The Rural and Northern Lens & A Voice for Rural and Northern Ontario
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The Rural and Northern Lens
Summary Document

What
The Rural and Northern Lens was created by the AMO Northern and Rural Working Group in 2006, after noting that many of the challenges facing rural and northern communities had one commonality—a lack of forethought about the consequences of applying a one-size-fits-all approach to a specific policy area. The Lens was revised in 2011 and then in 2015. The Lens is meant to be employed by provincial ministries to assess the impacts of new policy initiatives or changes in existing programs before they are implemented. It is meant to function as a flexible tool that all ministries can use to ensure their policies are road-tested before implementation.

The Lens has a list of questions for the government to use as a way to measure the effectiveness of its programs. The questions address each phase of the development of policy and program initiatives: considerations; delivery options; communications; and measuring and reporting.

Why is this still important?
The Lens was developed to raise awareness of rural and northern issues across provincial government organizations, by asking ministries to assess the effect of new policies, programs and services on Ontarians living in rural and northern areas. In today’s economic and demographic climate, the need for comprehensive awareness of rural and northern issues across provincial government is even greater. Ontario needs rural and northern Ontario to remain a vibrant part of the Province and the country. We note that there are many rural communities plagued by long distance and low densities of population within which it is very difficult for municipal governments to assume additional responsibilities. The Province is encouraged to determine how best to achieve the appropriate economies of scale for service delivery in these areas.

ROMA wants to ensure that new provincial initiatives support the social and economic well-being of rural and northern communities and strengthen the capacity of communities to meet local challenges.

Orientation to the Lens
The Lens consists of two documents including A Voice for Rural and Northern Ontario and the Lens Tool, which is available as a free-standing document and reproduced on the following pages.
The Rural and Northern Lens

The Rural Ontario Municipal Association (ROMA) is committed to the betterment of Rural and Northern Ontario. ROMA acts as the rural municipal voice in Ontario when considering and responding to proposed legislation while proactively working with the Government on solutions. ROMA takes pride in promoting, supporting and enhancing strong and effective rural governments.

The ROMA discussion paper - A Voice for Rural and Northern Ontario, serves as a reference point for future provincial policy development and implementation. The paper reflects the interests of rural and northern municipal governments in order to call attention to their communities' needs and requirements so they can thrive and succeed.

The paper provides a “lens” by which policy can be questioned, evaluated and decided upon.

The “Rural Lens” brings focus to the potential impacts of proposed policy, decisions and new actions on rural municipalities. It helps to ensure that questions are asked in a structured, objective and consistent manner. It helps to assess impacts in advance of decisions. It promotes education and understanding of issues by staff and elected officials at all levels of government.

ROMA requests that the Province filter all policy decisions and legislation through this lens to help ensure that rural and northern communities thrive and succeed. The Lens will also be used by ROMA and is provided to rural municipalities for their use.

The Rural and Northern Lens: A Dozen Questions

For Rural and Northern Ontario does the proposed initiative:

1. Benefit or hinder the fiscal realities of Rural and Northern Ontario?
2. Have a business case that accounts for low and sparse populations?
3. Enhance opportunities in Rural and Northern Ontario?
4. Help or hinder goals of sustainability blending environmental, social and economic factors?
5. Consider how and if rural people will be able to access it?
6. Consider all options for delivery, ensuring efficiency, the potential for co-delivery and an acceptable administrative impact on municipalities?
7. Account for the needs of special populations (such as youth, elderly and immigrants)?
8. Have adequate human and financial resources to be effective?
9. Ensure that Rural and Northern communities are receiving equitable treatment or services relative to others in the province?
10. Recognize the geography, weather and scale of Rural and Northern Ontario and include adjusted program criteria to accommodate these realities?
11. Accommodate the aspirations of residents from rural communities and the north?
12. Build upon the input and advice of rural residents, communities and municipalities?
Using the Lens:

Respond to the 12 questions.
Score your response as Positive, Neutral or Negative, using the +4 to -4 scoring system.

The Rural and Northern Lens: A Way Forward

At the end of the day the rural and northern lens is about people. It is about the livelihoods of nearly 2 million people who call rural and northern communities their home. It is about the communities these people live within, their jobs, their built and natural environment, the services they receive and the quality of their lives.

The Rural and Northern Lens provides us with an invitation. An invitation to all levels of government to do better with what they have and to ensure that the needs and requirements of rural and northern residents are met so that they may thrive and succeed. The Lens is particularly important for the provincial government. Various ministries must accommodate the needs of a large and urbanizing province and it is critical to ensure that Rural and Northern needs are not lost in the development of policy. This Lens can help.

It is a tool culminating in the sample chart below. It provides a quick visual representation of the positive and negative impacts of public initiatives. The need is obvious.
A Voice for Rural and Northern Ontario

Purpose

The purpose of this updated ROMA discussion paper – A Voice for Rural and Northern Ontario – is to serve as a reference point for future provincial policy development and implementation. The paper reflects the interests of rural and northern municipal governments in an effort to call attention to their communities’ needs and requirements so they can thrive and succeed.

A Voice for Rural and Northern Ontario lays out key considerations for provincial elected officials and public servants when new or revised policy and programs that may affect rural and northern communities are in the conceptual or design phase. To that end, the Northern and Rural Lens is re-profiled in this paper for active application by the Province in any of their policy development work.

This version of A Voice for Rural and Northern Ontario has been updated from the 2011 paper, which was built on the foundations of AMO’s 2007 Rural-Northern Plan Discussion Paper. It is part of ROMA’s and AMO’s advocacy and government relations strategic direction.

The Province of Ontario is comprised of 444 municipalities of which 335 (75 per cent) are either rural or partially rural. AMO and ROMA will continue to advocate on the necessity of having strong rural and northern communities.
Introduction

Ontario is at a crossroads. The recession that shook domestic and international markets in 2008 made it clear that there is a need for a diverse, well-functioning economy across Ontario. Our citizens need help adapting to today’s changing economy and we need to be positioned to take full advantage of the opportunities that are presented. Rural and northern Ontarians are just as, if not more, susceptible to the fluctuations that have been occurring in the global marketplace. Historically, rural and northern communities were established close to the industries that Ontario was built upon: farming, mining, and forestry to name a few. Today, our communities are facing tough challenges of sustaining their rich heritage, tradition, and culture in a rapidly changing world. They helped build the economic development and prosperity of our province. Now, with the reshaping of the global environment and the fluctuations of the international market, rural and northern communities are in a position where they must adapt to a rapidly changing world. Without a doubt, our communities must revitalize in order to continue to contribute to the rich fabric of Ontario’s society.

