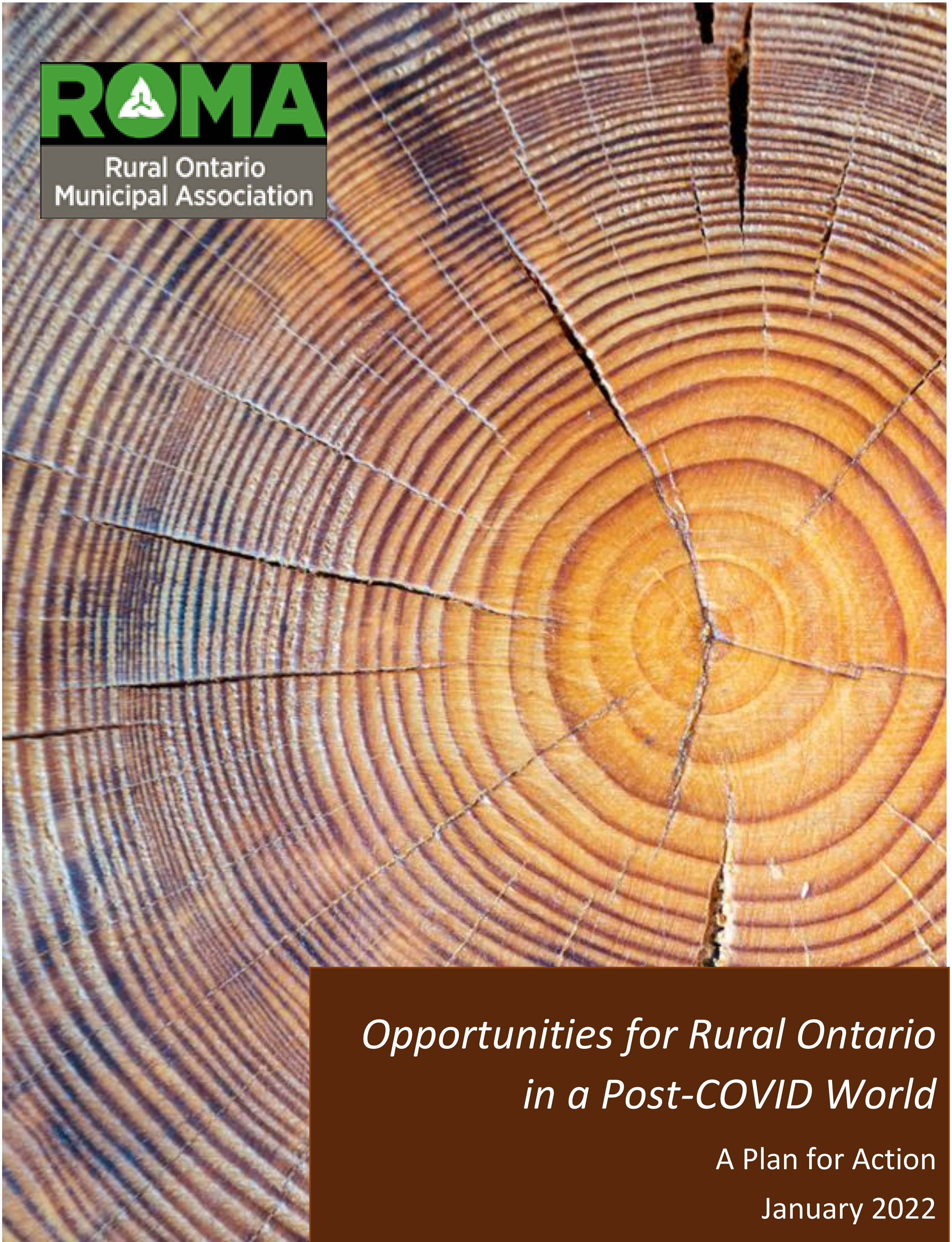


ROMA

Rural Ontario Municipal Association

Opportunities for Rural Ontario in a Post-COVID World

A Plan for Action

January 2022

Opportunities for Rural Ontario in a Post-COVID World

Table of Contents

1. Executive Summary

When people think about Rural Ontario, they often picture peaceful pastoral scenes, charming towns and villages with friendly residents, a strong sense of community, and not a care in the world, all nestled amid a serene natural environment. No wonder Rural Ontario has been viewed as a safe haven from the storms of the COVD-19 pandemic. For the most part, this idealized view of Rural Ontario is accurate but it is far from complete. (Most particularly, Rural Ontario has its share of "cares"!)

Just as importantly, the widespread tendency to see Rural Ontario as little more than "non-metro" overlooks the many contributions Rural Ontario makes to the vitality --- and resilience --- of the province's economic and social fabric. For example, more than a million Rural Ontarians go to work each day to produce goods and provide services for every part of the Ontario economy. Every year, their efforts generate more than $300 billion in economic activity with exports of goods from Rural Ontario topping $100 billion a year.

Time to Tell a New Story: The Rural Ontario Municipal Association (ROMA) believes it is time to paint a more accurate picture of Rural Ontario --- one that highlights the economic contributions that rural areas already make, the multiplicity of existing and potential linkages among rural areas and between urban and rural areas. The new story also includes the many recovery, growth and resilience-building opportunities that the COVID-19 pandemic has revealed for Rural Ontario, and for the province as a whole. Rural Ontario has long been known for strengths in resource-based sectors, its nature-based and artisanal tourism, and its "blue collar" workforce. Those characteristics remain and will almost certainly be a key part of Rural Ontario's economic and social appeal in a post-COVID world. What has been missed in recent decades however, is Rural Ontario's continuing evolution into a network of vibrant --- and increasingly appealing --- places to live, work and play.

An Inclusive Model of Innovation and Resilience: None of these developments will be leveraged effectively as long as provincial and federal governments view the province's landscape in a way that is increasingly outdated and ineffective. The prevailing use of a "hub and spoke" model, with an urban area as the hub and nearby towns, villages, hamlets and rural areas as spokes, suggests that the spokes are only germane to strategic decisions to the degree that they support the urban centre rather than the province as a whole. In this paper, *Opportunities for Rural Ontario in a Post-COVID World*, ROMA advocates for an alternative model --- the "network" model ---- that sees the interconnections of all communities --- whether rural or urban --- as a source of innovative service delivery options (proactively accessing on-the-ground experience of municipal governments and community agencies) and as a wellspring of resilience (by deliberate integration of domestic supply chains) and cross-community collaborations.

Opportunities for Rural Ontario in a Post-COVID World

Untapped Potential Ready to be Unleashed: Rural Ontario has untapped potential to contribute to the province's economic strength and resilience, by supplying more raw materials and manufactured goods for in-province markets (as well as exports) and by ensuring that vital goods are close at hand "just in case" global supply chains remain both unpredictable and expensive. This is particularly important for materials and goods that are strategically important and are likely to remain in high demand. ROMA welcomes the Province's decision to create Supply Ontario as one vehicle for these endeavours.

ROMA sees opportunity for Rural Ontario to grow its resource-based sectors, its tourism product and experiences, its education and training capabilities, the productivity of its diversified workforce, and the affordable, welcoming nature of its communities --- all as an integral part of the province we call home.

Through *Opportunities for Rural Ontario in a Post-COVID World*, ROMA is focusing on and advocates for:

- Recognition of **digital connectivity** as essential infrastructure and expanding its utilization in both public and private sector organizations as well as at home.
- A creative approach to addressing the impacts of Ontario's **housing affordability and availability** challenges and providing the **full spectrum of housing options** --- particularly rental accommodations --- for residents regardless of income or stage in life, including greater direct engagement by the municipal sector. There are also opportunities to address specific housing challenges related to the agricultural and tourism sectors.
- Better ways to fund **infrastructure maintenance** in Rural Ontario to ensure safe, cost-effective movement of goods and people, as well as protection of human health and the natural environment.
- A collaborative, provincial-municipal approach to **improving access to services**, including especially the challenges of **long-term care**, including reworking the provincial funding formulae that puts municipal finances at risk in a period of turbulence and uncertainty.
- Enhancing **growth and development planning** for Rural Ontario, including revisions to the **Provincial Policy Statement** to open up growth opportunities beyond Rural Ontario's settlement areas.
- Addressing current and future **labour force** challenges --- including within the municipal sector itself, and increasing Rural Ontario's share of immigrants to Canada and Ontario, and
- Creating service delivery ecosystems that **serve residents closer to home**, taking pressure off sometimes beleaguered services and institutions in urban areas.

ROMA is acutely aware that some initiatives must be pursued in lockstep --- for instance, housing solutions, labour force development and digital connectivity must be considered jointly. Similarly, growth and development planning, infrastructure maintenance and transportation services must be pursued in a coordinated fashion.

ROMA's consultations in the fall of 2021 confirmed that municipalities, economic development officials, sector-focused associations, and not-for-profit organizations are eager for a new, collaborative approach to fulfilling Rural Ontario's potential. ROMA should not and cannot lead initiatives in all areas identified in this plan. Indeed, implementation on some initiatives will take several years and will involve multilateral discussions rooted in various organizational mandates. On other initiatives, ROMA believes we can and should start now.

Across all of the themes described in this Plan, ROMA believes that there are significant opportunities for collaboration between municipal governments and Indigenous Communities. ROMA is supportive of working with Indigenous neighbours and believes that these opportunities should be pursued at a local level rather than directed by ROMA.

Following this paper's official release, ROMA looks forward to active pursuit of opportunities for Rural Ontario in a post-COVID world and invites interested stakeholders to contact ROMA if they want to be part of an exciting new approach to creating our collective future.

ROMA is grateful to the Rural Ontario Institute for their support in gathering data and generating reports that provide estimates of the scale and composition of the Rural Ontario economy and to the Ontario Ministry of Agriculture, Food and Rural Affairs for facilitating access to a data platform covering the entire province.

ROMA acknowledges the work of Kathryn Wood, President and CEO of Pivotal Momentum Inc., in guiding the development of this Plan --- from the initial consultations with the ROMA Board and stakeholders across the province, to the formulation of its recommendations.

2. Recommendations and Proposed Roles for ROMA

2.1 Summary of Recommendations

ROMA has formulated 23 Recommendations as "next steps" in beginning to implement its plan for Rural Ontario (*Opportunities for Rural Ontario in a Post-COVID World*). The rationale for these recommendations is included in sections 3 to 9 inclusive. Taken together, the recommendations set out an ambitious agenda for Rural Ontario. ROMA anticipates that implementation of these recommendations will take several years and will require the active participation of dozens of other organizations as well as the provincial and, in some cases, the federal government.

Understanding Rural Ontario

Recommendation 1: A new approach to analysis of Ontario's economic strength and efficiency

That ROMA undertake discussions with the provincial and federal governments (including Statistics Canada) to a) update the Self-Contained Labour Area (SLA) analyses based on 2021 data, and b) pursue additional ways to use SLAs to shed light on the degree of correlation between commuting patterns and other issues including movement of goods, tourism-focused travel, and access/availability of education and training, healthcare and recreational services. These analyses should guide the investment decisions of all orders of government and lay the groundwork for collaborative projects that address the needs of all stakeholders. *[for details see P.16]*

Recommendation 2: Increase Ontario's economic resilience

That ROMA commission an analysis to establish the actual contribution of Rural Ontario to the provincial GDP including not just goods-producing industries but also delivery of public services such as healthcare, education, transportation and public administration, and further, that ROMA develop an estimate of the vital goods that are currently imported into the province, that could be produced within Ontario, thereby increasing the resilience of the provincial economy. Note that action on this strategy must acknowledge that international trade agreements (ex. CETA) preclude discriminatory business practices by municipalities or other orders of government. *[for details see P.27]*

Accelerating Investment in Digital Infrastructure

Recommendation 3: Digital connectivity now

That ROMA work with the provincial and (where appropriate) federal government to accelerate investments in digital infrastructure as well as programs that encourage greater utilization of technologies to support economic recovery and growth, improve delivery of vital services, and public safety. *[for details see P.32]*

Recommendation 4: Encourage business adoption of digital technologies

That ROMA work with economic development professionals and with the provincial and federal governments to encourage greater adoption of digital technologies by the private sector, to enable new lines of business and ways of serving customers. ROMA and its partners should also encourage the federal government to reopen and broaden eligibility for the business-oriented Digital Main Street Program and especially the Transformation Grant Program. [for details see P.33]

Finding Better Ways to Provide/Maintain Infrastructure

Recommendation 5: Improved infrastructure funding process

That ROMA acknowledges the Province's recent efforts to adjust infrastructure funding mechanisms (particularly through the Ontario Community Infrastructure Fund) to reflect the challenges and needs of smaller municipalities, and expresses its willingness to work with the Province to either finetune or extend the approach taken to OCIF in other areas of funding. [for details see P.57]

