins are among the best in the region. By 1977, further improvements to medical facilities occurred with TGS domating \$150,000.00 to the project which was three times larger than the City's input. A 53 bed auxillary hospital is also located in South Porcupine.

Transportation facilities were upgraded during the period from 1973 to 1977 but the main transportation problems encountered in earlier years still exits. In 1976, a transportation study was released for Northern Ontario which indicated the present problems and their effect upon economic diversification. These problems ranged from inadequate transportation arteries to excessively high freight rates which have been consistently hindering the objectives of the Design for Development program. The conclusion of the report recommended that something must be done and Federal and Provincial governments along with the private sectors are responsible for improvements. As of late, the same problems exist and solutions to these problems are not in sight.

The two developments which will have a strong impact on the development of Timmins are the new Official Plan and Design for Development Phase II. The Official Plan is an

attempt to plan orderly growth on a long term basis even though the longevity of the city is uncertain.

The objectives and development schemes of the plan are sound and if administered properly will ensure orderly growth and a better living environment. The basic fault of the Official Plan is that it promotes too much highway commercial development. Strip development is one of the most common characteristics of northern communities. This type of development gives an unattractive appearance to the City and hinders orderly growth. Timmins, in the past, has been plagued by linear development due to the influence of a major transportation artery and is seemingly destined to follow this pattern.

One positive aspect of the Official Plan is that the planners were not over-optimistic about the future of Timmins. In the past planning administrators were too optimistic and this created an over-expansion and extension of facilities, utilities and the use of land.

Finally, a new Zoning By-Law accompanied the Official Plan to better regulate the use of land. This by-law was needed to deter the development of incompatible land uses and to restrict building on the Mattagami flood plain. As a result of the by-law, it was found that a large number of Timmins homes were located on the flood plain. As of late, city council has petitioned the province to reduce the flood plain level by two feet. This might solve some of the problems for Timmins residents but it will also make available

more land for development. Most of this land is owned by developers and a decision to lower the flood level would greatly benefit these groups. By the end of 1977, a recommendation or solution to the problem had not yet been reached.

The future of Design for Development Phase II is in 'limbo' and is presently being discussed by the Ministry of Treasury, Economics and Intergovernmental Affairs with the Northeastern Ontario municipalities. Various setbacks have hindered its progress such as the layoffs of INCO in Sudbury and the recent decision of the provincial government to go ahead with the uranium deal in Elliot Lake. The deal consisted of a contract between Ontario Hydro and the Elliot Lake mines to purchase uranium. Denison mines was contracted to supply 126 million pounds of uranium over a time period from 1980 to 2011. Rio Algom mines was also contracted to provide 72 million pounds of uranium from 1984 to 2020. 23 The repercussions of such a contract would create an increase in development and growth in Elliot Lake and for this reason new planning strategies would have to be implemented for this area.

The draft copy of Phase II received much criticism and the Sudbury response to the document has had the most impact. By merely reading the title the feeling towards the document was obvious. The Sudbury response was entitled, "A Profile in Failure" and also summarized the feelings of the City of Timmins towards Phase II. 24 The document stated,

"...It represents the pinnacle of

intellectual bankrupcy of the Southern Establishment in even analyzing the problems of the North let alone dealing with them effectively... The fundamental problem with the Northeastern Ontario Regional Strategy can be summed up as a troika of no's - no strategy, no analy- 25 sis and no programs. Therefore no use."

It is felt that this reaction is a little too severe. An attempt was made to propose a development strategy but the scheme was too commonplace. The harsh reaction was created because the strategies presented were already known and the Northeastern Ontario communities expected something new and more promising. Another weakness in the report is that it conveys the feeling that the north should be exploited to serve the south.

Although the criteria for Simmons' social change model has had some application to Timmins during this time period, the effect has been minimal (Figure 3). Higher levels of education and income, the influence from zone one via the media and an improved communication system have affected the quality of life. But, within Timmins, these variables have not reached the proportion where they would have a noticible effect on growth patterns. The movement of these social and cultural ideas originated in zone one and were then dispersed through to zones two and three where they were absorbed and then fed back into the system.