The Rural Ontario Municipal Association (ROMA) has identified several significant focus areas facing rural and northern municipal governments now and over the next 25 years. Strengthening rural and northern economies, supporting people and places, and understanding government policies and their municipal impact are ongoing issues that are of concern to Ontario’s rural and northern municipal governments. Municipal fiscal capacity is a key theme, both because it is the greatest indicator of how well municipal governments can address challenges and also because it is interconnected with all of the areas identified by ROMA as critical issues facing rural and northern municipal governments. In all areas of policy and program development, the foundation to address issues of implementation will be through AMO’s Rural and Northern Lens, developed specifically for the Province to understand the uniqueness of rural and northern municipal design and the ramifications for small communities if issues are not seen through this Lens.

ROMA is mandated to address key province-wide policy issues from a rural municipal government perspective. The association acts as the rural municipal voice in Ontario when considering and responding to proposed provincial legislation while working with the government on solutions. Leadership within ROMA is provided by the Chair, Executive, and Board of Directors. Several ROMA members are also represented on the Rural Caucus on AMO’s Board of Directors. One member from the Rural Caucus is represented on AMO’s Executive Committee which voices municipal input and reaction to provincial policies through a Memorandum of Understanding (MOU) with the Province.

We have continuously advocated that the provincial government take rural and northern concerns into consideration when developing policies and programs – not only for municipal policy, but for all policy development. This document is accompanied by the Rural and Northern Lens (pages 5 and 6) to help raise awareness of rural and northern issues across provincial government organizations by assessing the impacts and changes to new and existing policies, programs, and services for Ontarians living in rural and northern areas. It is meant to function as a flexible tool that all ministries can use to ensure that policies are adequately tested before implementing. We have advocated for many years that any policy or program that is developed should be run through the Lens so that the Province may use it to shape better outcomes for our rural and northern communities. When addressing all of the challenges and themes that are raised within this paper, it is important to view them through the Lens in order to ensure that any initiatives are fair and representative of the rural and northern municipal voice.

Moving forward, creative solutions must be employed for rural and northern municipal governments to thrive well into the 21st century. A rebalancing of the relationships between rural, northern and urban communities should be recognized by municipal counterparts in the province and in southern Ontario. More and more urban needs, such as reliable broadband infrastructure, will be required in rural and northern communities. This could attract and retain students, newcomers, and workers to rural and northern areas who will have access to reliable broadband that links them quickly into the day-to-day activities elsewhere in Ontario, Canada, and around the world. By introducing the same opportunities that their urban counterparts have, rural and northern municipal governments can flourish using creative and innovative solutions to address traditional issues.

This refreshed paper provides an overview of several current policy issues for rural and northern Ontario municipal governments, the solutions and best practices to address these issues, and several considerations for municipal governments to think about moving forward. It is important to note that the issues affecting rural and northern Ontario are not limited to the topics covered in this report. Regardless, understanding the current, ongoing issues in rural and northern areas can be addressed through the following themes using the Rural and Northern Lens as a foundation: Government Policies and the Municipal Impact, A Forward Thinking Rural and Northern Economy, and Supporting Local Places and People. These themes encompass issues and realities that are of critical importance to rural and northern municipal governments. Any policies and programs that are developed by the Province must fully address the many challenges that are faced by rural and northern municipal governments in order to make sure that they can thrive and succeed.
Government Policies and the Municipal Impact

Understanding the Municipal Impact

Rural and northern Ontario has a long history of providing a desirable quality of life for its citizens. Today, there are many fiscal and political obstacles that threaten this ability to continue to provide a high quality of life. Rural and northern communities need the Province’s support in order to have the capacity to deliver key services in an effective and efficient manner that is also flexible and responsive to local needs. Municipal governments in Ontario have consistently proven that they have an ability to self-govern, maintain a close connectedness to people as the local order of government, and an ability to respond to the requirements of citizens.

Rural and northern municipal governments are facing challenges when providing required services and programs to their citizens. Access to healthcare, social programs, infrastructure demands and the environment, are all competing for municipal funding. Outmigration, a lower employment rate and a rapidly aging population mean that along with the high competition for municipal funding, there is also a lower revenue stream from which to draw for rural and northern communities.

When ROMA is given an opportunity to provide feedback into policy and program development, we consistently ensure that rural municipal concerns are heard. Despite this, there is still much the Province could do to help rural and northern municipal governments in the policy development process. A frequent challenge is over-regulation. Often when new policies are released, there are a number of new requirements attached, from administration requirements to new responsibilities. Administrative staff in rural and northern municipal offices are responsible for implementing and ensuring compliance with new requirements and responsibilities. Often there are only one or two people responsible for a whole range of duties, which places significant burdens on municipal staff. While large urban municipalities also object to these additions, they are often in a position where they are able to comply (at a cost to the tax payer). Per capita costs in most rural and northern areas are higher than those in urban communities as a result of smaller populations. As a result, rural and northern municipal governments do not have the capacity, or the tax base, to continue to absorb new costs.

An example of a provincial policy that significantly affects municipal administrative costs is the Accessibility for Ontarians with Disabilities Act (AODA). The work that was being undertaken for this Act, to make communities more accessible, is an interest and commitment shared by ROMA. While we have consistently stated support for the AODA, we also expressed concerns with the challenges of human resources and cost impacts of implementing the proposed standards. The fiscal capacity and administrative capabilities of smaller, rural municipal governments make implementing AODA standards challenging. The fiscal cost of implementing AODA requirements was not analyzed by the Province and yet, the timeline for implementation meant that municipalities had to forge ahead with implementation strategies. This occurred without the knowledge that the goals and timelines set out in the strategy would be of great value to
their community requirements, or without knowing the impacts on municipal budgets. The lesson from this is that with mounting fiscal pressures, municipal governments cannot assume greater risk and liabilities on behalf of the provincial government. This is just one example of many provincial regulation issues that have had serious impacts upon Ontario’s municipalities. We need to ensure that new provincial initiatives, policy and regulation occur in a way that is affordable, efficient, and sustainable for municipalities.