Recommendation 6: Clarity in asset management planning

That ROMA encourage the Ministry of Infrastructure to provide guidance on the approach to be taken to evaluating Asset Management Plans and the qualitative standards for the Plans to be submitted to the Province in support of Ontario Community Infrastructure Funding. [for details see P. 57]

Recommendation 7: Transportation planning that enhances tourism

That ROMA work with its members as well as with regional tourism organizations and Infrastructure Ontario to develop an integrated approach to transportation infrastructure in Rural Ontario that would enable Rural Ontario to strengthen its tourism sector for a world that will be emerging from the pandemic in search of open spaces. This work would build upon but not be limited to regional transportation plans developed (or in the process of development) through the Ontario Ministry of Transportation. [for details see P.28]

Recommendation 8: Plan for a future with electric and connected autonomous vehicles (CAVs)

That ROMA work with its members, the Province of Ontario, Good Roads (formerly as Ontario Good Roads Association), technology and platform providers, and the private sector to ensure that transportation infrastructure begins to build in the capabilities to support electric and Connected Autonomous Vehicles (CAVs). [for details see P.57]

Meeting the Challenge of Rural Ontario's Demographic Mix

Recommendation 9: Consider demographics in policy development

That ROMA ensure that demographic considerations are integrated into policy and program redesign discussions with the Province, including action on recommendations contained in this report. Example: ensuring availability of housing options for youth, families and seniors. [for details see P.35]

Capitalizing on the Value of "Local" for Resilience (Supply Chain Development):

Recommendation 10: Develop more in-province supply chains

That ROMA work with the provincial and federal government, along with business/industry associations, to encourage the development of in-province supply chains that draw upon the capabilities and proximity of Rural Ontario. [for details see P.37]

Building on a Foundation of Community Well-Being:

Recommendation 11: Community well-being as a foundation of policy

That ROMA share the Eight Domains of Community Well-Being with other stakeholders in Rural Ontario to begin a dialogue on ways in which community well-being can be more explicitly recognized in forward-looking policy formulation and underpin cross-community partnerships. [for details see P.37]

Developing, Attracting and Retaining the Labour Force of the Future

Recommendation 12: New perspectives on labour market attraction and retention

That ROMA work with economic development professionals, business and trade associations, provincial and federal governments and others, to expand the field of search for employers and workers, both geographically and in terms of accelerating labour force mobility across industries and occupations. The field of search includes international jurisdictions. [for details see P.40]

Recommendation 13: *That ROMA work with Statistics Canada, academic researchers, employment agencies, employer groups, trade associations and others to find better ways to predict and respond to rapidly-changing labour markets. [for details see P.42]*

Welcoming Immigrants and Other Newcomers

Recommendation 14: Attract people to rural Ontario

That ROMA work with federal and provincial authorities to ensure that immigrants and other newcomers know about and have the opportunity to consider resettlement in the more rural areas of the province, assuming that makes sense in terms of newcomers' prospects for success. For its own part, ROMA will work on creating a strategy for welcoming these newcomers. [for details see P.46]

Addressing Full Spectrum of Housing Needs

Recommendation 15: Housing policy that reflects rural reality

That ROMA establish as one of its highest priorities the ability of Rural Ontario communities to offer the full spectrum of housing options including but not limited to traditional single-family dwellings. [for details see P.48]

Recommendation 16:

That ROMA work with the Province on a broader strategy that encompasses housing availability and affordability, including reviewing municipal and provincial processes and regulations, pursuing opportunities to increase in-province supply of materials and components, and accelerating the availability of the construction and trades labour force. ROMA welcomes the attention being paid to housing through the creation of the Premier's Task Force on Affordable Housing and believes that a broader conversation is in order, particularly one that includes direct municipal representation, and consideration of measures that may be more appropriate for rural areas. [for details see P.53]

Recommendation 17:

That ROMA advocate to the Province for a range of funding and financing options and incentives that would help rural municipalities address the full breadth of housing needs in their communities, including but not limited to affordable and attainable housing --- whether for ownership or rent. Example: housing well-suited to youth, seniors downsizing from larger family homes, or immigrants seeking their first home as they get settled in a new community. [for details see P.54]

Re-imagining the Provincial Policy Statement:

Recommendation 18: Planning policy that facilitates local decision-making

That ROMA advocate with the Province for review of the Provincial Policy Statement to either clarify or modify the Statement to ensure that the legitimate development aspirations of Rural Ontario are not constrained by outmoded views of the economic and social potential of Rural Ontario. [for details see P.61]

Creating Local Entrepreneurial Ecosystems

Recommendation 19: Innovative path to market

That ROMA encourage economic developers, colleges, universities, entrepreneurs, investors and innovative businesses create gathering spaces (physical or virtual) through which innovations can be brought to market from Rural Ontario. [for details see p.61]

Improving Access to Services:

Recommendation 20: Collaborative networks to deliver services locally

That ROMA advocate with the Province for the development of healthcare and social service ecosystems in rural areas to serve as base stations for rapid response to community needs as they evolve over time. In particular, ROMA seeks discussions with the Province to determine how best to ensure that sufficient levels of mental health and substance abuse/addictions services are available "on the ground" in Rural Ontario. [for details see P.64]

Recommendation 21:

That ROMA work with the Province as well as Paramedic Services serving Rural Ontario, to support the expansion of Community Paramedicine into rural areas, serving seniors and/or other residents with similar health and mobility issues. [for details see P.65]

Guiding Long Term Care Through an Upcoming Tumultuous Period:

Recommendation 22**: **Coordination for success of much-needed changes in Long Term Care

That ROMA advocate to the Province of Ontario for a specific collaborative approach between the Province and municipalities with long-term care responsibilities to ensure that the (positive) changes being undertaken by the Province are introduced in an integrated way, that is mindful of the multiple, simultaneous challenges facing the sector, and the fiscal and huma resource capacities of municipal governments. [for details see P. 67]

Recommendation 23: Overhauling funding approach for Long Term Care

That ROMA work with the Province to overhaul the formulae/algorithm by which Long Term Care is funded to ensure that it reflects the growing demand for care for high-need residents and provides incentives for care that maximizes residents' quality of life. [for details see P. 67]

ROMA's consultations in the fall of 2021 confirmed that municipalities, economic development officials, sector-focused associations, and not-for-profit organizations are eager for a new, collaborative approach to fulfilling Rural Ontario's potential. ROMA should not and cannot lead initiatives in all areas identified in this plan. Indeed, implementation will take several years and will involve multilateral discussions rooted in various organizational mandates.

The chart on the following page indicates ROMA's intent to prioritize and choose from amongst the many opportunities to effect positive change in rural communities. Following this paper's official release, ROMA looks forward to active discussions with a wide cross-section of stakeholders on the ideas and possibilities contained herein, and careful choices about which opportunities to pursue "first" for Rural Ontario in a post-COVID world. It is clear that, at least to some extent, there are some opportunities that should be pursued at the same time (ex. housing, labour force, digital connectivity) because action on all of them is required for maximum effect.

ROMA invites interested stakeholders to contact ROMA if they want to part of an exciting new approach to creating our collective future.

2.2 Summary of ROMA's Roles in Plan for Action

Theme	ROMA Leads On…	ROMA Partners On…	Others Lead On…
Digital Connectivity	• Advocacy to accelerate provincial and federal infrastructure investments • Public safety applications of digital connectivity (ex. 911)	• Programs to increase business/organizational use of digital technologies • Applications for improved access to public services • Opportunities to ensure access to people in all types of housing	• Online skills development and training • Improved services for Indigenous Communities
Labour Force	• Programs to address workforce needs for rural municipalities (especially long-term care, paramedic and community paramedicine, and building inspection/public works)	• Expanded field of search for private and public employers and jobseekers • Addressing labour force needs related to construction and transportation services • Advocacy regarding attracting immigrants to Rural Ontario • Initiatives within colleges and universities' ability to respond to rapidly changing labour markets • Collaborations with Indigenous Communities on labour force issues and opportunities • Talent attraction programs	• Better ways to predict and respond to rapidly-changing labour markets
Housing	• Input to Housing Affordability Task Force • Streamlining approvals and inspections to accelerate supply	• On-farm and on-site housing for tourism operations • Better funding/financing arrangements for various types of housing	• "Local" supply chains for materials, logistics and skilled labour
Growth and Development Planning	• Advocacy for review of Provincial Policy Statement • Advancing better funding arrangements	• Developing entrepreneurial/innovation ecosystem • Mixed use development	• Collaborations with Indigenous Communities
Access to Services	• Coordination of elements of Long-Term Care; overhaul of funding formula • Skills development for municipal services	• Recognize and develop local healthcare ecosystems • Community Paramedicine • Transportation Services	• Ensure service providers understand and are engaged in processes

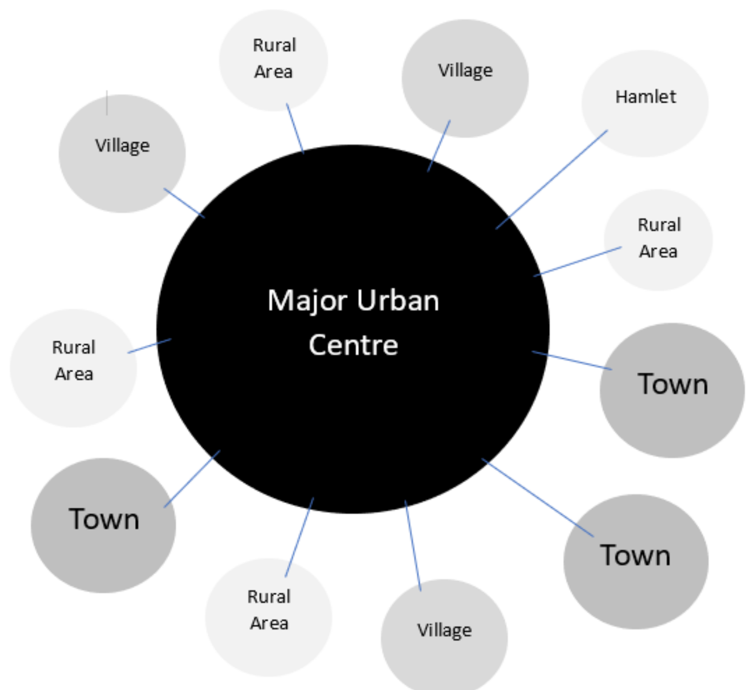
3. Reframing the Recovery and Growth Paradigm

3.1 Step One: Adopt an Inclusive Model for Analysis

Typically, provincial and federal orders of government see the economic and social landscape in terms of a **"hub and spoke"** model --- a major urban centre is viewed as the "hub' of activity with towns, villages, hamlets and rural areas connected to it as "spokes". The relevance and importance of communities is determined by their degree of connectedness to a major urban centre. (For example, Infrastructure Canada's competition is called Smart Cities Challenge not Smart Communities Challenge even though communities of all sizes were eligible to apply). As is described in the next section of this plan, the hub-and-spoke model offers an incomplete view of the inter-relationships among urban and rural communities.

Using this type of analytical "lens" for economic, policy or program development, **i**t is easy to under-stand how Rural Ontario could become "invisible" to other orders of government.

An alternative model that is likely to provide significantly more insight for decision-makers is the **"network model"** shown on the following page. This view includes many different types of communities of varying sizes with no *a priori* assessment of relevance to a major urban centre. As a result, economic, social and other linkages *among* communities --- including but not limited to major urban centres --- are taken into account.



Note: from a planning perspective, towns, villages and hamlets may be designated as "settlement areas" in municipal official plans. Settlement area has a very specific meaning in the Provincial Policy Statement.

Figure 1 - Stylized depiction of the 'hub and spoke' model of economic analysis

If applied to ROMA's plan *(Opportunities for Rural Ontario in a Post-COVID World)*, the "network" model has significant advantages for both urban and rural areas:

- Sectoral strengths could be displayed in spatial terms.
- Aggregated service delivery capacity could be discerned.
- Spatial opportunities (such as the presence of significant rural areas within the boundaries of a major urban centre) could be identified.
- The role of specific types of infrastructure (ex. transportation systems) could be highlighted and viewed in interconnected ways.
- Dynamic forces (ex. flows of goods) could be depicted, offering insights into development of specific types of inter-community relationships (ex. supply chains, logistics and freight movement, commuting patterns)
- Opportunities for collaboration among communities of all sizes and with provincial and federal governments would be more easily identified.

Overall, Rural Ontario's role(s) in provincial economic and social development would become more visible, cost-effective service delivery approaches could be developed and tested, and both public and private investment decisions could be made with greater insight.

A sample depiction of commuting patterns (pre-pared to support commuter transportation service design) is included as Appendix A.

