



Meeting Date: February 12, 2025

Prepared By: Michael Di Lullo, CAO

Submitted by:

Report No: CAO-5-2025

Subject: Provincial Rural Economic Development Strategy

Recommendation:

THAT Report CAO-5-2025, re: Provincial Rural Economic Development Strategy be received for information.

Purpose:

The purpose of this report is to provide an overview of the Province's new [Rural Economic Development Strategy](#) which is designed to help rural communities leverage new economic opportunities and prepare themselves for growth.

Background:

The Minister of Rural Affairs recently announced a new [economic development strategy](#) for rural communities. The intent of this strategy is to ensure rural communities are best positioned to take advantage of opportunities and address challenges.

The Strategy focuses on three key pillars:

- [Safe and Strong Rural Communities](#) – Improving local economic development capacity and championing local leadership, supporting the rehabilitation of municipal and community infrastructure, optimizing rural connectivity, and supporting communities in developing plans for housing and transportation to ensure rural communities are places where people want to live, work and play.
- [Business Development and Attraction](#) – Supporting rural and Indigenous communities and other economic development partners in strengthening and growing rural business, encouraging entrepreneurship and innovation, attracting investment, revitalizing downtowns and diversifying regional economies.

- Growing the Rural Workforce – Helping grow local talent, raising awareness of job opportunities available in rural Ontario, supporting workers in obtaining the skills needed to succeed, and attracting and retaining workers so that rural communities and small towns thrive.

Analysis:

An extensive consultation process was completed in the development of the economic development strategy and encompasses the following:

- 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.

Three Key Pillars

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.

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.

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.

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.

Financial Implications:

N/A

Strategic Plan:

This matter aligns with following strategic priorities:

- Vibrant Local Economy

The development of an economic development strategy for rural Ontario is important as there are 2.5 million people and 1.2 million jobs which is part of the thriving economy. 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.

Attachments:

Appendix – Correspondence dated January 19, 2025 from Minister of Rural Affairs