Access to provincial programs is another area challenging rural and northern municipal governments. The Province currently lists programs of interest to rural communities on the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) website. This is a good resource for municipalities. The obstacle is in ensuring that those communities who could truly benefit from the programs are able to apply. For example, the provincial government established a $190 million Ice Storm Assistance Program that was made available to municipalities that were affected by the December 2013 ice storm. It is vital that municipal governments be in a position to respond to extreme weather events in their communities as well as access provincial funding when needed and in a timely manner. While municipal governments appreciate the provincial government establishing funding relief for extreme weather events, the reporting requirements for the Ice Storm Assistance Program have exceeded what is considered reasonable. Many municipal governments, especially those that are small or in rural areas, considered abandoning their applications for funding because the costs of reporting are onerous and complex and may be more than the ice storm funding that is actually received. Appropriate levels of reporting to satisfy all accountability and transparency requirements should be seriously considered by the Province when municipal governments need access to funding programs.

Reducing the “red tape” and the burden of eligibility and application procedures of current and future programs of interest for rural communities and municipal governments could dramatically increase the functionality and uptake of these programs.\(^2\) This is not to suggest that municipal governments do not appreciate the accountability requirements that come with provincial or federal grants. Rather, it is challenging that for each

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2 This was also one of the recommendations for the Provincial government in David J A Douglas’ report Towards More Effective Rural Economic Development in Ontario. 2003.
individual grant program that the federal government and the Province offers there are different sets of eligibility criteria and a different method of reporting. Each set requires that municipal staff spend less time providing other services and instead must generate applications for grants, outcomes reports, and perform other administrative tasks. For example, one municipality tallied the reports it provides to the Province on a yearly basis. It submits the following to provincial ministries: 96 monthly reports, 100 quarterly reports, 6 semi-annual reports and 68 annual reports. This is a subtotal of 270 reports annually, plus an additional 16 audited statements, plus the annual Financial Information Return. The total tally: 287 reports. That is more than one for every single workday in the year. The costs and resources associated with these requirements mean that many smaller municipal governments find it difficult to apply for the programs designed specifically for their use.

Above all else, a distinction needs to be recognized between urban and rural. A one-size-fits-all approach to policy and program development and design simply does not work in rural and northern municipal governments. Provincial policy makers must consider rural and northern implications in advance of the policy development process. Requiring rural and northern municipalities to step forward during consultations to remind the Province of rural and northern fiscal capacity issues should be redundant and unnecessary. A single entity with accessibility to the various programs and the capacity to liaise with the responsible agencies on behalf of municipalities could go a long way to enhancing the effectiveness of the many available provincial initiatives. There could be opportunities for the Ontario Ministry of Agriculture, Food and Rural Affairs, the Ministry of Municipal Affairs and Housing and the Ministry of Northern Development and Mines to place resources toward the coordination and gathering of rural and northern community input. Such opportunities for coordination will simplify provincial initiatives and increase efficiency.
A Forward Thinking Rural and Northern Economy

A strong and resilient economy is essential for the success of rural and northern communities. It is important to understand how these economies are limited fiscally, what their infrastructure needs are and what role the digital economy and education plays. In addition, for communities rich in natural resources, understanding the potential of such resources, whether agricultural or aggregate, among others, is crucial.

Municipal Fiscal Health

Municipal governments require a sustainable stream of revenue in order to provide services to citizens. Property taxes generate 45 per cent of municipal revenue and 21 per cent is produced through user fees. Rural and northern municipal governments also benefit from provincial operating assistance through the OMPF. However, these funds have been declining. In total, 66 per cent of all municipal revenue is generated directly from citizens who live in municipal governments.

Municipalities must also deal within fiscal capacity realities that for every tax dollar, municipal governments receive 9 cents while the Province receives 44 cents and the federal government 47 cents. At the same time, municipal governments deliver the public services that are used most often by Canadian citizens. For our rural and northern communities, there are further strains to municipal fiscal capacity. Many rural and northern municipal governments have a very small tax base that restricts the ability to raise significant revenues. Due to the often large geographical distances of rural and northern communities, user fees can only cover a small portion of the real cost of programs and services. Municipal governments do not have access to income or sales taxes to boost revenues. We have consistently asked the Province and the federal government to consider the municipal fiscal capacity issue. It is not a new issue, but in the current challenging economic climate, it is important now more than ever.

To address municipal fiscal capacities, the 2008 Provincial Municipal Fiscal Service Delivery Review (PMFSDR) was a landmark agreement that committed the Province to upload social assistance benefits and court security costs from the municipal tax base. The goal of the agreement was to ensure that the delivery of programs and services remains affordable and sustainable for both the Province and municipal governments. The review constituted a new, collaborative provincial-municipal approach to providing services and there have been significant milestones achieved to date. In 2015, the value of the uploaded services to the municipal sector will be $1.7 billion. While these values demonstrate the success of the initiative.

3 Statistics Canada, CANSIM Table 385 – 0024
4 Ibid. Provincial transfers make up 21%, Federal transfers 2.5%, investment income 4.7% and other revenue 4.8% of municipal revenue.
The Rural and Northern Lens
January 2015

for the sector as a whole, it is acknowledged that the upload has affected each municipality differently and that challenges continue to exist. Despite the upload of social services and court security costs, there are still municipal fiscal challenges to related areas such as roads and bridges, transit, as well as water and wastewater services. Household waste, policing and fire costs, and municipal liability and insurance costs are also fiscal challenges that are being faced by Ontario’s municipal governments. Going forward, we are seeking continuing progress with the Province on these shared responsibilities to Ontarians.