Note: from a planning perspective, towns, villages and hamlets may be designated as "settlement areas" in municipal official plans. Settlement area has a very specific meaning in the Provincial Policy Statement.

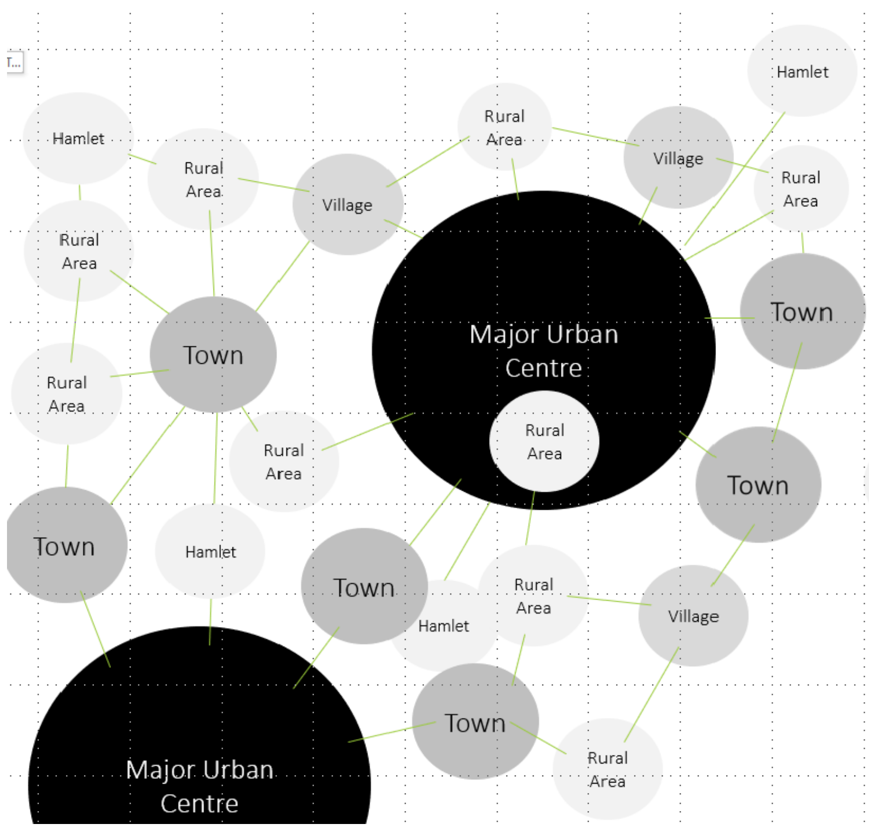


Figure 2 - Stylized depiction of "network" model of economic analysis

3.1.1 Spatial Dimensions (of Policy) Matter

ROMA is not the only organization noting the importance of considering the implications of spatial dimensions of planning, policy formulation, and program/service design:

"Perhaps the most important lesson is that underestimating the spatial dimensions of macroeconomic policies, pricing policies and sectoral policies can have powerful negative impacts on regional development... While local institutions and governments are increasingly recognized as central to sustainable development, this has not been accompanied by an appropriate fiscal and financial architecture that enables them to perform their role."

Source:
Small towns, rural-urban linkages and regional development, https://www.urbanet.info/rural-urban-linkages/*2017*

In November of 2019 (just before the COVID-19 pandemic) Ontario360, an economics-oriented policy group that is part of the University of Toronto's Munk School of Global Affairs and Public Policy, released a paper entitled "Measuring Ontario's Urban-Rural Divide" with the following recommendations:

- Recognize that the province's economic performance is marked by a high degree of regional economic disparity – specifically a growing gap between urban cities and rural towns – and that provincial policies will need to reflect these differences.
- Design a competitiveness strategy for the province rooted in a place-based agenda that aims to bring opportunity and prosperity to all parts of Ontario.
- Leverage the role of post-secondary institutions as catalysts for attracting and developing human capital – including prioritizing the retention of international students in non-urban centres and creating satellite campuses or distance education opportunities for non-urban students.
- Develop cluster strategies for rural economies rooted in their comparative advantages – including natural resources, tourism, and seniors care.
- Target investment attraction programming and activities to bring more foreign direct investment to undercapitalized parts of the province.
- Consider the enactment of tax-based incentives (similar to the U.S. Opportunity Zones model) to pull private capital into undercapitalized parts of the province.

Note that supporting data from the Ontario360 analysis is included in Section 7.3 of this plan.

3.2 Step Two: Tell a New Story

Developing a plan for recovery (from the COVID-19 pandemic) and growth of communities and economies across Rural Ontario requires consideration of the nature and role of rural areas. How do we define "rural"? Intuitively, we think of "rural" as areas of relatively small populations amid large geographic areas; we think of farms and forests, and perhaps a more manageable pace of life. These images do not however tell us much if anything about the contribution rural areas make to the broader social fabric of a jurisdiction, to the vibrancy of its economy, its future prospects or its innate resilience in the face of a shock like a pandemic.

> ***"In most policy discussions, 'urban' is implicitly assumed to mean large cities or, at best, medium-sized urban centres. This is despite the demographic importance of small towns: more than one-fifth of the world's urban population lives in centres with up to 50,000 inhabitants.***
>
> ***It is also despite the economic importance of small towns: they are a key component of national and regional urban systems, and can play a crucial role in the development of their surrounding region….***
>
> ***…Rural-urban linkages are better defined as a complex web of connections between 'rural' and 'urban' dimensions, rather than a linear relationship.:***
>
> *Source:*
> *Small towns, rural-urban linkages and regional development,* https://www.urbanet.info/rural-urban-linkages/*2017*

In Ontario, "rural" could be defined in terms of total population within a local government area, by proximity to easier-to-identify urban centres, by prominence of specific sectors such as agriculture, or a characteristic linked to a federal census (ex. census subdivision) or form of local government.

Historically, Statistics Canada ---- and indirectly many researchers and analysts outside of government --- have built their analyses around the Census Metropolitan Area (CMA) --- a combination of urban centres and contiguous suburban or rural areas that seem to be part of the urban area's zone of influence. Because economic relationships do not necessarily follow political --- or public service delivery --- boundaries, this usually means that a CMA will include Census Subdivisions that are part of a nearby county and not the local government of the urban core. As a result, the level of economic activity in "rural areas" and the potential for growth can be underestimated.

Using Local Government Boundaries to Define 'Rural' Ontario

For the purposes of the ROMA Plan for Action, "rural" has been defined using local government boundaries (single or two-tier counties and districts in Northern Ontario). Where data is available, rural townships within regional governments have also been included. Although it is clear that some urban centres have significant rural areas within their boundaries, there is no readily available data through which to ascertain the specific contribution of these areas to the social and economic life of their community. In short, the definition of "rural" has been aligned with the boundaries of the governments that are responsible for delivering services, maintaining infrastructure, and generally governing those areas that are beyond the boundaries of cities or towns that are not part of a county/district government.

It is ROMA's contention that successful implementation of recovery and growth plans will be led by these local governments. The statistics presented in the following section of this plan have been generated based on local government boundaries rather than CMA-defined areas. ROMA believes this is the most useful approach for its current purposes but recognizes that the inter-relationships between "urban" and "rural" areas tell another important part of the province's economic and social story.

Ways of Understanding Inter-Community Relationships

Over the past several decades, researchers, policymakers and government data scientists have been developing methodologies that capture dynamic aspects of these relationships. In Canada, this has crystalized into the concept of **Self-contained Labour Areas (SLAs)** (see Appendix B for more details). Especially given the labour market challenges faced across economic sectors and across the province, being able to see the economy through labour markets could be helpful in understanding opportunities for recovery and growth. (At present, labour force survey data is released by Economic Region which is not nearly granular enough to inform local/regional decisions related to employment programs and services. For instance there are 22 regions in Ontario for Employment Insurance purposes but only 12 Economic Regions. The Province of Ontario releases employment reports based on five regions.)

The starting point for SLAs, Commuting Zones, were originally developed by the U.S. Department of Agriculture to capture "the economic and social diversity of nonmetro areas." Commuting patterns were viewed as a good proxy for economic inter-relationships. Analysis released by Statistics Canada in 2011 suggested that there are 336 SLAs across the country, with 40 of them being in Ontario. Since (nationally) only 24 are entirely self-contained within a Census Metropolitan Area/Census Agglomeration (CMA/CA) boundary, and 204 do not include any part of a CMA/CA, it could be quite useful to work with Statistics Canada to update the analysis when the most recent commuting data is released in late November 2022. This analysis could identify the areas in which urban-rural collaboration is likely to be most productive.

Taking a Closer Look at Service Availability Patterns

As early as 2011, Statistics Canada contemplated different combinations of SLAs to understand economic characteristics such as industry composition, and connectivity via road network information. There was also expectation of user feedback/consultation. As Statistics Canada noted, "**As each self-contained labour area is (largely) self-contained in terms of workers and jobs, these areas may provide a useful delineation for understanding other issues which residents would have in common (such as the need for post-secondary institutions for health and recreational services)**" (emphasis added). Source: Rural and Small Town Canada Analysis Bulletin, Vol. 8, No. 8., (December 2011); Statistics Canada; Anne Munro, Alessandro Alasia and Ray D. Bollman, Statistics Canada.

Recommendation 1: That ROMA undertake discussions with the provincial and federal governments (including Statistics Canada) to a) update the Self-Contained Labour Area (SLA) analyses based on 2021 data, and b) pursue additional ways to use SLAs to shed light on the degree of correlation between commuting patterns and other issues including movement of goods, tourism-focused travel, and access/availability of education and training, healthcare and recreational services. These analyses should guide the investment decisions of all orders of government and lay the groundwork for collaborative projects that address the needs of all stakeholders.

3.3 Step Three: Acknowledge How COVID-19 Has Changed the Conversation About "Rural"

While many longer-term trends were unfolding prior to the onset of the COVID-19 pandemic, these and other phenomena have been accelerated and amplified over the two years. While it is easier to consider the implications of the pandemic as "problems to be solved", most could also be considered as opportunities for Rural Ontario and the province's urban areas as well.

- **Digital connectivity is now appreciated as an 'essential service'** as more people work from home and students go online for their studies.
- **The natural "social distance" of rural areas has become a positive** (not an inconvenience) as residents seek safer environments in which to live and work.
- **The opportunity to experience the natural world/outdoors is no longer "just for vacation"** --- you can live like this all year long.
- **Seasonal residents could be "here"** (in Rural Ontario) **more than "there"** (urban area) as work from home could include work from cottage and as seasonal residences are used for more than long weekends and for a larger share of the year.
- **Blue collar business** (ex. freight carriers, manufacturing, agriculture) **are now considered "essential"** (along with most forms of healthcare) in relation to COVID protocols and to keep supply chains functioning.

Example: Over-reliance on "Just in Time" Creates Opportunity for Domestic Producers Amid Supply Chain Gridlock

"A lot of the operating models in the supply chains we see as broken today, were cemented 20 years ago on what at the time were universal truths, that going after low-cost suppliers…made a tonne of sense," says Brian Higgins, head of KPMG's U.S. supply chain and operations practice. "It lends itself to these very long supply chains because they are (focusing on) cost, not risk. We've seen that fracture many, many times."

Source: Financial Post December 31, 2021 Supply chains: companies shift from 'just in time' to 'just in case'

- **The diminished urban-rural housing cost differential** risks pricing "locals" out of the market and signals interest among families and other demographic groups to move to rural areas.

- ❑ **"Just-in-time" is now being reconsidered to incorporate "just-in-case"** thinking due to a combination of overwhelmed supply chains, pent up demand from "lockdown" consumer savings and increased shipping costs.
- ❑ **Buying "local" is increasingly seen a signal of product "availability"** enabling consumers to avoid border restrictions and supply chain issues.
- ❑ **Co-working facilities now being contemplated "in between" rural and urban areas** as a way to balance work from home preferences with the need to interact directly with co-workers at least part of the time.
- ❑ **Ability to work from home means a "local" labour force can work for out-of-area employers** and **"local" employers can access out-of-area talent**; both phenomena prompt reconsideration of the meaning of a "local" labour force.

3.4 Step Four: Identify Rural Ontario's Highest Priority Issues

In addition to multiple discussions at the ROMA Board table, eight videoconference discussion groups were held in October of 2021 with leaders representing a variety of different sectors (municipal, economic development and business, key sectors, and the social sector). In addition, an online survey extended the consultation opportunity to an even larger cross-section of organizational and sectoral leaders. More than 50 leaders participated in the discussion groups and more than 250 responded to the online survey. In both forms of consultation, participants reflected the geographic expanse of Rural Ontario.

