



Enabling Opportunity:

Ontario's Rural Economic Development Strategy

Contents

A Message from the Minister	3
Why Ontario Needs a Rural Strategy	4
What We've Heard	5
Pillar One: Safe and Strong Rural Communities	8
Pillar Two: Business Development and Attraction	11
Pillar Three: Growing the Rural Workforce	14
A Bright Future for Rural Ontario	17





A Message from the Minister

It is an honour to serve as the Ontario Minister of Rural Affairs. I very much appreciate local leadership throughout Ontario, and I'm deeply committed to ensuring our rural communities remain great places to live, work, raise a family, grow a business and visit, both now and in the future.

Our government has a vision for thriving rural communities. We're determined to expand rural capacity to support strong communities, create and retain jobs, and support the economic growth of communities across the province.

I'm proud to introduce **Enabling Opportunity: Ontario's Rural Economic Development Strategy**. This Strategy is our plan to support rural Ontario and is based on our government's belief that a strong and dynamic rural Ontario is essential for the overall success of the province's economy.

To ensure rural communities are best positioned to take advantage of opportunities and address challenges, the Strategy focuses on three key areas: safe and strong rural communities, business development and attraction, and growing the rural workforce.

As I have traveled across Ontario, it has been suggested to me that previous governments had lost touch and ignored rural priorities. This resulted in shuttered businesses, a migration of youth to larger cities and crumbling infrastructure due to a lack of funds to make necessary repairs and renovations. I am motivated to make a difference and ensure rural communities have the capacity and proper support.

I am proud to call rural Ontario home and I am confident in saying the future of rural Ontario looks bright. By working together, we can continue to build strong economies and position rural Ontario as a destination of choice for individuals, families, and businesses. We will stand shoulder to shoulder with leaders and residents across the province to ensure the success of rural Ontario for generations.

A handwritten signature in blue ink that reads "Lisa M. Thompson".

Lisa M. Thompson
Minister of Rural Affairs

Why Ontario Needs a Rural Strategy

Our government understands that rural Ontario is essential for the province's economy and is a significant contributor to the vitality and resilience of our province.

Ontario cannot be at its best without thriving rural communities and small towns. Since 2018, several factors have been driving changes in rural Ontario, including a growing population, major investments in key sectors like manufacturing, and increased funding for significant infrastructure and housing projects.

Our government continues to pursue this progress because we will not leave rural Ontario behind. That is why **Enabling Opportunity** is our government's plan to develop and grow local businesses, attract, and retain rural workers and build safe, strong, and vibrant rural communities. This is a whole-of-government strategy to realize the potential and successes of our small towns and rural communities.

Local leaders and community members are best positioned to identify local assets and leverage their competitive advantage. This Strategy is focused on working together with local community leaders, businesses, not-for-profit organizations, economic developers, and Indigenous communities. Everyone has a role to play in supporting economic opportunities and the resilience of rural communities across the province.

Rural Ontario's Key Statistics

- **96% of Ontario's land area**
- **Home to:**
 - **2.5 million people**
 - **257,000 businesses**
 - **1.2 million jobs**
- **Contributed \$113.3 billion in Gross Domestic Product in 2023**

SOURCE: 2021 Statistics Canada Census

What We've Heard

Over the past year, we've held extensive consultations across the province to better understand the issues impacting all of rural Ontario. Municipal leaders, economic development professionals, other key rural stakeholders and Indigenous partners were all consulted to provide input.

Consultations since January 2024:

- 13 roundtables held across the province
- Virtual Rural Economic Development Summit with ~250 participants
- Received more than 240 survey responses

This Strategy incorporates much of what we heard, including:

Support rural economic development and community capacity building:

Ontario should look for opportunities to enhance funding supports for economic development activities in rural communities, enhance resources and knowledge-sharing and provide support for local planning as capacity in rural municipalities is strained.



Continue investing in housing and community infrastructure: Communities need help to continue investing in housing and housing-enabling infrastructure, including water systems, roads and bridges, and recreation facilities which are essential for economic growth.

Continue investments in broadband and cellular infrastructure: Ontario should continue investing in high-speed internet and cellular service and recognize that cellular service must be reliable in all parts of the province.

Help to strengthen protection from cyber threats and encourage responsible use of emerging technologies: Training, tools and resources are needed to build capacity regarding cyber security to minimize risks and encourage responsible adoption and use of emerging technologies such as artificial intelligence.