Education

Our schools, as institutions dedicated to youth, are essential to the vibrancy and vitality of communities across Ontario. Schools provide a focal space for community activities to take shape and for linkages between community members and families to be made. These types of spaces are limited in rural and northern communities more so than in urban ones. Additionally, analysts across the globe are recognizing the important link between the provision of quality education and strong economic development. As such, schools provide strong foundations for the development of intangible resources like social capital.

In rural and northern communities, as in all of Ontario, there is a real need to provide and maintain access to quality education. Declining enrolment in rural and northern areas is one issue that affects access to quality education and needs to be addressed. Many communities have only a single school and in certain areas, school boards find it challenging to keep small schools open. Declining enrolment means declining provincial funding and the cost of maintaining local schools facing declining enrolment, given the current funding formula, is becoming prohibitive. When a rural or northern school is shut down, the entire way of life in a community is impacted. This includes spin-off economic impacts. School closures go beyond impacting educational services in rural and northern areas making it very difficult to keep and attract new families to a community when a school is lost. It is fair to say that the viability of communities in rural and northern Ontario is directly related to local access to elementary and secondary education.

In many areas across Ontario, efforts are underway to address the issues related to declining enrolment and school closures. Locally, municipal governments and school boards are finding new ways to work together to creatively address the viability of local schools – including growing schools into community hubs. Advocacy efforts, like those taken by the Community Schools Alliance, have been focusing on strengthening relationships between school boards and municipal governments as well as with local citizens. This includes recommending engaging the community and local stakeholders in meaningful discussions on student accommodation.
and school closures. The use of information technology offers innovative ways of enhancing the viability of small schools as an alternative to closure. Over the last number of years the provincial government has introduced a number of important programs related to community use of schools. The Government of Ontario is offering funding though its Community Use of Schools program to school boards so they can make use of this public space at affordable rates for after hour use. Additionally, at 220 “priority schools” across Ontario, eligible not-for-profit community groups can have free access to this public space during after-school hours.

While these programs are important efforts in addressing a number of issues including healthy living and access to recreation for community groups and low income residents, addressing the viability and health of local schools requires more than these initiatives.

The provincial government must work with AMO, ROMA, rural municipal governments and local leaders to find solutions and opportunities for the use of schools in our communities. Access to quality education and the role of schools in our communities are components to the overall health of Ontario’s economy.
Rural and Northern Infrastructure Needs

Roads and bridges represent a major tangible capital asset that falls under the ownership and maintenance of municipal governments. Roads and bridges are the lifeline of rural and northern communities when transporting goods and services across Ontario. Right now, Ontario’s municipal governments have an estimated $60 billion gap over the next ten years between what they spend on infrastructure and what they need to spend every year to pay for infrastructure maintenance and to support growth. Approximately $28 billion of this gap - nearly half of it - is accounted for by road and bridge assets. Additionally, given their limited resources, the damage to infrastructure caused by extreme weather impacts, such as flooding, can be particularly costly for rural and northern communities.

Municipal governments appreciate the programs and the support that the federal and provincial governments have made available in the past including: the Federal Gas Tax Fund (2005), Building Canada Fund (2007), the Investing in Ontario Act (2008), the Municipal Infrastructure Investment Initiative (2012), $400 million Roads and Bridges funding (2013), and the Ontario Communities Infrastructure Fund and its precursors, among others. Without a doubt, these programs have helped communities to manage rural and northern infrastructure needs. The permanent $100 million Ontario Community Infrastructure Fund is a welcome addition to help support critical infrastructure in Ontario’s smaller communities. Over time the government’s commitment to increase funding and move to a full formula allocation will help to provide a significant source of predictable funding for infrastructure in rural and northern communities.

While the circumstances of each municipality are different, on average rural and northern communities are particularly challenged by the infrastructure deficit as a result of their often smaller populations, which are often not growing, and the needs to maintain the infrastructure that holds these communities together. A new funding program by the federal government, the New Building Canada Plan, offers funding for rural communities through the “Small Communities Fund.” The 2012 Roads and Bridges Review by the Ministry of Transportation and AMO found that the infrastructure gap, per capita, for north east and west regions of the province to be double that of central Ontario. This finding reflects the significant road kilometres and bridges that serve the less densely populated rural and northern communities within these regions of Ontario. Overall, dedicated funding from the Province continues to be required to help close the gap and fund road and bridge infrastructure for rural and northern municipalities.
The Digital Economy

Broadband access and high transfer speeds are services that most communities and businesses have readily available, but for many living in rural and northern areas reliable, high speed, online access is a daily issue. The low population density of rural communities means that there is a considerable individual user cost associated with developing and servicing broadband access in remote areas. Ontario may be recognized as a leader in digital media technologies, but the reality is that parts of the province are still without stable, basic broadband service. Today, we are living in a world that needs ready access to information and the potential to access a wide array of it is vast. Broadband can facilitate information access very quickly whether it is for a training course or developing new job skills. Opportunities for rural and northern communities to access the benefits of broadband are needed now more than ever.

Telecommunication networks are essential when participating and competing in an economy that is increasingly based upon knowledge, innovation, and instant communication. There are compelling economic reasons to make broadband accessible to Ontario's rural and northern communities. Local businesses need this infrastructure in order to compete at the global level as it enhances business development and creates opportunities for innovation. Communities that can provide their businesses with access to broadband can enhance economic returns as well as attract businesses and residents to their community. Broadband access can also help manage growth management pressures in Ontario by allowing people to access their places of work remotely. In order to compete in today's rapidly changing economy, Ontario's rural and northern communities need access to broadband services.

Broadband access also has implications for the social and intellectual capital in rural and northern areas. It enhances academic opportunities, as youths can connect to resources, schooling, and educational training online. It may also help communities in retaining young students. The cost of living in the urban areas, where the major universities and colleges are located is high. Today's students are now being burdened by high debt loads once they leave universities; the debt being mainly from living expenses in cities as well as tuition fees. By providing reliable and accessible broadband, distance education programs for students entering into post-secondary education can be made available and youths can complete their college and university certifications off site from where they live. Providing access to broadband infrastructure may help in retaining our youths and their intellectual capital in our communities which may lead to overall benefits in community economic development. Considering the opportunity for broadband to support learning and businesses in our communities, continued leadership from the Province is needed to ensure that the economic and social benefits of broadband access are made available to rural and northern communities.