Taken together, these consultations generated a short list of "most important issues" for ROMA's consideration in developing *Opportunities for Rural Ontario in a Post-COVID World.* (See detailed description of consultation processes and results in Appendix E). These seven issues have been described in terms of the local perspectives through which they emerged and have informed both the themes and the detailed plans that are set out in later sections of this report:

- ❑ Digital Connectivity
- ❑ Housing
- ❑ Maintaining Infrastructure
- ❑ Meeting Demand for Local Services
- ❑ Better Funding Arrangements
- ❑ Labour Force
- ❑ Recovering Financially from Lockdowns (Business Impact).

3.5 Step Five: Translate Highest Priority Issues into Opportunities

As part of considering the results of consultation, ROMA reviewed issue-based "maps" (see diagram below as an example) to carry forward specific aspects of the issues that were deemed as especially important during the consultation phase, appreciate the inter-relationships between the issues and tease out opportunities specific to Rural Ontario. This approach also sets the stage for formulating specific initiatives and ultimately plan implementation.

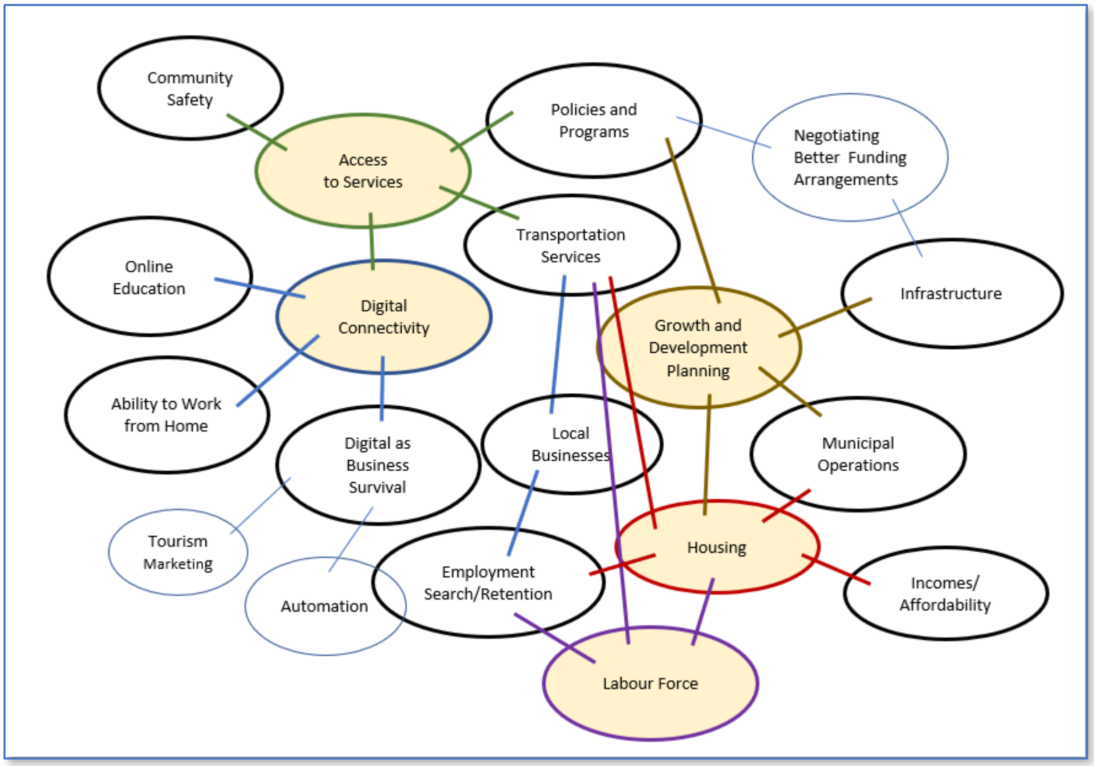


Figure 3 - "Map" of issues emerging from consultations on the Recovery and Growth Plan in the fall of 2021

Following consideration of the results of consultation and prioritization of issues --- and being mindful of the interconnectivity of these issues --- ROMA translated them into five opportunities that form the basis of this Plan for Action (in no particular order):

- Accelerating investment in digital Infrastructure
- Ensuring that Rural Ontario is able to provide the full spectrum of housing options
- Enhancing growth and development planning for Rural Ontario
- Developing, attracting and retaining the labour force of the future
- Improving access to services based/available in Rural Ontario.

More detailed "maps" for each opportunity are presented in the following sections of the Plan.

4. Understanding Rural Ontario

4.1 A Profile of Rural Ontario

The following key social and economic characteristics have been compiled to lay the foundation for development of specific initiatives to capitalize on strengths and address weaknesses as Rural Ontario pursues opportunities identified later in this plan. Note that these data are specific to "Rural Ontario" as defined by ROMA (see page 21). As is outlined below, there is merit in developing a more extensive profile for Rural Ontario as implementation of the recommendations unfolds.

2.8 million residents and (estimated) 965,000 households

$321 billion in goods and services produced in the region annually
$180 billion in goods alone (ex. manufacturing, agriculture, forestry, mining);
$108 billion of which is exported outside Rural Ontario

1.1 million-strong labour force*; average wages per job of $51,425; 77% of employees work in organizations with fewer than 10 employees**

$150 billion in annual manufacturing production, employing 145,700 people with $92 billion exported out of Rural Ontario

$21.1 billion a year construction sector employing +88,400 people

$18.8 billion in annual agricultural & forestry production, employing +32,800 people with $10.6 billion exported out of Rural Ontario

$$13.9 billion in expenditures for healthcare and social assistance; employing +135,000 people

*All employment estimates are as at the end of Q3 of 2021 (September). Comparisons to 2019 indicate that the net job loss in Rural Ontario since the start of the COVID-19 pandemic is 77,000 with 17 of 21 economic sectors losing ground.

**Does not include most farms, real estate, rental and leasing, and some construction operations that may be sole proprietors, family-owned ventures or self-employed professionals. There are 227,500 of these workplaces in Ontario and an additional 99,100 that offer conventional employment.

Additional analysis is advisable to understand other characteristics of Rural Ontario that are useful to policy development, program design and implementation, including:

- Geographic area and population density
- Income levels (particularly measures that can illuminate income disparities and presence of high-income occupations)
- Demographic profile of workforce including occupational profile and education levels
- Value and types of physical infrastructure under municipal management (to be drawn from annual Financial Information Returns provided by municipalities to the Province of Ontario)
- Average municipal expenditures (both operating and capital; to be drawn from annual Financial Information Returns)
- Annual building permit activity for residential, multi-unit residential and “all other classes” of construction (to be drawn from annual Financial Information Returns)
- Geographic distribution of other “territorial capital” such as post-secondary education institutions, health care facilities, primary and secondary schools, and commercial banking operations.

For the purpose of the aggregated data presented here, “Rural Ontario” includes 375 census subdivisions or census agglomerations that correlate closely to townships, towns or unorganized districts that are part of single or upper tier county governments, districts (in Northern Ontario) and regional governments that are represented by ROMA. For these regions, only the data for townships known to be rural was included. Note that for large urban centres containing sizeable rural areas, it is not yet possible to obtain data related specifically to those areas. If and when this is possible, the data should be incorporated into this profile. A summary of the counties, districts and regional governments is included in the following section.

Data available for the analysis of “Rural Ontario” will likely be improved once the data from the 2021 census is available. The schedule for anticipated release dates for specific data sets is noted in Appendix F.

4.2 Defining "Rural Ontario"

For the purposes of this plan, the definition of "Rural Ontario" is based on membership in ROMA with some adjustments made to exclude urban areas where there are urban and rural areas within the same city or regional government if data specific to the rural area was not available. For that reason, the cities of Ottawa, Hamilton, and the regions of Niagara, Halton and Peel could not be included in the analysis. Representatives from their zones, which include cities and regions, sit at the ROMA table and participate actively in discussions about rural matters.

This geographic delineation is different from considering only those Census Divisions *outside* a Census Metropolitan Area/Census Agglomeration.

Zone 1:
Elgin County
Essex County
Lambton County
Middlesex County

Zone 2:
Bruce County
Grey County
Huron County
Perth County
Wellington County
Region of Waterloo

Zone 3:
County of Brant
Haldimand County
Norfolk County
Oxford County

Zone 4:
Dufferin County
Simcoe County
York Region (rural areas)

Zone 5:
Durham Region (rural areas)
Haliburton County
City of Kawartha Lakes
District of Muskoka
Northumberland County
Peterborough County

Zone 6:
Frontenac County
Hastings County
Lennox and Addington County
Prince Edward County
Renfrew County

Zone 7:
Leeds and Grenville, United Counties of
Stormont, Dundas and Glengarry, United Counties of

Zone 8:
Lanark County
Prescott and Russell, United Counties of

Figure 4 – Source: https://www.roma.on.ca/about-roma/zone-map

Zone 9:
Algoma District
Cochrane District
Manitoulin District
Nipissing District
Parry Sound District
Sudbury District
Timiskaming District

Zone 10:
District of Kenora
Rainy River District
Thunder Bay District

Note: Indigenous Communities with their own governance structures are not included in this definition.

5. A Whole New World

5.1 Our World has Changed Due to COVID-19

In addition to highlighting the contributions that Rural Ontario has --- and will continue to make --- to the provincial economy and society, the pandemic has also served as a reminder of issues that pre-dated the pandemic and must be addressed if Rural Ontario, and the province as a whole, is to prosper in the years ahead. ROMA's Plan for Action calls for a different future for Rural Ontario and different actions --- now and later --- to secure it.

Rural Ontario is experiencing many of the same challenges as urban areas. While accentuated by the pandemic or emerging as part of the seismic shift it has unleashed, Rural Ontario is experiencing many of the same challenges as our urban counterparts. The solutions to these issues are likely to be different in Rural Ontario.

- **An immediate (and ongoing) squeeze on availability of housing and dramatic upward pressure on prices**; at the same time, planning processes and decision-making has come under closer scrutiny as markets respond to changing demand and supply, and as citizens make different choices about where and how to live. "Affordability" is no longer a term that applies just to housing for lower-income families: it also represents the perceived disappearance of the home ownership dream for many younger families and individuals, regardless of income. "Above asking" has become commonplace. MLS home resales in Ontario rose in the first quarter of 2021 (up 15.6 per cent) but then fell by an even larger amount in the second quarter (-17.8 per cent). Home sales were up by 9.0 per cent in 2019 and 8.8 per cent in 2020.
- **Mandated lockdowns for many small businesses not deemed essential services**. One estimate (by the Rural Ontario Institute) suggested that businesses in the province's small towns and rural areas dropped by seven percent in the first 10 months of 2020. CFIB's Business Barometer reported a national decline in forward expectations for business performance in August 2021 --- for both the next three months and a year out. In Ontario, there is a 12 percent "sentiment gap" between prospects for business improvement in the near-term and the longer-term (near term prospects are less optimistic). The general state of business health was slightly more positive than negative in August of 2021 but still well below pre-pandemic levels. Across the country, wages, insurance and the cost of fuel or energy are the top three cost constraints.

> *Three-quarters (77%) of business locations with employees in Rural Ontario have fewer than 10 employees.*
>
> Source: EMSI Analyst, June 2021

At the same time as businesses were shuttered, there was a **dramatic upsurge in e-commerce** as consumers moved to home delivery of goods from distant suppliers. Those domestic businesses able to shift to home (or business) delivery and in some cases, curbside pickup may have blunted the sharp decline in their business to some extent but the proportion of retail sales made online (rather than 'bricks and mortar' stores) rose by roughly 70 per cent 2019 to 2020 (3.6 to 6.2 percent). Well-known companies such as Shopify, Walmart, Amazon and Alibaba benefitted from the shift to online. Companies like Amazon continue to expand in Canada and are increasing wages for warehouse and distribution workers significantly (*see announcement on September 13, 2021*). Many businesses developed an online presence that will likely last --- at least to some extent --- because customers are now more comfortable with ecommerce. Whether rural businesses have been more disadvantaged by this shift than across the entire economy is unknown at this time.

- **Overall, economic rebound has been sluggish**. In fact, instead of growing by more than two percent in June and July 2021 (as analysts expected), the economy shrank by 1.1 per cent. This "shocking" development was attributed to supply chain disruptions and a slowdown in the residential construction market. Ontario's Gross Domestic Product fell by roughly 5.4 per cent in 2020 and appears to have recovered roughly half of the ground lost in 2021 (annualized).
- **Unemployment may remain stubbornly high**; Ontario's August 2021 unemployment rate of 7.40 per cent is well above that of August of 2019 or 2018 (5.70 per cent in both cases). The number of (regular) Employment Insurance Beneficiaries hit 563,927 in the first quarter of 2021 as compared to 119,458 in 2019 and 199,781 in 2021. Note that the official unemployment rate does not include individuals who want to work but didn't search for a job. Including this group would add roughly two percent to the unemployment rate. Historically, unemployment rates in Rural Ontario have run slightly higher than in major centres but this may or may not still be the case after the pandemic eases further.