Support rural tourism: Ontario should enhance the focus on rural tourism-related opportunities and provide assistance for the development of marketing materials and branding that include shoulder season activities and events, as well as agri-tourism and culinary tourism initiatives. Investing in tourism infrastructure, like museums, will help encourage tourists to visit rural Ontario.

Grow small business and attract new investments: Help support the growth of small- to medium- sized businesses and attract new investments to rural communities.

Increase awareness of rural employment opportunities and provide skills training and workforce development initiatives: Work with local colleges and universities to develop training and upskilling programs targeted to employment for local industries.





Vision: Thriving Rural Communities

You've told us that by working together, we can continue to build strong rural economies and position rural Ontario as a destination of choice for individuals, families, and businesses.

This Strategy aims to improve local economic development capacity and champion local leadership, support rehabilitation of municipal and community infrastructure, optimize rural connectivity, support communities in developing plans to house and transport workers and attract and retain a skilled workforce.

To support this vision and goals for thriving rural communities, this Strategy is focused on three key pillars:

Safe and Strong Rural Communities – supporting foundational elements so rural communities are places where people want to live, work and play.

Business Development and Attraction – developing, growing and attracting business.

Growing the Rural Workforce – attracting, retaining and growing the workforce.



Pillar One: Safe and Strong Rural Communities

It's important to have strong economic foundational pieces in place for rural communities to succeed. For example, well-maintained infrastructure is a key building block for economic prosperity, public safety and growth. It's also fundamental to provide access to high-speed internet and cellular service for businesses and people.

Additionally, preserving and upgrading community assets including cultural and recreation infrastructure are important to maintain a high quality of life, as is having strong leadership to plan and guide economic growth. Supporting these foundational elements is important in creating communities where people want to live, work and play. Strong communities are vital for the economic success of rural Ontario and the entire province.

Goals:

By 2035, this vision will help Ontario as it strives to:

- Grow the rural population
- Improve economic development capacity in rural communities across the province
- Increase rural housing options
- Help to rehabilitate rural community infrastructure
- Optimize and expand broadband and cellular connectivity for communities in rural and Northern Ontario

New Initiatives to Support Safe and Strong Communities

Developing an internet-based **Rural Ontario Portal** where rural communities can easily find and access the provincial programs and resources they need to be successful.

Ontario is also supporting communities, residents and businesses by:

- Strengthening rural Ontario by bringing together partners to share information, discuss new ideas and showcase progress on increasing rural prosperity by hosting an annual **Rural Summit**.
- Increasing the **Ontario Municipal Partnership Fund (OMPF)** by \$100 million over two years, bringing the total funding envelope to \$600 million by 2026. For 2025, the OMPF will include an immediate increase of \$50 million targeted to small, northern and rural municipalities and those with a limited property tax base.



Ongoing Initiatives to Support Safe and Strong Communities

- **Capacity Building and Leadership Resources** – Providing tools and resources to increase community knowledge, expertise and leadership in economic development and community efforts which includes:
 - First Impressions Community Exchange (FICE)
 - Community Economic Development 101
 - Teeny Tiny Economic Development Summits
 - Economic and Business Advisors and Northern Development Advisors
 - Rural Data Hub
 - University of Guelph supported rural research
- **Community Infrastructure** – Supporting the development and rehabilitation of community and cultural assets through:
 - Northern Ontario Heritage Fund Corporation's (NOHFC) Community Enhancement Program
 - Indigenous Community Capital Grants Program (ICCGP)
 - Community Sport and Recreation Infrastructure Fund
- **Housing, Transit and Other Core Infrastructure** – Supporting the development, repair and expansion of roads, bridges, water and wastewater systems, energy systems, infrastructure to enable the construction of housing, community transit projects, and access to high-speed internet and cellular services through:
 - Ontario Community Infrastructure Fund (OCIF)
 - Ontario Transit Investment Fund
 - Building Faster Fund (BFF)
 - Housing-Enabling Water Systems Fund
 - Ontario's Broadband Initiatives
 - Municipal Energy Plan (MEP) Program
 - Natural Gas Expansion Program
- **Public Safety** – Bolstering capacity to minimize risk and protect against cyber and public safety threats through:
 - Ontario's Cyber Security Centre of Excellence
 - *Strengthening Cyber Security and Building Trust in the Public Sector Act, 2024*
 - Providing financial support to small and rural municipalities by discounting existing OPP cost increases
 - Fire Protection Grant for municipal firefighter safety
 - Mobile Crisis Response Team Enhancement Grant to help police services provide specialized support to people experiencing a mental health or addiction crisis



Pillar Two: Business Development and Attraction

Rural Ontario is home to innovation, where small businesses and entrepreneurs serve the needs of their community, and the needs of others, provincially, nationally and globally. These communities are home to food production, natural resources, and energy generation, but also home to manufacturing, retail and wholesale trade, professional services and tourism-based businesses.