Some examples of how rural communities and the Province are already working to expand broadband provide useful ideas of how we can move forward on this goal. The Eastern Ontario Regional Network (EORN) Broadband Project is an initiative made challenging by the diverse
topography and geography throughout the eastern region. While the Province has shown a willingness to participate in the project, municipal staff and resources drive the initiative. The EORN broadband network is now complete and has brought stable high-speed internet connections to a region of more than one million people. The success of this project has been attributed to public and private funding contributions, including up to $55 million from the Government of Canada and up to an additional $55 million from the Government of Ontario. A similar broadband network, the South Western Integrated Fiber Technology (SWIFT) has begun in western Ontario. Initiated by Western Ontario Wardens' Caucus and the Southwest Economic Alliance, SWIFT aims to provide a high-speed broadband network for all communities within western Ontario. Currently, SWIFT is finalizing their organizational design, business plan and funding, with construction and connection completed by 2019/2020. Given the importance of having economically successful rural communities to the overall economic health and competitiveness of Ontario, continued resources and funding from the Province can help this initiative truly flourish into a success story and a best practice for rural and northern broadband accessibility.

The Rural Connections Broadband Program (RCBP) is a $30 million program administered by OMAFRA and available to municipal governments and businesses in southern rural Ontario. Municipalities and private companies can apply for funding to supply broadband to underserviced rural areas. Municipalities are eligible for up to $1 million dollars in project funding, not more than one third of the program’s total approved eligible costs. As a result, municipalities must secure the remainder of the funding for local projects. The program also requires that municipalities “demonstrate that they are working in partnership with community stakeholders and other partners to develop and implement a plan designed to improve broadband accessibility in rural areas.” 5 These types of programs, while appreciated and utilized to full advantage by many municipal governments, do not go far enough in assisting the smallest and poorest of communities in securing broadband access. Some rural municipal governments do not have the ability to tap into third parties to fund broadband projects because the infrastructure for broadband does not exist. Further issues with telecommunications, particularly for northern communities is related to lack of providers and subsequent monopolies. An example to demonstrate the potential unfairness of this is the Province’s recent sale of Ontera, which was previously a part of the Ontario Northland Transportation Commission (ONTC) to Bell Aliant. It is the only provider in many areas in northern Ontario and the sale of Ontera has sparked fears that prices will go up and service levels will be decreased now that services such as Internet will be provided by private industry.

The Province should be working on developing an enhanced project with appropriate funds for broadband projects through programs like the RCBP so that rural and northern communities

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may have full access to the benefits of reliable broadband. The Province could also work on developing a digital connectivity strategy that ensures affordable and reliable access to services throughout Ontario. If the strategy is integrated properly, revitalization to several service sectors such as local artisans around the cottage industry may occur. The strategy could contribute to managing growth pressures on land use in populous parts of the province; contribute to managing the demand for transportation networks; and ensure the social, cultural, political, and economic participation in northern and rural areas. Additionally, a digital economy strategy with guidance from the Province can help communities leverage the need for broadband accessibility in Ontario's underserviced rural and northern areas.
Local Foods

Ontario can capitalize on the increasing trend toward buying local foods that has resulted from the maturing global food movement. People across Ontario are starting to understand the environmental and health benefits that are associated with purchasing and consuming local foods. In many ways, local food resources are acting as economic and community development catalysts worldwide as local food, farmers markets, chefs, brewers, vintners, and artisans create an attraction for others. Ontario farming communities and communities with local artists are in a great position to take advantage of this trend and deliver high quality foods to the emerging local food movement.

The food sector is a critical industry for northern and rural communities as Ontario continues to produce excellent quality food that Ontario, Canada, and the rest of the world have come to depend upon. With the decline in several of Ontario’s business and manufacturing sectors and the intense competition for those jobs, many rural and northern communities are seeking the food and agri-business sector to offer possibilities for long term economic development and as a source for innovative solutions that can sustain local employment. The north continues to be a great opportunity to expand the agriculture industry, specifically food and agri-food. An expansion of the agriculture sector in the north would build local economic opportunity, reduce the need to import certain foods, and create the potential for food export. Such growth could provide employment opportunities to rural and northern Ontario, while expanding the agricultural industry and providing diverse economic opportunities for many communities.

The Province has taken a step forward with its Open for Business: Agriculture and Agri-Food Strategy but more work needs to be done. By focusing on the popularity of the local food movement, communities can also attract tourists to farms and teach the values and benefits of local foods. Beyond the local level, however, continued investments will be needed from the Province to make inroads into the developing local food movement.

The provincial government has recognized the important role local food plays socially, environmentally and economically through the Local Food Act, 2013. This act seeks to help create and maintain resilient local food systems in Ontario while increasing consumer awareness of locally grown food and new markets for its sale. Under the Local Food Act, municipalities have been identified as a public sector organization within the scope of the legislation. It outlines that goals and targets shall be established by the Minister within one year after the Act comes into force. Consultation with public sector organizations must occur before a goal or target is
established (OMAFRA has identified improving food literacy as the first aspirational goal under the Act). AMO/ROMA continues to caution the government to not establish goals and targets that would oblige municipal governments to have to develop more administration and reports. It is our view that municipal government resources are best devoted to leadership and network building to advance local food activities. Municipal governments, in partnership with local food producers, have already undertaken much work. For example, the joint AMO/Ontario Municipal Knowledge Network/Ministry of Agriculture and Food project on Best Practices in Local Food: A Guide for Municipalities, identified innovative case study examples to help inform and support a municipal role. It sets out local food initiatives, policies and programs that could be replicated to complement each municipality’s local circumstance. Empowering and leading, not regulating and reporting, is the preferred way forward for municipal governments in advancing local food goals.\(^6\) It is important to note, however, that the Local Food Act is the first such legislation in Canada and helps to demonstrate the Provincial government’s recognition of the value of local foods and their role within the food system.