> *"Statistics Canada said about a quarter of long-term unemployed (persons) last worked in March or April 2020 when the pandemic started."*
>
> Source: Canadian Press, September 10, 2021

- **Ontario is experiencing across-the-board labour shortages and a changing social contract** between employers, employees and public bodies/governments endeavoring to provide support. CFIB's August 2021 report shows that a shortage of skilled labour is far and away the most serious issue limiting sales or production growth, and a shortage of un/semi-skilled labour is not far behind. For Rural Ontario, the shortage is accentuated by demographics that suggest retirements and a generally older workforce make workforce shortages even worse. Taken together, the combination of housing challenges, lack of transportation services and gaps in digital connectivity make a multi-pronged approach to addressing labour shortages essential.

- With **'working from home' likely to become a permanent part of the landscape** (at least for some), the prevalence in Rural Ontario of high-speed internet less than the nationally-mandated target of 50/10 (download/upload) means that workers will have difficulty capitalizing on workplace flexibility. (Note that this applies to online learning as well).

  However, the ability to work from home depends on the job itself, and much of the workforce in Rural Ontario may have no choice but to travel to work (ex. construction, manufacturing, food services, utilities, healthcare, long-term care). At last check, there has been no comprehensive analysis done on the proportion of the rural workforce that could work from home part or full-time.

- **Inflation has accelerated in 2021**. Following a slight increase in the Consumer Price Index of 0.7 per cent in 2020 (2019 had been 1.9 per cent), inflation has accelerated in 2021 with a 1.5 per cent jump in the first quarter of the year and a 3.4 per cent spike in the second quarter. By contrast, inflation in the last quarter of 2020 (last fall) was 0.8 per cent.

> *Averages wages across Rural Ontario's employed workforce were $51,000 in June of 2021, a full $6,000 less than the national average.*
>
> Source: EMSI Analyst June 2021

- **Healthcare facilities and services --- especially urgent care and intensive care services --- have been under continuous pressure** for more than a year. Public health officials work to interpret the implications of the latest COVID-19 variant and make the best use of available care capacity wherever in the province it exists. Rural Ontario works to make sure its in-region capacity (often modest in comparison to major urban centres) is not overwhelmed and retains access to specialized services.

- **Surveys show pandemic impact on Ontarians' mental health at an 'all-time' high.** A Canadian Mental Health Association survey in March of 2021 found that only a third of Ontarians (35 per cent) rated their mental health as "very good" or "excellent" (down from 52 per cent in May of 2020. Eight in 10 Ontarians believed there would be a mental health crisis "post-pandemic" and 57 percent of citizens reported greater levels of loneliness since the start of the pandemic. A third said they were "often", "very often" or "almost always" lonely.

  Limited work has been carried out to understand the mental health challenges of Rural Ontario, especially since the pandemic started, but typically the view in the professional community is that residents of rural and remote areas of Canada experience mental health challenges at roughly the same rate as their urban counterparts. However, challenges with access to services may mean that rural residents suffer more because they cannot get help as easily as urban residents might.

- **The pandemic has brought a greater awareness of the vulnerability of residents** needing or living in long-term care facilities, and encouraged provincial commitment to major infrastructure investments for additional "beds" over a 10-year period. These investments would go some distance to addressing waiting lists (estimated at 40,000 people in December 2020) but it is not clear if there is an accompanying plan to support staffing at these facilities especially with provincial expectations of four hours of direct care per resident per day.

- **The pandemic has had highly varied social and economic impacts** across socio-economic sectors, especially based on income, gender or specific occupations. Examples are impacts on lower-income workers in sectors that were locked down (ex. tourism and hospitality, personal services jobs), women or single-parent households who were working from home while juggling childcare responsibilities or high-stress occupations (ex. workers in hospitals, long-term care and emergency services).

5.2 Pandemic Brings Significant Shifts in the Roles of Municipalities

The COVID-19 pandemic has prompted some shifts in the roles that municipal governments play in local service delivery. Whether these shifts become a more permanent part of the landscape or if historical patterns resume could depend on discussions between provincial and municipal decision-makers. The following examples demonstrate aspects of the pandemic that have affected or engaged municipalities:

- **Provincial reliance on municipal and community resources beyond the hospital sector or public health**:
  - Working with public health officials to interpret, share and enforce protective measures
  - Use of municipal assets to support vaccine rollout (ex. community facilities)
  - Direct engagement of municipal staff in rolling out public health measures (ex. scheduling, staffing clinics).

- **Policy focus on cross-boundary and cross-border movement of citizens and visitors** (municipalities have been more directly involved in cross-boundary movements)

- **Increased attention to the need for "distributed" assets** (ex. hospitals) to operate as a province-wide network. Hospitals had these collaborative relationships in place. Municipal associations do as well (shared service and mutual aid agreements, joint advocacy efforts); these relationships could see expanded use in the years ahead.

- **Increased expectations for local leaders, especially municipal, to provide "on-the-ground" oversight and feedback** on issues such as social isolation, mental health and substance abuse.

5.3 Changes Open Up a Whole New World of Opportunity for Rural Ontario

The fundamental changes induced by COVID-19 can be viewed as having also created opportunities for Rural Ontario to go beyond conventional approaches to local economic and social recovery. ROMA sees multiple opportunities for Rural Ontario to play a more significant role provincially. Success on this front requires Rural Ontario to:

- Recognize the increased importance of digital connectivity as enabling technology for all other priorities. Digital technologies enable inter-organizational coordination and utilization of collective capacity; enable many residents to learn and work from anywhere; make businesses more productive and able to reach customers anywhere in the world; and help municipalities and local agencies improve access to municipal and other public services.
- See the current housing crunch as an opportunity to filling in the spectrum of housing offerings, rebalance demographics, and add to the labour force (whether immigrants or migrants from elsewhere in the province or country)
- Appreciate that the stresses of global supply chains are an opportunity to build greater resilience here at home by expanding 'buying local' preferences based on Rural Ontario's productive capacity (at minimum, Rural Ontario can be the 'just in case" solution especially for essential materials and products)
- Attract, retrain and retain the local labour force to meet the needs of the post-COVID economy, improve local incomes and rebalance the demography of rural areas
- Capitalize on the value now placed on existing "social distance" of rural areas, including the appeal of natural environments, the presence of seasonal residents and the opportunity to welcome new residents (including immigrants), and short-term visitors.

6 Rural Ontario: A Full Partner in Prosperity

6.1 Rural Ontario's Role in Ontario Economy Tops $321 Billion a Year

Until the commissioning of this plan for action, there had been no definitive analysis of the role that Rural Ontario --- as defined by ROMA --- plays in the provincial economy. For all industries/sectors, non-Census Metropolitan Areas accounted for a little over $100 billion of the Ontario total Gross Domestic Product ($764 billion) in 2017, roughly 15 percent of the provincial total. Applying the same percentage to the 2020 provincial GDP data ($851 billion) would suggest that non-CMAs account for $128 billion in GDP, However, CMA definitions often include significant portions of the rural areas surrounding urban centres (see Section 3) and therefore under-represent the contribution of Rural Ontario to the provincial economy.

Availability of vital goods within one's own borders has become an imperative not just for healthcare but also for other economic sectors. "Buy local" now has a much more strategic meaning than in the pre-COVID world.

Data analysis undertaken to prepare the Profile of Rural Ontario presented in Section 4 of this plan suggests that the overall level of economic activity in Rural Ontario is more than $320 billion a year, with $180 billion in goods production alone.

While additional analysis should be undertaken to validate or refine Rural Ontario's contribution to GDP, these numbers are large enough to suggest that Rural Ontario may have production capacity and an associated labour force to make an even larger --- and more strategic --- contribution to the Ontario economy. By considering vital goods that are currently imported into the province, Rural Ontario could make a significant contribution to increasing the resilience of the provincial economy.

Example: Given the challenges to global supply chains through the COVID-19 pandemic period and the efforts made to ramp up production of PPE and vaccines from domestic sources, Rural Ontario has a major opportunity to shine the spotlight on in-province production of an even wider range of goods and services ---- from food and other agricultural products to construction materials and minerals required for battery storage systems for renewable energy and electric vehicles.

Recommendation 2: That ROMA commission an analysis to establish the actual contribution of Rural Ontario to the provincial GDP including not just goods-producing industries but also delivery of public services such as healthcare, education, transportation and public administration, and further, that ROMA develop an estimate of the vital goods that are currently imported into the province, that could be produced within Ontario, thereby increasing the resilience of the provincial economy. Note that

action on this strategy must acknowledge that international trade agreements (ex. CETA) preclude discriminatory business practices by municipalities or other orders of government.

GDP measures the monetary value of final goods and services—that is, those that are bought by the final user—produced in a country in a given period of time (say a quarter or a year)
Source: International Monetary Fund https://www.imf.org/external/pubs/ft/fandd/basics/gdp.htm

6.2 Continued Investment in Transportation Infrastructure Vital to Economy

Economic recovery and growth require ongoing attention to multiple forms of transportation infrastructure --- to move goods, enable the labour force to move safely and efficiently across communities, provide safe, convenient passage for visitors, and to prepare the entire transportation network for the introduction of new sources of propulsion and connected autonomous vehicles**.**

Municipalities in Rural Ontario are responsible for building and maintaining a large share of the province's transportation infrastructure. For at least part of the trip to market, rural roads are used to move agricultural and forestry products, raw materials and components for manufacturing processes, and finished goods of all kinds. As a result, transportation infrastructure is a cornerstone of the recovery and growth plan for the entire province --- including Rural Ontario. Recommendations related to maintaining conventional road and highway infrastructure is included on page **56**. In this section, the focus is on several specific transportation considerations that should not be overlooked specifically in Rural Ontario.

6.2.1 Transportation Infrastructure for Tourism: In its latest tourism outlook reports, The Conference Board of Canada emphasizes the degree to which "low density" tourism will have appeal to post-pandemic travellers. Just as Alberta's outdoor destinations and attractions make for easier social distancing, so do those in Rural Ontario. It is clear that communities that have limited direct air connectivity to major cities will not be able to capitalize on travel and tourism opportunities to the same degree as their urban counterparts. Pursuit of inter-provincial or international tourism opportunities will also be heavily dependent on road transportation --- for private automobiles, buses, shuttle services and active transportation (ex. cycling).

Recommendation 7: That ROMA work with its members as well as with regional tourism organizations and Infrastructure Ontario to develop an integrated approach to transportation infrastructure in Rural Ontario that would enable Rural Ontario to strengthen its tourism sector for a world that will be emerging from the pandemic in search of open spaces. This work would build upon but not be limited to regional transportation plans developed (or in the process of development) through the Ontario Ministry of Transportation.

6.2.2 Positioning Rural Ontario for the Electrification of Transportation: Realizing that the future of much of our transportation system could be electric (electric automobiles and perhaps electric trucks), the transportation system of Rural Ontario should ensure that the infrastructure is in place to make the advent of these vehicles smooth and easy. Widespread availability of charging stations combined with easy access to related travel information (ex. "how far is it to…..?") will be important to encourage travellers with these types of vehicles to venture through rural Ontario with confidence.

6.2.3 Prepare for Connected Autonomous Vehicles (CAVs): Because electric vehicles could also be "connected" autonomous vehicles (CAVs), Rural Ontario must be mindful of the link between digital (mobile) connectivity and CAVs. Connectivity between vehicles and transportation infrastructure (vehicle-to-infrastructure) should also be considered in future planning. This could involve connectivity to signage, parking locations or embedded (in-road) sensors. As a result, mobile connectivity and electric vehicles could be considered simultaneously. A recommendation on this matter is included in section 9.3 of this plan.

6.3 Accelerating Investment in Digital Infrastructure in Rural Ontario

Whether considering the infrastructure required to support growth of rural businesses, people working from home, or those of any age learning --- or teaching --- from a rural or remote location, digital connectivity is now foundational infrastructure. The importance of robust internet connectivity for economic and social development was well known before the pandemic but has been dramatically amplified by it. Without it, Rural Ontario will not be able to keep pace or fulfill its potential contributions to the economy or the social fabric of the province.

- **For business and institutions** in Rural Ontario, high-speed internet enables:
    - High-impact marketing including video streaming, online quotes and other interactive functions (ex. chatbots)
    - Online and on-demand training for staff to ensure their skills remain current or that they can advance in their careers
    - Remote access to business databases for sales professionals, service technicians and other field personnel
    - Supply chain management and logistics
    - The ability to pursue expanded markets using online interactions with clients, collaborators and suppliers
    - Use of cloud services for large-data files including collaborative work among distributed partners and data storage/backup solutions.