Through recent announcements, rural Ontario is experiencing unprecedented investment growth, particularly in advanced manufacturing. Major companies are choosing smaller communities for significant operations, recognizing the strategic advantages of the skilled workforce, robust infrastructure, and integrated supply chains. From mineral extraction in the North to advanced manufacturing and value-add in Southwestern Ontario, rural communities are positioning themselves as a leader in next-generation industrial development.



This map includes investments announced between June 2018 and April 2024 and will be updated regularly. You can find out which businesses we have invested in, how much money we've invested, which programs we've invested through and the number of jobs that will be created, please visit: **ontario.ca/buildingoureconomy**

These investments highlight the fact that the potential for jobs and growth are considerable. But along with this vast array of opportunities, comes complex challenges that many small communities haven't faced and need help to address.

Goals:

By 2035, this vision will help Ontario as it strives to:

- Attract investment, business, customers and families to rural downtowns
- Increase the number of rural businesses
- Advance economic opportunities for Indigenous communities
- Increase rural business succession planning
- Grow rural GDP

New Initiatives to Support Business Development and Attraction

Modernizing and enhancing the Rural Economic Development (RED) Program – now called the **Rural Ontario Development (ROD) Program** – to support an increased number of community projects that help to assist rural businesses and entrepreneurs address barriers to business development and growth. The ROD program builds upon and improves the successful RED program based on feedback received through consultations.

The Ministry of Rural Affairs will also collaborate with our partners at **Invest Ontario**, the province's dedicated investment agency, to explore opportunities for increased economic development for rural Ontario.

Ongoing Initiatives to Support Business Development and Attraction

- **Small Business and Entrepreneurship** – Supporting entrepreneurs and small businesses to start up, expand, grow and plan for succession including through:
 - Business Retention and Expansion (BR+E) tool
 - Small Business Enterprise Centres' (SBECs)
 - Starter Company Plus Program
 - Summer Company Program
 - Regional Innovation Centres (RICs)

- **Business Growth and Investment Attraction** - Supporting the growth of small- to medium- sized businesses and attract new investments to rural communities through:
 - NOHFC's Invest North Program
 - Sustainable Canadian Agricultural Partnership (Sustainable CAP)
 - Grow Ontario: A Provincial Agri-food Strategy
 - Eastern Ontario and Southwestern Ontario Development Funds
 - Regional Development Program: Advanced Manufacturing and Innovation Competitiveness Stream
 - Ontario Automotive Modernization Program (O-AMP)
 - Ontario's Critical Minerals Strategy
 - Forest Biomass Program
- **Tourism and Indigenous Economic Development** – Supporting rural tourism opportunities and Indigenous community economic growth through:
 - Experience Ontario Program
 - *Growing Agritourism Act, 2024*
 - First Nations' Economic Growth and Prosperity Table where the province is working with the Chiefs of Ontario with a \$25 million investment to provide access to business loans and grants, supports digitization and e-commerce, as well as supply chain opportunities





Pillar Three: Growing the Rural Workforce

Across rural Ontario, there are 1.2 million people working in a broad range of industries and occupations. The percentage of people participating in the rural labour force, however, has been declining over the years, mainly due to a more rapidly aging population in rural communities versus urban communities. This older working-age population highlights the additional need for workers as the workforce retires.

Having access to a skilled labour force is key for businesses to grow and thrive. Like in urban centres, many rural businesses have been challenged to find and retain the workers needed to grow their companies and local economy.

Goals:

By 2035, this vision will focus Ontario as it strives to:

- Increase opportunities for rural youth to work and live in their hometowns
- Increase skills training and education opportunities
- Increase rural job opportunities
- Build confidence that rural businesses will have access to a skilled workforce

New Initiatives to Support Growing the Rural Workforce

- The **Regional Economic Development through Immigration (REDI) Initiative** which operates within the Ontario Immigrant Nominee Program (OINP), will enable rural and northern businesses in select regional communities to attract the talent they need through targeted economic immigration to strengthen their communities and drive economic prosperity.
- Modernizing and enhancing Rural Economic Development (RED) Program, now called the **Rural Ontario Development (ROD) Program** to further address rural labour force issues by supporting the attraction and retention of workers, newcomers and youth.