The local food industry has enormous potential for growth; in the United States the San Francisco Bay area generates an estimated $1 billion in revenues.\(^7\) Today, people are looking for areas to open cafes and restaurants and promote the values of local food. As a result, there is an influx of educated people looking to set up food and service businesses that can work to stimulate local economies and make rural and northern communities more attractive. Farmers’ markets are reclaiming the economic centres in communities across the province as Ontarians are becoming more aware and food savvy about what they eat and where it comes from. By increasing the consumer’s accessibility to locally grown foods, there will be positive benefits to economic development in rural and northern areas. The Province has done a good job promoting Ontario’s foods to Ontarians and the world. However, with an improved labelling of local food products for example, not only can local food initiatives create employment opportunities but they can also improve healthy living standards in communities across Ontario.


\(^7\) AMO Urban Symposium. Beyond the Buildings: Creating Vibrant Mixed Use Communities. Rob Spanier, Vice President, LiveWorkLearnPlay, Burlington, ON April 15, 2011.
Natural Resources

The future of natural resources extraction industries (e.g. forestry, mining) continues to be an issue of concern for Ontario’s rural and northern communities. These industries, which often represent the heart of many local rural and northern economies, face several challenges that directly impact the communities that are built around them. Over the past number of years, local economies have been threatened by lower commodity prices, domestic and international competition, higher energy prices and other sector related challenges. As a result, jobs in Ontario are lost and the municipal tax base in these communities contracts. For people employed in these sectors, it is becoming more and more difficult to earn a livelihood and maintain a sustainable standard of living.

The Ring of Fire has the potential to provide a number of jobs in the construction, service and mining industry. There will be an increased need for infrastructure and transportation corridors in order to provide entry and exit to the Ring of Fire area in northern Ontario. Currently, business arrangements are underway in the hotel, training, construction and staging areas. Relationships are being developed between First Nations, government, and private stakeholders. The Province now has the opportunity of integrating the Ring of Fire into broader province-wide economic strategies but they must ensure that the jobs that are created and the revenue generated by resources that are harvested remain in Ontario to benefit the region. Rural and northern communities are in the unique position to take full advantage of Ring of Fire investments since the only route into this area of Ontario is through these and aboriginal communities.

The future mining of significant minerals in the region can bring employment and prosperity to the area, although it will be critical that the provincial government take into consideration the requirements of remote single industry communities: additional policing, emergency service personnel and social workers will be required; affordable housing; and, health and safety inspectors will also be needed to make the Ring of Fire area an economically successful and viable area of the Province. The Province must also consider beforehand the proper environmental management of the Ring of Fire to ensure that the continuing health and safety of communities in the region are met. A virtuous cycle of sound economic and social development as well as appropriate environmental management to the Ring of Fire region must be encouraged by the Province to help the region thrive beyond the extraction of natural resources. The region must be looked at as an opportunity to diversify a sustainable economic base in Ontario’s north. The Ring of Fire has the potential to be a significant Northern success story for Ontario. It could become an economic driver for the area that supports regional and community infrastructure and development, as well as value added manufacturing with benefits that spread beyond the extraction industries and are lasting. It is acknowledged that this is a complicated but important development that requires continued attention on the part of the province, local communities and the industry.
Supporting Local Places and People

Rural and northern communities face a variety of opportunities and challenges regarding their human capital. Declining populations, shortages of skilled labour, an aging population and outward migration of youth will prove challenging for many communities. It is important to note, however, that opportunities surrounding immigration and skilled worker and youth retention do exist. This section will explore these challenges and opportunities, highlighting existing programs that support these areas and opportunities for future growth.

The Demographic Reality

It is critical to understand the demographic reality of rural and northern Ontario in order to understand why provincial policies that may work and excel in many parts of Ontario are often difficult to carry out in rural and northern communities.

It is an undeniable reality that the population density of rural and northern communities is sparser than those in urban areas: “In striving for healthy communities and prosperous economies across their jurisdictions, policy makers may be troubled by differences between urban and rural economies. If particular policies prompt social and economic development in urban areas, why do they not have the same effect in rural areas?” Population density is generally accepted to be the most common characteristic when defining the extent of either “rural” or “northern” for any community, area or region. Population density is often the defining characteristic of “rural” and “northern” because the characteristic appears to have a dramatic effect on the economic and social circumstances of any particular area and the mechanisms by which a particular area might experience development success.

When considering how rural and northern communities develop and how provincial policies will affect those communities, it is important to remember that low population density makes it challenging for individuals to build the critical mass required for businesses to thrive and job opportunities to develop. It also increases the cost of providing appropriate infrastructure and public services such as transportation networks, waste, water systems, telecommunications, and broadband infrastructure.

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10 ibid.
Aging Population and Municipal Resources

An Aging Population

The Ministry of Finance’s Ontario Population Projections Update confirms a trend that has been developing for many years: Ontario’s population is aging. According to the Ministry of Finance’s projections, the number of seniors aged 65 and over is projected to more than double from 2.0 million, or 14.6 per cent of the population in 2012 to 4.2 million, or 24.0 per cent, by 2036, nearly one quarter of Ontario’s population.\(^\text{11}\) The growth in the share and numbers of seniors will accelerate over the 2011 – 2031 period, as the “baby boomer” generation reaches ages of 65 and older. This aging population is quite significant, as it is projected that by 2017, residents over 65 years of age, will outnumber children under 15 years of age.\(^\text{12}\) In rural and northern Ontario, seniors comprise more of the general population. This means that a greater portion of the population is entering into retirement, with less disposable income and facing greater health and accessibility requirements. An aging population can lead to an eventual decrease in property taxes as there will be a drop in housing along with downsizing and limited growth in housing prices.\(^\text{13}\) These figures are alarming and should be sending a loud and clear message to Ontario’s municipal governments and the Province.

The provincial government has created “Ontario’s Action Plan for Seniors” (2013) which highlights foundational programs such as improved access to community care and other provincial initiatives in place to support and accommodate an aging population. While these programs are beneficial, the unique challenges facing aging populations in rural and northern communities are not specifically addressed. More needs to be done to create a comprehensive aging strategy. As Ontario’s aging population increases, there will be a significant need for services to sustain quality of living and extending the independence of seniors. Our people are living longer and as such there will be a real need to help and support more of our seniors with quality services that they can depend upon. An aging population will place added stress on municipal resources and services that are already extended. With rural and northern municipal governments facing fiscal capacity constraints, leadership will be required to address the issue of an aging population. Ontario’s municipal governments cannot face the challenges of an aging population without Provincial help.