- **For municipalities** in Rural Ontario, high-speed internet enables:
  - Remote monitoring of environmental conditions, operating performance of distributed equipment and facilities, and fleet deployment.
  - Home-based health monitoring for residents
  - Public safety for residents --- both on the streets and on the road
  - Digital platforms that support emergency response services
  - Access to specialized consultations and large-scale data transfers
  - Videoconferencing for intergovernmental relations and to improve operational and administrative productivity (reducing travel in large geographic areas)

Do Broadband Investments in Rural Areas Pay Off? Yes.

"Our finding of the positive impact on rural employment growth and a corresponding negative impact on urban employment growth is consistent with… Forman et al. (2005)… broadband access reduces the costs of doing business in remote areas and helps overcome barriers to business associated with a distant location and small economy size."

Source: The employment and wage impact of broadband deployment in Canada, Olena Ivus and Matthew Boland, Queen's School of Business 2012

- **For residents** of Rural Ontario, high-speed internet enables:
  - Starting and growing home-based businesses --- the costs of entry (e.g. rent, commuting, taxes on multiple properties) tend to be lower with no reduction in ability to interact with colleagues and customers in distant locations.
  - Working from home --- temporarily or for the long haul as part of a "hybrid work" situation. High-quality connectivity will also enable residents to work for employers or clients anywhere in the world.
  - Remote learning --- standalone or in combination with in-classroom/lab experiences; this option was extensively used in Ontario during early waves of the pandemic and is still used, when necessary, from a public health perspective.
  - Social interaction --- for those without family or friends nearby or without transportation options (they can book on-demand services online).

"Stakeholders should understand that technology is necessary but not sufficient for rural and regional innovation and societal transition… the use of digital technologies are best aligned with strategies for diversified financing or revenue streams, risk management, social media engagement, skills training and marketing."

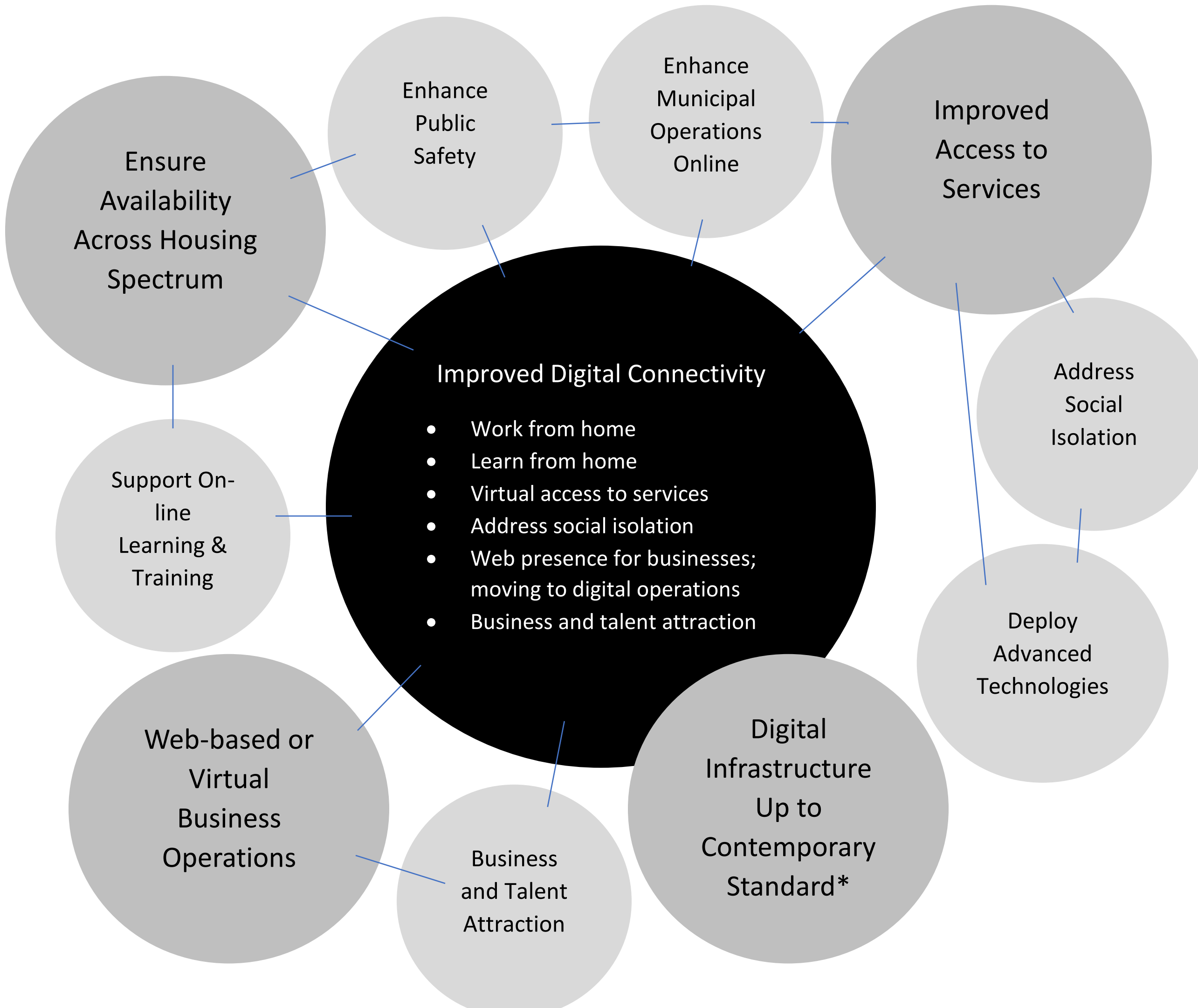
Source: Outcome Analysis of Rural Broadband Programs: A study of rural small businesses and community organizations served by Phase One of the Eastern Ontario network; Laxmi Pant and Helen Hambly-Odame, University of Guelph, August 2015

Digital Connectivity Goal: To ensure that Rural Ontario has high speed internet and mobile broadband/cellular services that meet contemporary standards and enable businesses, institutions and residents to participate fully in society and the modern economy.

6.4 A Plan for Improved Digital Connectivity (High-Speed Internet and Mobile Broadband/Cellular Coverage)

Why Digital Connectivity Matters:

- Housing is now assumed to include ability to access high-speed internet; attracting new residents and workers depends on it
- Enables social contact for residents isolated either by distance or admission to long-term care
- Essential for those who work or learn from home
- Employers will expect employees to have access for work-related on-demand training or webinars
- Provides opportunity for employees to access employment by working from home for out-of-region employers
- Public safety could be enhanced with deployment of advanced mobile technologies
- Essential to attracting /retaining youth and families (rebalancing demographics)
- Enables businesses moving to partial or full virtual operations (existing or attraction)
- Key aspect of business attraction ("assumed" infrastructure)



**Infrastructure is directly connected to the goal because without this infrastructure few of the proposed actions will be successful.*

6.5 Recommended Solutions to Address Digital Connectivity

Examples of actions that might be taken to pursue the opportunities associated with Digital Connectivity include:

Digital Infrastructure Up to Contemporary Standard:

- **Advocate with the federal and provincial governments to accelerate (as much as possible) cost-shared investments** in mobile broadband cellular services and high-speed internet services that meet the federal standard of 50Mbps download and 10Mbps upload and will enable rural and remote communities to capitalize fully on opportunities in the digital economy for economic and social development (ex. virtual learning, education and skills development, use of digital platforms for in-province supply chain management, and digital marketing particularly for tourism, agrotourism, and related outdoor experiences).
- **Consider strategic infrastructure investments in digital technologies** for municipally-owned lands, where the investments could improve the value of the lands for business development purposes.

Recommendation 3: That ROMA work with the provincial and (where appropriate) federal government to accelerate investments in digital infrastructure as well as programs that encourage greater utilization of technologies to support economic recovery and growth, improve delivery of vital services, and public safety.

Web-Based or Virtual Business Operations:

- **Encourage economic development professionals to continue to work with businesses in their communities** to adopt technologies that will give their customers alternative ways to do business with them. Examples that have become prominent during the COVID-19 pandemic and will likely remain fixtures of the economic landscape in years to come include online ordering, curbside pick-up, delivery services, locker pickup or other types of in-store pickup that are fast and easy. Regular webinars and workshops in which business owners and managers can talk to others who have deployed these technologies (flattening the learning curve) are also useful.
- **Encourage the Government of Canada and the Province of Ontario to reopen and broaden eligibility for the Digital Main Street Program and especially the Transformation Grant Program** (which is now closed for applications). The $2,500 grants to businesses to assist with digital transformation were offered alongside other benefits (still available) for Digital Main Street registrants. Digital Main Street is a free platform that helps main street businesses identify and adopt the right digital tools and technologies that can help engage more customers and increase sales).

  While the original program's emphasis on "bricks and mortar" businesses was understandable, many other businesses now need support for digital transformation --- including many that are not on "main street" (ex. agricultural operations, catering businesses, small manufacturing or fabrication enterprises, freight carriers and delivery services, construction and related businesses, tourism facilities, and professional services firms). "Main street" businesses should remain eligible but eligibility could also be expanded to include other businesses, especially those businesses that support essential supply chains.

Recommendation 4: That ROMA work with economic development professionals and with the provincial and federal governments to encourage greater adoption of digital technologies by the private sector, to enable new lines of business and ways of serving customers. ROMA and its partners should also encourage the federal government to reopen and broaden eligibility for the business-oriented Digital Main Street Program and especially the Transformation Grant Program.

Improved Access to Services:

- **Undertake informal municipality-specific operational reviews with the specific goal of identifying opportunities to introduce digital technologies** in ways that make services more convenient for residents, visitors and municipal clients (ex. online registrations, on-demand "how to" videos and guidebooks), expand and/or improve access to services (ex. remote health monitoring, virtual appointments), or strengthen social connections across communities (ex. virtual visits for residents of long-term care or retirement homes, group social activities online). The purpose of the reviews is to find easy-to-implement low-cost ways for staff to undertake self-directed projects to modernize municipal services while remaining compliant with legislation and/or regulations governing the specific service.

  Municipalities can also begin to incorporate next generation technologies into infrastructure planning so that Rural Ontario is able to benefit from the public safety, efficiency and climate change benefits of new approaches as they diffuse across society.

Availability of Digital Connectivity Across Spectrum of Housing Options:

- As new housing projects come forward for consideration, municipalities can ensure that availability of digital technologies is included in planning discussions. In some areas, this might mean fibre-to-the-home; in others, the options might be fixed wireless service or satellite service. If a proposed housing project includes multiple units (ex. subdivisions, apartment buildings), municipalities can work with infrastructure providers and internet service providers to determine (before construction begins) if digital connectivity is a possibility.

  Where feasible, municipalities could provide shared/public access internet service through community facilities such as libraries or community centres. This could help members of rural communities who cannot get access to the internet or whose incomes are too low to be able to pay the cost. This service might also be made available to individuals who may not have secure housing but need internet access in order to be able to apply for employment, book interviews or access other services.

7 Redefining Success in Rural Ontario

7.1 Addressing Significant Issues Influencing Rural Ontario's Prospects for Success

ROMA sees many opportunities to navigate the balance of the COVID-19 pandemic in ways that will result in a stronger, more resilience Rural Ontario. In particular, ROMA has identified actions that can help to rebalance the demographic makeup of the Rural Ontario population, redesign policies to ensure that they fit the realities of Rural Ontario, and seize the opportunity to build greater economic resilience into the Ontario economy through "local" supply chain development.

7.2 Meeting the Challenge of Rural Ontario's Demographic Mix

As in most developed economies, Rural Ontario Is seeing a continued increase in the median age of its population. Compared to Canada as a whole (40.9 years) and the entire Province of Ontario (40.4 years) [2020], Rural Ontario's median age is at least five years older than their urban counterparts [2016]. Every province or territory west of Ontario has a lower median age than Ontario as a whole.

The aging of the rural population has several major consequences:

- **It puts pressure on services such as healthcare and long-term care**, since older members of the population are more likely to make more intensive use of these services than their younger counterparts. Long-term care was a major battlefront in province-wide efforts to keep older members of our communities safe and remains so today. The Province is committed to adding 30,000 new LTC beds over a ten-year period. There is also a need to ensure that sufficient staff are trained and ready to care for residents in these new and redeveloped facilities.
- **It points to a shrinking labour force** as more and more residents retire. Employers will encounter exacerbated labour market shortages, threatening productivity and constraining the growth of rural businesses.
- **Because they will be relying on fixed incomes**, many seniors in Rural Ontario will experience cost pressures if prices rise faster than their disposable income (the inflation rate in Canada hit an annualized 4.1 per cent in August of 2021) --- the highest since 1986 and well above the historic norm of between one and two percent. At this rate, it will be more difficult for those of modest means to remain in their homes --- even those with lower market value than their urban counterparts.