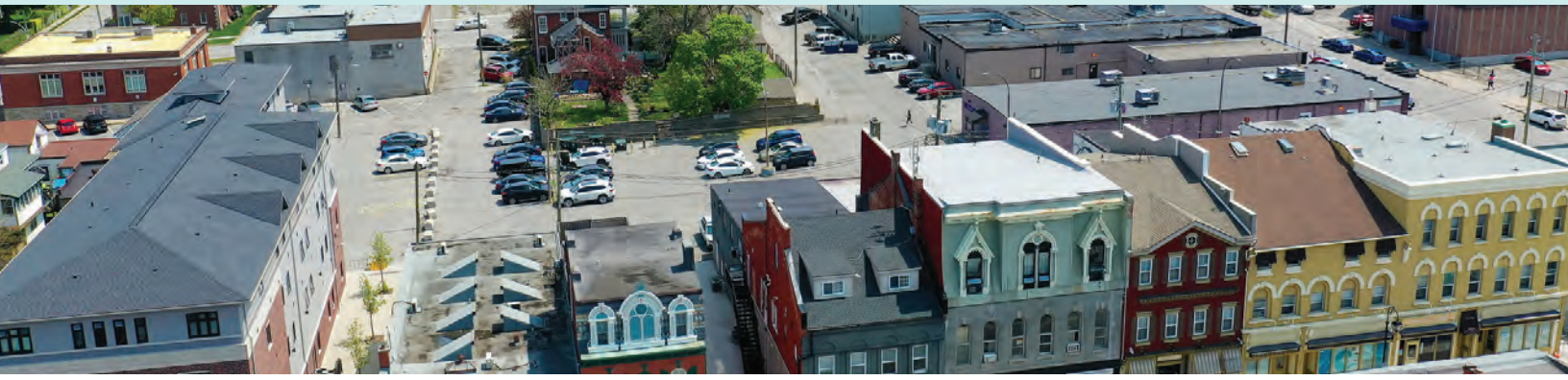
Ongoing Initiatives to Support Growing the Rural Workforce

- **Promotion of Rural Employment Opportunities** – Building awareness and promoting the range of employment opportunities available in rural Ontario through:
 - Funding to support AgScape to promote careers in the agri-food sector
 - Labour Force Management Strategies Initiative promoting the agri-food sector
 - Specialist High Skills Major (SHSM) Program that helps high school students develop skills in sectors like manufacturing, mining, forestry, agriculture and energy
 - Indigenous Graduation Coach Program that helps Indigenous students obtain a high-school diploma and successfully transition into postsecondary education, training or labour market opportunities



- **Attraction and Retention of Workers** – Providing tools, resources and incentives to attract and retain urban residents and newcomers to work in rural Ontario through:
 - NOHFC's Indigenous Workforce Development and Workforce Development funding streams
 - Northern and Rural Recruitment and Retention (NRRR) Initiative to attract and retain physicians
 - Northern Physician Retention Initiative (NPRI)
 - Rehabilitation Professionals Incentive Grant Program
 - Ontario Learn and Stay Grant to train more family doctors and nurses in Ontario
 - Rural, Remote and Northern Incentive for personal support workers
 - Veterinary Incentive Program
- **Training** – Providing skills training and workforce development supports through:
 - Indigenous Economic Development Fund
 - Investing in Women's Futures (IWF) Program
 - Funding for the creation of new micro-credential training
 - Small, Northern and Rural Grant for colleges and Northern Ontario Grant for universities
 - Skills Development Fund (SDF) and Skills Development Fund Capital Stream
 - Civiconnect Youth Community Engagement Organization – \$3 million through SDF to help 350 youth aged 14 to 29 in Niagara Region develop technical and workplace preparedness skills for careers in the skilled trades, digital marketing, web development, digital system administration, cloud computing and information technology. Participants will work on projects submitted by businesses in the community





A Bright Future for Rural Ontario

Our government has a plan for building a prosperous future for rural Ontario. When rural Ontario succeeds, the entire province succeeds. We all have a role to play in helping rural communities to be successful both now and in the future.

The **Enabling Opportunity: Ontario's Rural Economic Development Strategy** represents a whole-of-government commitment that will help to improve economic opportunities, create, and retain jobs and support economic growth and resilience in rural communities across the province. This is a Strategy that requires partnerships and commitment.

As we move forward with purpose and partnership, we're creating the conditions for rural communities to innovate and lead in the global economy. Our shared commitment to rural prosperity isn't just about economic growth – it's about creating vibrant communities where families can build their futures, businesses can flourish, and opportunities abound.

Together, we're writing the next chapter in rural Ontario's success story.