Long Term Care

As in all of Ontario, rural and northern municipal governments support residents and seniors who are in need of long term care. Under provincial regulations, municipalities are required to provide a long term care facility in their jurisdictions either directly or jointly with another municipality. These facilities provide nursing services and monitor those in need of long term care 24 hours a day with supervision in a secure setting. Cost sharing is provided by the Province on this service. The aging population means growing demand for long term care beds will continue.

Many municipal governments in Ontario do more to support seniors in their communities beyond providing the legislated long term care facility in their jurisdiction because it is the right thing to do. Not-for-profit and private facilities serve this sector in many communities. However, in rural and northern Ontario, the small population sizes mean that private facilities cannot offer quality and affordable services that are found elsewhere. Municipalities are required to step in to fill this gap. With the aging population of seniors in rural and northern Ontario increasing, there will be more demand for long term care facilities in these communities.

The picture that is emerging is clear; the need for long term care services in our communities will grow significantly. What is also clear is that municipal governments have been playing a very large role in addressing local pressures. The changing demographics and resulting service needs, both human and hard services, are real, as are the cost impacts and the ability to raise revenue by municipal governments.

Many residents in municipal long-term care homes require complex medical and nursing care and treatments. Over the years, there have been increasing expectations placed on municipal governments to fund, either directly or indirectly, health care – a provincial area of responsibility. This pressure to fund health services is putting additional pressure on municipal revenues – property taxes, user fees and grants. The absence of appropriate provincial funding for long term care homes means that many municipal governments are now making their own capital contributions and tax-supported operating subsidies to ensure that the new regulatory requirements under the Long Term Care Homes Act are met and that their residents can receive the quality of health and long term care they deserve. Funding the health care of our seniors who live in long term care homes should not be the growing unfunded mandate of municipal governments who are already struggling to pay for their own legislated responsibilities.

Municipal governments are in the best position to know what their respective communities are asking for and need. What municipal governments need is the flexibility to invest their tax dollars in the areas of senior services that would best suit their residents and this may or may not include long term care facilities.
AMO’s paper *Coming of Age: The Municipal Role in Long Term Care*, explored many of the issues discussed above as well as possible approaches on best utilizing scarce government resources. The timing is right to explore the opportunities on how to best move forward. It is time that the provincial government rethink its approach to not only health services for seniors, but community planning in general. It is critical that the provincial government articulate its role and strategies on how it will support the health needs of the seniors in our communities.

**Accessible Health Care**

Health care consistently rates as a major topical concern for Canadians. Ontarians are no different and nowhere is this concern more evident than in our rural and northern communities. Ready access to doctors, nurses, diagnostic equipment and quality health care is not afforded equally to everyone. Some families are separated by many miles during their time of need for medical attention or long term care, due to the lack of facilities and/or providers in their area. The strain facing municipal long term care homes previously discussed is very similar to the pressures facing local general practitioners and health care facilities in rural and northern areas.

Communities with sparse or declining populations can no longer meet conditions to justify highly specialized health care facilities. The necessary technologies of many health services require more equipment per health professional which can only be justified in larger hospitals serving larger communities. The difference with purchasing expensive, specialized medical equipment is exacerbated by the competition for doctors and other trained medical professionals. Ontario, like the rest of Canada, faces a physician shortage, which puts added pressures on health care services in rural and northern municipalities. Solutions need to be found to address these challenges to our health care services.

Doctor shortages and limited fiscal capacity to purchase medical diagnostic and specialized equipment are ongoing health care issues in Ontario. As such, rural and northern communities with aging and decreasing populations will find that health care issues will become more prevalent than ever. The most inexpensive way to deal with health costs is to focus on health care prevention. By promoting healthier communities, medical services stretched thin in many areas will be able to use resources elsewhere and, as a result, reduced costs to health care will benefit Ontario’s municipalities. The Province and Ministry of Health and Long-Term Care and health units should develop rural-friendly approaches to disease prevention and health promotion. Nevertheless, promoting healthier communities may only go so far. One important initiative was the creation of the Northern Ontario School of Medicine, which is considered a made-in-the-North solution to medical challenges northern communities face. In particular, this school is built on a community engagement model of medical education and research, which strives to improve the health of those residing in Northern Ontario. Beyond this school, the Province should be taking further steps to address the physician and health professional shortage in rural and northern Ontario. Innovative programs are needed to make rural and northern communities attractive to doctors and others in the medical profession. With the limited fiscal capacities of many rural and northern municipal governments, innovative methods are needed in order to provide access to specialized medical equipment. Rural and northern municipal governments will be looking to the Province to lead initiatives that take into account the needs of these communities and their access to health care.
Outmigration and Post-Secondary Education

Outmigration has been an ongoing issue for rural and northern communities. A degree of outmigration of youths seeking post-secondary education is to be expected, even encouraged. Historically, educational attainment is comparatively low in the north. Lower family incomes, geographical barriers, and narrow course offerings make post-secondary education challenging for many youths. The Province has an opportunity to address this issue by making post-secondary education attractive and accessible to northerners. Past data and experience has shown that northerners who train in the north tend to remain in those communities.

A number of recommendations on outmigration were made by the Northern Ontario Large Urban Mayors, the Northwestern Ontario Municipal Association, and the Federation of Northern Ontario Municipalities in the 2005 report Creating Our Future. Recommendations included: providing incentives for students attending northern post-secondary institutions; providing incentives such as scholarships and bursaries for students from the north to stay in the north; attracting new students to northern communities to pursue post-secondary studies at the college and university level; and, increasing access to post-secondary education through innovative delivery methods and partnerships (e.g. deliver expanded course offerings via the Internet, videoconference, temporary campuses, distance education, and during off-hours). The success of the Northern Medical School in Sudbury and Thunder Bay can be seen as a model for future opportunities to link post-secondary education and economic development which has resulted in improvements for the regional economies.