E. Dunn, in his book, <u>Economics and Social Development: A Process of Social Learning also dealt with the colial change model and described the evolution of urbangrowth models from merely 'simple growth models' to more</u>

'complex social models'. 26 Simmons elaborated on Dunn's theories of rocial change and although they were applicable to most cities, they had little application to the development of Timmins.

Finally, the economic forces which governed the development of Timmins from a frontier community to a regional centre were still predominant and controlling.

In summary, the City of Timmins, by 1977 became the regional distribution centre for the northern part of Northeastern Ontario. The quality of life in the city has been upgraded and Timmins residents now enjoy most of the physical and social amentities of a Southern Ontario city of similar population size. The fundamental problem of an over dependence on extractive industries still exists in Timmins. There is promise that some of this problem will be nullified if Timmins can diversify its economic base. The city is still classed as a single-industry community and will remain one for some time. The nature of Timmins' economy, its isolated location, a lack of adequate transportation policies and the inability of its market area to increase will further inhibit secondary growth until the majority of these problems can be solved. Timmins' large market area and a relatively poor and dispersed population further retard secondary development.

Although Timmins' economy has experienced many developments, these have taken place because of the economic stability of the primary sector and the large amount of

monetary assistance from government grants. The economic situation of the primary industries either ensures prosperity and longevity or deters it.

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CHAPTER SEVEN

Conclusion

The mineral industry is the mainstay of the Timmins economy. Timmins' viability has been dependent upon the fluctuations in the strength of the mining industry.

During the frontier era Timmins was tooming and there was little concern about diversifying its economic base. The location of Timmins was due to the location and availability of the resource. During the period from 1912 to 1932 the development of Timmins was typical of all northern Ontario single-industry communities. The town prospered when mineral activity was high and the development of the City took place in relation to the requirements of the mineral industry.

The mineral industry in Timmins from 1932 to 1945 was further enhanced by a rise in the price of gold and the wartime gold demands of the Federal government. The increase in gold production and the constraints of the Depression in other parts of the Province created a large influx of people into the Timmins area seeking work. The population increased tremendously and Timmins expanded all sectors of its economy to meet the needs of the community. Timmins now became the focal point of "The Porcupine" because the majority of the population lived there and the services offered by the Town were much greater than those in the surrounding communities.

The time period from 1912 to 1945 marked the first

stage of growth for the Town of Timmins. Up to this time Timmins grew in proportion to the wealth and prosperity of the mineral industry. By the end of 1945, Timmins had developed into a major centre of the North and possessed the variety of retail and service functions needed to service its surrounding population. Although these did not compare to the type and variety of functions in southern Untario communities of similar population size; they were adequate in number and variety to serve the market area of Timmins. Timmins became the major centre in the District of Cochrane during this time period because it had the largest population and the greatest amount of economic activity both of which had been created by the prosperity of the mineral industry. Therefore the mineral industry in Timmins was the dominant industry in terms of employment creation and income generation.

The postwar era created static and/or declining conditions in the mineral industry. While the majority of the Province was experiencing growth, Timmins was faced with a weak economic base which was caused by the wartime gold demands of the Federal government. These demands decreased ore reserves and brought most mines to the peak of their production prematurely. Also, gold prices remained fixed in the face of increasing operational costs.

From 1945 to 1962, the mineral industry was supplemented by government assistance in order to survive. The Emergency Gold Mining Assistance Act was the sole factor for

the continued life of "The Porcupine" mines and the Town of Timmins. During this period the economic development of Timmins fluctuated and population conditions remained static. Previously, the mineral industry was prosperous and the development of Timmins corresponded to this wealth. Once the mineral industry began to falter it was realized that Timmins had to diversify its economic base in order to provide other economic activities which could support the community if mining were to terminate. Attempts were made to diversify but the location of Timmins, the nature of its economy, transportation costs, its market area and the characteristics of its market population hindered the development of secondary growth.

In 1963, Timmins was given more time to attempt to diversify its economic base. The large and wealthy base metals discovery of Texasgulf strengthened the weak economic base and again created prosperous conditions in the community. The static nature of the Timmins population enhanced this discovery because it made available a very skilled labour force. From 1963 to 1972, the base metals industry was the dominant force in the primary sector. Stable conditions existed in Timmins at this time and development adhered to the prosperous conditions of the economic base.