Part of the rising median age of residents is attributable to the historical **out-migration of younger people from rural to urban areas.** Rural Ontario – especially those areas closest to major urban centre --- might be expected to see this pattern continue. Although it is too early to know for sure, the COVID-19 pandemic may have slowed the outflow of younger people (including young families) and prompted significant numbers of young families to think about moving to a less densely part of the province with more open space for active outdoor pursuits.

The pandemic has thus provided an opportunity for Rural Ontario to revitalize its population overall, attract talent for local labour markets, keep local schools open and in use, and support the use of community facilities that are often important gathering places.

Recommendation 9: That ROMA ensure that demographic considerations are integrated into policy and program redesign discussions with the Province, including action on recommendations contained in this report. Example: ensuring availability of housing options for youth, families and seniors.

7.3 Developing Truly Rural Policies

Analysis by Ontario360 (*see figure below*) shows that changes in employment over the decade preceding the advent of COVID-19 were unevenly distributed across urban and rural Ontario. There may be many reasons for this phenomenon but a contributing factor is likely to be that for decades now, public policy -

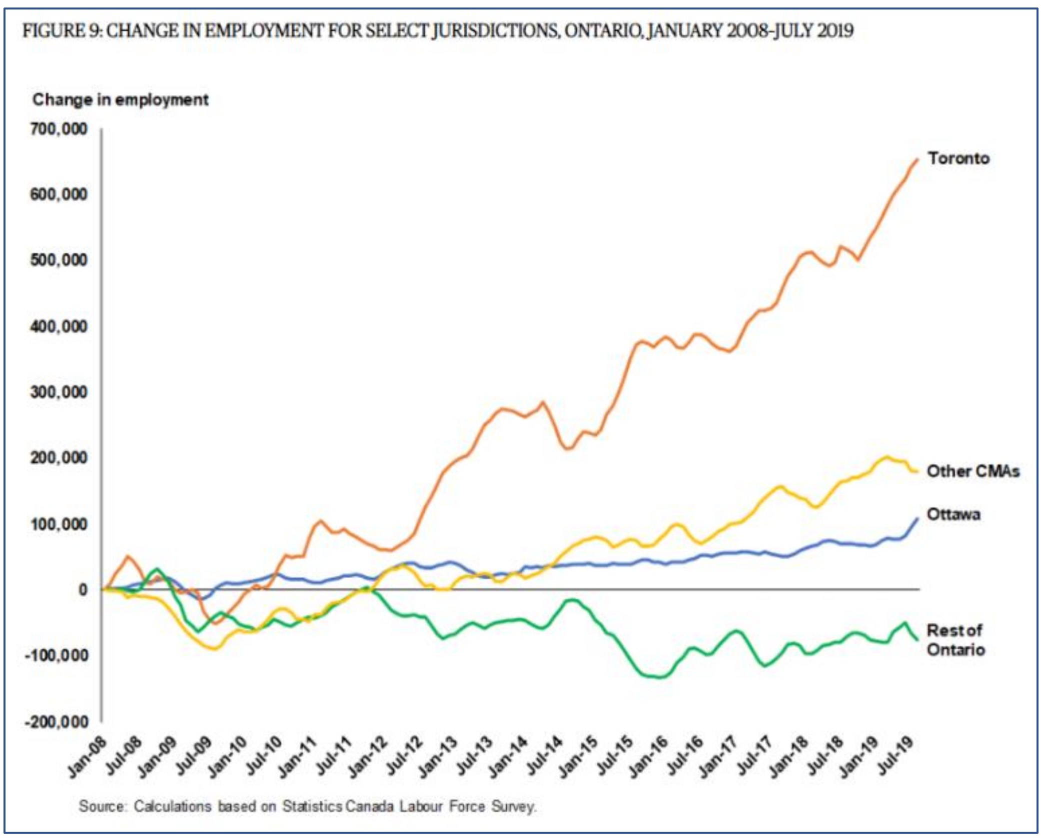


Figure 5 - Source: Ontario360 Policy Paper Measuring Ontario's Urban-Rural Divide, 2019

-- as well as funding programs and infrastructure investment planning --- has used a population-based approach. Those areas with more population and greater density of population tend to be the focus of policy-making.

> ***There are no "one size fits all" solutions in a province with considerable regional economic disparity.***
> Source: Measuring Ontario's Urban-Rural Divide, a Policy Paper from Ontario 360 (University of Toronto Munk School of Global Affairs and Public Policy) 2019

While understandable for policy-makers seeking a single standard that can be applied across the entire province, this approach has created an urban-rural divide that continues to widen. For instance, several analyses (Ontario360 and Fraser Institute) have noted that the decade-long expansion in employment in Ontario (2008 to 2019) was centred largely in the GTA, Ottawa, and to a lesser extent a handful of other cities. By comparison, non-CMA areas saw a net decline in employment. Ontario360 urges the Province to adopt a **place-based approach** to policy-making, suggesting that there is a need for government to catalyze "agglomeration effects" in rural areas (clustering sources of innovation and competitiveness).

ROMA believes there is an urgent need to go beyond the concept of applying a rural "lens" to public policy in Ontario. Rather than developing a single policy based on population (that ends up favouring larger urban centres), ***ROMA believes that specific policies for rural areas should be developed "from the ground up" to reflect the reality of life in those communities*** (ex. lower population density, greater distances to access vital public services, heavier per capita/per household carrying costs for essential infrastructure etc.)

7.4 Capitalizing on the Value of "Local" for Resilience

The pandemic has drawn attention to the value of community for implementing measures to mitigate the impact of COVID-19 and protect citizens, but also as a source of economic resilience. In most of Rural Ontario, local production finds its first market in the host (and neighbouring) community. Local businesses --- especially in the hard-hit tourism sector --- report that local residents have filled part of the gap when international visitors have been unable to enter the country. Local residents have also made purchases at local restaurants even if it was takeout.

COVID-19 focused supply chain disruptions from international vendors have raised the possibility of "reshoring" (manufacturing facilities being 'brought home' by North American firms). While it is too early to quantify the degree to which this is happening in Ontario, ROMA believes the sentiments expressed by the Premier of Ontario with respect to Personal Protective Equipment could also apply to food and other agricultural products as well as natural resource sectors (mining, forestry). ROMA is well aware of the discriminatory business practices provisions of certain international trade agreements but believes that there is merit in considering a much broader "buy local" initiative to ensure that Ontario businesses and producers have a fair shot at supplying essential goods and services.

> ***"Evidence-based decision-making is not just a catch phrase. It is a meaningful strategy, leading to better community processes. (it helps identify inequities and aids with better community processes and outcomes than can enhance the quality of life for Ontarians. "***
>
> *Source: A Profile of Well being in Rural Ontario, University of Waterloo. A report for the Rural Ontario Institute 2020 Canadian Index of Well-being*

Recommendation 10: That ROMA work with the provincial and federal government, along with business/industry associations, to encourage the development of in-province supply chains that draw upon the capabilities and proximity of Rural Ontario.

7.5 Building on a Foundation of Community Well-being

Crises or other major disruptions often prompt re-evaluation of "what's important". This is true for citizens and leaders alike in Rural Ontario in the aftermath of the COVID-19 pandemic. Rather than rely just on the impact of the pandemic on provincial or regional economies, ROMA prefers to consider a more inclusive range of indicators of community well-being, using the indicators laid out in the Rural Ontario Institute's commissioned work know as *A Profile in Well-being in Rural Ontario*.

As set out in the table on the following page (and elaborated on in Appendix D), ROMA could envisage multiple strategies to use in addressing lower than average performance for Rural Ontario on certain indicators. There is a real desire to "build back better" as the most dramatic effects of the pandemic recede.

Recommendation 11: That ROMA share the Eight Domains of Community Well-Being with other stakeholders in Rural Ontario to begin a dialogue on ways in which community well-being can be more explicitly recognized in forward-looking policy formulation and underpin cross-community partnerships.

7.6 Deepening Public Trust in Local Leadership

The COVID-19 has seen a dramatic increase in public interaction and communication through the pandemic. Local officials from public health, municipalities and law enforcement have played a vital role in sharing information on public health and other measures from the beginning and can continue to provide leadership in engaging citizens in initiatives that will move their communities forward and in advocacy with other orders of government. These initiatives may be focused on economic development, social well-being, health care, education, transportation and/or digital connectivity.

Eight Domains of Community Well-Being

- Community Vitality
- Democratic Engagement
- Education
- Environment
- Healthy Populations
- Leisure and Culture
- Living Standards
- Time Use

Source: [A Profile of Well-Being in Rural Ontario](), Rural Ontario Institute

ROMA anticipates that its member municipalities will continue to build close working relationships with agencies and organizations that helped to deliver services and maintain community cohesion through the pandemic (ex. not-for-profit agencies, business associations and private businesses, service clubs and volunteers). Further, ROMA expects to engage other orders of government in both policy-making and service delivery discussions that will ensure that as COVID-19 wanes, rural communities are given the opportunity to rebuild, pursue new opportunities and address new and pre-existing challenges alike. ROMA notes that many municipalities have neighbouring Indigenous Communities with whom collaborative economic development, labour force and training initiatives might be undertaken.

7.7 Developing, Attracting and Retaining the Labour Force of the Future

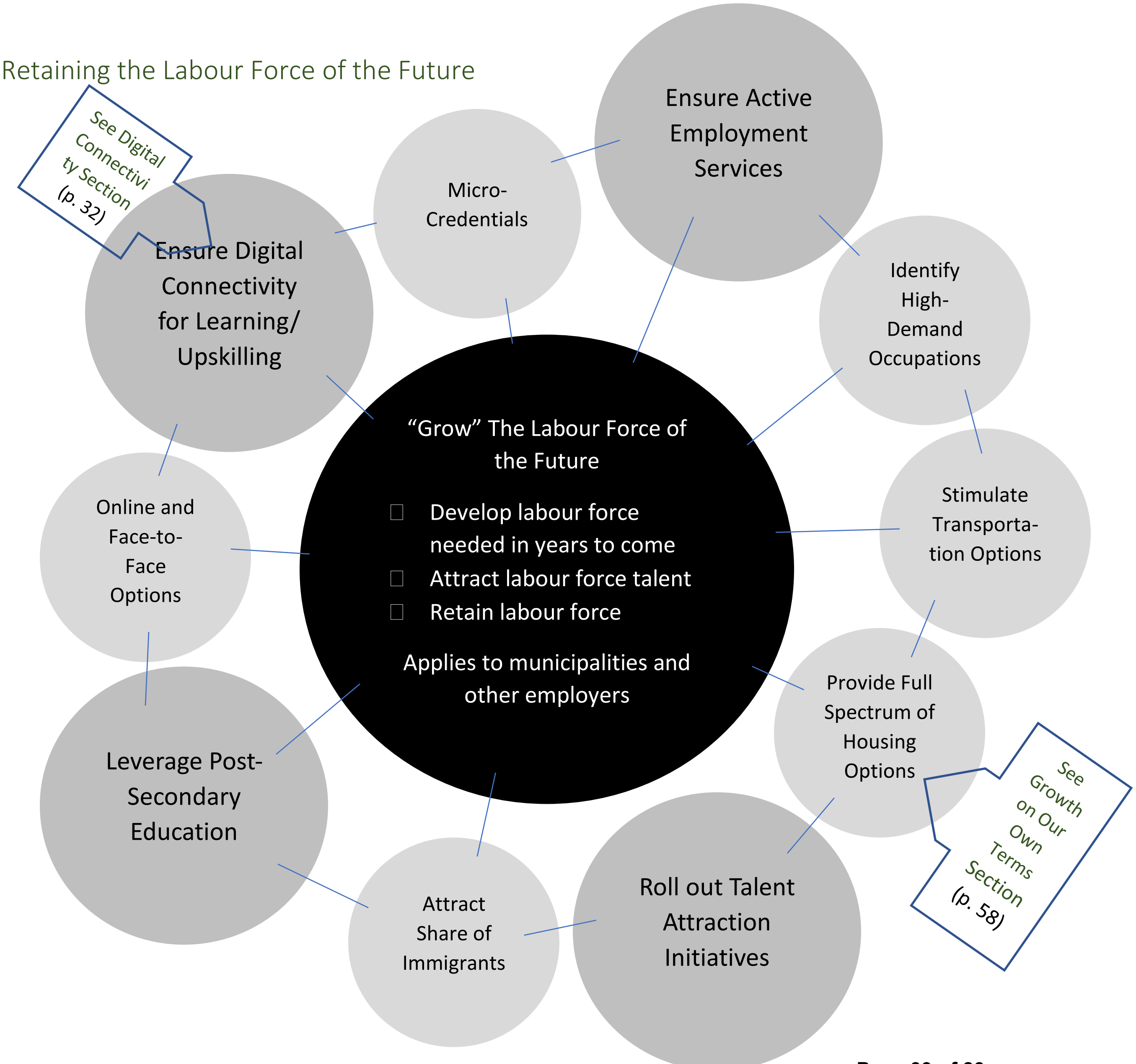
One of the greatest challenges facing any community or economy is ensuring the available labour force is well-matched to current and future demand. This means taking into account demographics, demand for specific skills, types of education and/or particular credentials, the state of digital connectivity, the availability of work-related transportation options, the impact of automation and/or technology utilization in contemporary work, the availability of housing, employer Human Resources practices, and a host of other factors. It is unlikely that Rural Ontario will achieve its full economic potential without significant attention to labour force-related issues and opportunities.