Distance education can help retain youths in rural and northern communities. This will enable students to continue living and working in those communities while enhancing education and improving future earnings potential. The Province could support these efforts through funding in the following: broadband suited to two-way/interactive learning; targeted support for program development; and, registration fee subsidies to keep education costs at the same level in other parts of the province where face-to-face programming is possible.14

Immigration to Rural and Northern Communities

According to population projections from Statistics Canada, immigration will be the main driver of population growth for all provinces and territories. The reality for many youths living in rural and northern communities is that a post-secondary education is often required in order to advance future career development and growth. Outmigration of youths seeking university or college training will continue. Municipalities, with support from the Province, will need to develop forward thinking retention policies to attract former and new citizens to those communities.

Rural and northern communities offer a quality of life that is unique and often unknown to new immigrants. Many newcomers to Canada list “peace” and “low crime rates” as reasons for immigrating to Canada. Now is an ideal time for rural and northern municipal governments to promote alternatives to city living, the destination of first choice for many newcomers to Canada.

Getting newcomers to our province and community is one thing, settlement and retention is another. All orders of government must work together to develop integrated strategies and programs that support newcomers in their transition to life in Canada and Ontario. This includes funding and agreements that support trilateral policy discussions and an integrated approach to policy development in the areas of housing, child care, employment services, transportation, cultural amenities and local community tolerance.

Good policy and appropriate funding will help attract newcomers to the rich experience of living in Ontario’s rural and northern communities. Municipal governments, however, must also strive to make their communities welcoming and open to change and difference. Many examples exist where municipal governments have put strategies in place to explore, support, and promote diversity and change. For example, the North Bay and District Multicultural Centre and the Timmins and District Multicultural Centre, although located within city hubs, serve the small communities within their districts. There is great potential to expand such centres to attract and retain immigrants to rural and northern communities.

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Access to Childcare

Parents in rural and northern Ontario have unique challenges and requirements for childcare that differ from urban communities. The limited access to quality childcare in rural and northern communities can be difficult for working parents. Childcare is often required for farming parents who work outside the nine-to-five workday. Childcare programs that respond to the seasonal cycles and hours of farming for example must be considered.

Quality childcare builds a foundation for children to become lifelong learners and active contributors to the economic and social fabric of Ontario’s society. Positive early childhood experiences help determine healthy outcomes throughout a child’s development. Research shows that a child begins to learn at birth and early learning has a profound effect on life-long development and adult well-being. High quality childcare supports families’ work-life balance while providing developmentally appropriate learning environments for children. Quality childcare increases the overall well-being of our children now and into their adult lives.

Continued attention by the government to strengthen the provincial childcare and early learning systems makes good economic sense for Ontario. These systems support local economies and help families and communities thrive by making full-time work possible for parents. Especially in our northern and rural communities, childcare systems play a role to help attract and retain the skilled workforce needed to grow the local economy.

The government is taking steps to modernize childcare delivery in the province. Municipal governments and District Social Service Administration Boards can continue to work with the Province to aid in this effort. This includes working together to find ways to increase access to high-quality, affordable licensed childcare. Municipal governments and District Social Service Administration Boards can play an important role in ensuring a strong foundational policy and program approach is put in place. Critical to this is the government’s commitment to continue to engage municipal governments and District Social Service Administration Boards on issues of governance, implementation, and funding.

While incremental funding increases to the child care system as a whole have helped, the current system is still underfunded especially in the absence of federal engagement. Continued provincial investments as well as strong provincial advocacy from Ontario to re-engage the Federal Government in childcare is needed. Over the long term, Ontario’s residents need expanded access to more affordable, high-quality childcare.
Rural and northern municipal communities are an essential part of the fabric of Ontario. However, rural and northern municipal governments still face ongoing and significant challenges that threaten their long-term health, sustainability, and self-sufficiency. The 2008 downturn in the global economy has exacerbated these challenges. With the reshaping of domestic and international markets, more so than ever, rural and northern communities are in a position where they must quickly adapt to the economic and social changes in a rapidly changing world. Sustaining our lifestyle and communities will need to be balanced with these changes.

Above all else, rural and northern communities must not be neglected. By tackling the challenges head-on using the Rural and Northern Lens as a front line tool, the Province has an opportunity to implement effective and efficient policies and programs that consider the unique and diverse make up of Ontario’s rural and northern municipal governments. These are areas that are not just urban Ontario’s playground. There is a very real need to develop local economies, recruit and retain newcomers and youth, provide effective social services such as accessible health care, education and training, and building infrastructure capacity all within the fiscal restraints and financial realities of these communities.

By using the Rural and Northern Lens as a tool with current planning proposals and creating innovative solutions that builds capacities and promotes the long term health and sustainability of these communities, rural and northern municipal governments will thrive well into the future while continuing to be an integral part of the fabric of Ontario.
Appendix A: The ROMA Mandate

The Rural Ontario Municipal Association (ROMA) is constituted within the Association of Municipalities of Ontario (AMO) and addresses key province-wide policy issues from a rural municipal government perspective. From this vantage point, ROMA acts as the rural municipal voice in Ontario when considering and responding to proposed provincial legislation while proactively working with the Government on solutions.

ROMA’s mandate is achieved through the following objectives:
• Identify and provide leadership on key province-wide policy issues that impact rural municipalities.
• Promote the value and health of rural municipalities in Ontario.
• Advocate for the collective interests of rural municipalities that are impacted by provincial legislation.
• Facilitate partnerships and liaise with groups and organizations that have an interest in rural municipal issues.
• Work with other groups and organizations that have a rural municipal focus.
• Develop plans and reports that address the policy direction of ROMA.
• Monitor rural municipal policy issues as they arise.

To help achieve its mandate, ROMA and the Ontario Good Roads Association (OGRA) jointly host an annual conference each February that provides a forum where rural municipal issues are discussed by Ontario’s municipal leaders including elected and appointed officials, staff members, and others in the field of rural policy and program development.

For decades, ROMA has ensured that matters which affect rural municipalities are brought to the attention of the provincial and federal governments. Under ROMA’s Constitution, leadership is provided by the Chairperson and the Board of Directors. The Board meets approximately eight times per calendar year.
Appendix B: ROMA Zone Map