By 1973, the base metals industry was stable and gold mining activity began to increase because of a sharp increase in the price of gold. During the mid-seventies, gold prices began to fluctuate but the base metals industry was

able to compensate this weakness in the economic base. By the end of 1977 gold prices began to rise and base metal prices dropped, therefore the gold mining industry became the dominant force in the economic base. From 1945 to 1977 economic conditions in Timmins were enhanced but development in the Town remained relatively static. Increases in various sectors of the Timmins economy took place but these developed in accordance to the needs of the community and within the constraints of a northern economy. Some secondary growth did occur but it was only in the form of satellite industries to the primary sector. From 1912 to 1945 marked Timmins' first period of growth and from 1946 to 1977 marked a period of stability.

The purpose of this thesis was to historically trace the development of Timmins, a single-industry community. Three aspects of economic development were studied and analyzed to determine their effect upon the development of various sectors of Timmins' economy. The main concern is the vulnerability of Timmins' economy because of its dependence upon a single economic activity which is non-renewable and subject to market price changes. Therefore, to ensure the longevity of the community other types of economic activity must be established within the community. It has been indicated throughout the thesis that the unfavourable industrial location factors outweigh the favourable ones for the development of industry in the Timmins area. The greatest disadvantage is the high cost of transportation which can

not be compensated for by the presence of other favourable industrial location factors. The City is based on an industry, that by its very nature, restricts preferred industrial location. Timmins is located away from major market centres in the Province and must in turn transport finished products a greater distance.

There is little hope that the northern Untario population will have a growth rate large enough to maintain increased secondary and tertiary functions. The highly capital intensive mineral and forest industries are the mainstays of Timmins' economy. Here, production will increase according to demands but employment will remain relatively the same or in some cases decline. The slow or static growth rate of the north and of Timmins' market area leads into the next reason which inhibits development. Settlements within the Timmins market area are dispersed because the general pattern of urban settlement has been determined largely by resource availability. The dispersed location of settlements and the lack of a regionally-orientated transportation network have made distances and linkages within the Timmins market area too great to maintain secondary and tertiary activities. Furthermore, the relatively small and poor population base of the Timmins market area has made the purchasing power of the area insufficient to sustain large industrial developments needed to relinquish the dependence upon the mineral industry.

From an economic point of view, all these reasons

indicate that Timmins' market area is not conducive to support and maintain increased secondary and tertiary industries. For Timmins to diversify from its persent narrow resource-orientated base; the high level of freight rates on im-bound goods must be lowered. But for this to occur, the volume of inbound shipments must rise and volume can only rise if the region expands. The high cost of importing production inputs into the area and the high rate of shipping secondary manufactured products to the market could be eliminated by added competition from and within the trucking industry. Presently, the situation is a vicious circle.

Throughout this thesis, it has been shown how
Simmons' four urban growth models have had some application
to Timmins during various time periods. Figure 3). Due to
the simplicity of the models, no one model accurately describes the evolution of the City of Timmins. Each model has
had some applicibility to Timmins' situation but the strong
aspects of Timmins' economy, position it breaking out of the
staple export model and trying to reach into the industrial
specialit tion model. Because Simmons' models are too
highly idealized they fail to accurately describe the evolution of Timmins. They are a good example of the need for
more research into the operating functions of an urban system
in order to present a true explanation of the development
of cities such as Timmins.

Timming is presently a single-industry community and will remain one for some time because of its inability to

Support and maintain secondary and tertiary development.

The only solution to lessen some of the dependence on the mineral industry would be to promote the establishment of industries in Timmins which do not compete such as government agencies.

Finally, Timmins from 1912 to 1977 developed within the constraints of a northern location and in accordance with the prosperity of the primary sector. By 1977, the mineral and forestry industries remain the mainstays of the city's economy and will for some time determine the development of Timmins. The evolution of Timmins from a frontier town to a regional center for the northern portion of Northeastern Ontario has developed because of the discovery of mineral deposits which have maintained the community and increased its population.

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