Labour Force Goal: To ensure that Rural Ontario has the population and the workforce in sufficient numbers, skills and talent to sustain and grow communities and rural economies.

7.8 Plan for Developing, Attracting and Retaining the Labour Force of the Future

Why Labour Force Matters:

- Deeply linked to housing (attracting and retaining workers depends on it)
- Provides opportunity for residents to derive income from outside their home community
- Provides opportunity for employers to address workforce needs by looking across local boundaries
- Helps to rebalance demographics of Rural Ontario (ex. youth retention and attraction, attract young families)
- Helps to remove a significant constraint on business and economic growth
- Becomes part of a broader strategy on welcoming new arrivals in community (in-bound migrants and immigrants)
- Leverages prior investments in colleges with campuses in rural areas, especially in rapid response re-skilling
- Strengthens economic ties and supply chains across municipalities (whether urban or rural)
- Opens up opportunity for increased economic resilience by improving mobility of labour



7.9 Recommended Solutions to Address Labour Force Opportunities

Examples of actions that might be taken to pursue the opportunities outlined for developing, attracting and retaining labour force include:

Develop, Attract and Retain Labour Force of the Future

- **Economic development professionals working in municipal government can encourage employers and employment agencies to expand the vision of the available "labour force".** While the priority of helping employers find workers and helping workers find employment will still emphasize those connections that are geographically close at hand, digital technologies and the evolution of work now support much more distant connections. Employers may find the talent they need in a community some distance away; job/work seekers may find employment with organizations some distance away. These connections will not be possible for all types of work but in future, a significant share of labour market activity may well cross municipal and urban-rural boundaries. Like other parts of the province, Rural Ontario will want to look internationally for talent to buttress the existing labour force and ensure that economic opportunity is not hobbled by labour shortages.
- **With current labour shortages unlikely to abate in the near-term, organizations supporting employers and job/work seekers will need to focus on making better connections** with improved prospects for successful outcomes. Examples include: better employer search strategies that reflect both hard and soft skill requirements, cost-effective recruitment in other markets that show promise of reaching high-potential workers, tailored analysis of skill sets and training requirement for those experiencing long-term employment, and initiatives to encourage at least part-time return to work by recent retirees or incentives for delayed retirement.

Recommendation 12: That ROMA work with economic development professionals, business and trade associations, provincial and federal governments and others, to expand the field of search for employers and workers, both geographically and in terms of accelerating labour force mobility across industries and occupations. The field of search includes international jurisdictions.

Digital Connectivity for Learning/Upskilling

- **Blend online and on-site learning and skills upgrading**. Because on-site learning (at a campus) may not be possible for employees or for training organizations, digital connectivity must be sufficiently robust to support online learning. (Please see page 32 for examples of actions that might be undertaken on this front as well as associated recommendations.)

Active Employment Services

- **Develop a skills and occupation-based focus**. In collaboration with employment-focused agencies, employers (including municipalities) and economic development professionals could pool their feedback (or their data) on occupations in highest demand or those that are growing. At the same time, a review of occupations that are declining or where job opportunities are diminishing could suggest transition programs for affected workers. Increasingly both employers and employment agencies are looking for tools that can accelerate the development of current employees as well as potential ones. Many of the training programs to fill skills gaps can (or must) be delivered in a face-to-face environment --- whether at a training facility or a workplace --- whereas other components may be delivered online.

- **Think of housing as an essential part of the employment discussion**. With housing having become a core consideration for a local labour force, Rural Ontario should continually monitor the state of the housing market (in terms of supply and demand for housing), and be proactive in stimulating development of the types of housing most needed by current as well as prospective residents. (Please see page 51 for examples of actions that might be undertaken on this front.) Stakeholders across Rural Ontario could also work together to establish temporary/short-term housing for new employees and their families; this type of housing could be used for workers migrating across the province (or country) as well as immigrants newly arrived from afar.
- **Municipalities can work with employers, education partners and community agencies to stimulate non-traditional transportation options for workers, students and others.** The business case for conventional transit may not exist in many rural communities; other alternatives such as ridesharing, sector-based shuttles or other similar ventures may be more likely to be financially sustainable. The Province of Ontario could provide short-term funding to support services focused on increasing accessibility to work for residents who do not have a public transit alternative and cannot afford to operate a private vehicle.

Leverage Post-secondary Education Assets

- **Municipalities, Indigenous Communities, businesses and other employers could work with training organizations**, especially community colleges, to respond to the Province of Ontario's announcement on December 15, 2021 of provincial support for up to 250 new rapid training programs known as microcredentials. (Microcredentials are programs that help people retrain and upgrade their skills to find new employment. They are short in duration, are often online and can be designed for the specific needs of employers and jobs.)
- **Collaboration with post-secondary education and with Indigenous Communities**, can also focus attention on developing solutions for persistent/chronic labour supply shortfalls (ex. skilled trades, staff for long-term care, hospitals and home care services). Where post-secondary education, in partnership with others in the community, can put together a cogent plan for a long-term solution, municipalities should be active partners.

Roll out Talent Attraction Initiatives

- **Either individually or collectively, Rural Ontario communities can develop and implement workforce attraction programs** that meet the most pressing labour market needs and rebalance the demographic makeup of their communities at the same time. By necessity, these programs will need to incorporate a number of factors of interest to potential workers that go beyond a specific employment opportunity. These factors include considerations such as: availability and cost of housing, healthcare, employment opportunities for other family members, childcare and other services, recreational and cultural opportunities, and transportation connections within a labour shed or connecting to other communities. In other words, workforce attraction is now about much more than the online job posting.

  After developing a better understanding of not just current demand for workers and "jobs of the future", Rural Ontario can develop and implement community-wide talent attraction initiatives. Some communities are using web-based resource websites; others are targeting specific communities known to have a strong supply of workers in specific sectors.

- **Rural Ontario could undertake a collaborative advocacy and talent attraction program to ensure that immigrants to Canada know about opportunities to live and work in Rural Ontario.** As with new residents attracted from other parts of Ontario or Canada, Rural Ontario will need attraction initiatives that speak to cultural considerations, housing, skills for everyday life (ESL, public services, recreational opportunities) and employment opportunities.

Recommendation 13: That ROMA work with Statistics Canada, academic researchers, employment agencies, employer groups, trade associations and others to find better ways to predict and respond to rapidly-changing labour markets.

8 Growth on Our Own Terms

8.1 What is "Good Growth"?

As important and useful as a Gross Domestic Product (GDP) indicator is, ever higher GDP figures are not the only measure that most Ontario residents would use to evaluate economic success or their quality of life. For instance, a research study for the Organization for Economic Cooperation and Development (OECD), released in March of 2021, found that measuring overall economic success --- and tracking recovery from economic shocks like the pandemic --- is more effectively done by looking at other indicators such as income, education, safety and health. The study compared GDP to the OECD's Better Life Initiative, an 11-dimension index that includes a range of factors (*see inset box at right*) to see if use of different indicators provided insights useful to policy-makers seeking to support recovery, growth and resilience.

Dimensions of the OECD Better Life Index

- Job Security
- Education
- Health
- Civic Engagement
- Purchasing Power
- Housing
- Safety
- Work-life Balance
- Social Connections
- Environmental Quality
- Subjective Well-Being

Source: Article in Fast Company, April 2021
For Full Range of Indicators, click here.

Use of this type of index is just in its infancy but the concept and a number of the dimensions on which it is based have been on the minds of ROMA representatives when developing *Opportunities for Rural Ontario in a Post-COVID World*. The data to support use of an index of this type has not yet been gathered but holds promise for a more comprehensive assessment of the roles of both public and private sector organizations in stimulating appropriate growth across rural communities. On page 51 of this plan, the housing dimension is explored in detail with specific actions set out through which to address one of the most challenging issues of recent times.

The Better Life Index is just one example. Other researchers have suggested development of a Composite Index for rural development that is based on five types of capital and the elements of each that contribute (or not) to development (*see table next page*). Application of this type of index also demonstrates the diversity of rural communities, since different types of capital are distributed differently across communities. As with the Better Life Index, ROMA representatives have identified some elements of these types of capital (examples: economic structure, infrastructure, entrepreneurship, migration) for particular attention in this Plan.

The article describing this Composite Index *(*presented in *Rural vs. urban Canada: No 'one size fits all' COVID-19 recovery')* has been published by Canadian Manufacturing, The Conversation (a website-podcast combination for Canadian academics, and by the National Post. These examples are noted here to suggest that a broader conversation is under way about how economic success is measured and the degree to which any recovery and growth plan must be broadly-based and address aspects of multiple issues simultaneously.

Capital	Elements
Economic	Productivity; employment; investment; innovation; economic structure; infrastructure.
Human	Education; skills; entrepreneurship; demographic structure; migration; service access; quality of life.
Social	Trust; cooperation; public-private partnerships; voluntarism.
Cultural	Degree of commercialization of heritage, environment and identity; heritage sites; civic engagement; sense of place.
Environmental	Natural resource endowment; location; remoteness; cost of environmental maintenance.

Different types of capital, based on the study 'Understanding community conditions to improve place-based rural development policies and programs. (Diogo Oliveira, University of Victoria), Author provided

Figure 6 - Chart contained in the article shared in The Conversation: Rural vs. urban Canada: No 'one size fits all' COVID-19 recovery. This article also notes that the tourism sector is "critically important to rural communities".

8.2 Reconsidering the Push to Urbanization

Even as the debate continues over which parts of the province are considered urban and which are rural, there is also debate about the merits of continued urbanization. Whether in Ontario or in many other jurisdictions, the share of population and economic activity associated with urban areas (as opposed to rural ones), has been expected to continue its decades-long climb. In some cases, this is the result of decision-makers looking to co-locate --- or cluster --- healthcare, education, R&D facilities or other types of services infrastructure in relatively central locations. In addition to making frequent direct interactions easier for those who work in these organizations (clustering is thought to lead to more rapid innovation and related economic growth), clustering is also thought to capitalize on operational economies of scale.

This policy approach may or may not deliver the benefits sought, but a focus on growing ever-larger cities at the centre of economic and social life by definition excludes rural areas from the conversation about "where growth should take place." As a result, rural growth opportunities are constrained simply by virtue of the fact that rural communities are not urban. This may be a short-sighted approach in an era in which digital technologies support "work from anywhere" for a significant proportion of jobs, housing prices have put home ownership beyond the reach of many in our largest cities, global supply chains seem quite fragile, and a share of the workforce is looking to change both their employment and sometimes where they live.

ROMA believes that a singular focus on urbanization (described in Section 3 as "hub and spoke") merits reconsideration. including but not limited to, consideration of other development models. For example, ROMA favours a "network" model --- interconnected nodes (communities) of similar or even different sizes rather than an urban-area-at-the-centre model that views most of the physical, economic and social landscape in relation to a reasonably large city.

The network model could be implemented in ways that "work around" sensitive environmental areas and capitalize on the territorial and human capital in each community. The same digital technologies that allow employees to work from home can be used to carry out "distributed R&D", engage in innovation discussions, develop and maintain resilient supply chains, coordinate logistics and improve accessibility of vital services for all residents.

To some extent, the network model already exists in Rural Ontario in the form of towns and villages distributed across the physical landscape. COVID-19 has provided the opportunity to rethink our approach to community growth and development.

> ***"Cities are the crucible of civilization, the hubs of innovation, the engines of wealth creation and centers of power, the magnets that attract creative individuals, and the stimulant for ideas, growth, and innovation. But they also have a dark side: they are the prime loci of crime, pollution, poverty, disease, and the consumption of energy and resources. Rapid urbanization and accelerating socioeconomic development have generated multiple global challenges ranging from climate change and its environmental impacts to incipient crises in food, energy, and water availability, public health, financial markets, and the global economy."***
>
> Source: Scale: The Universal Laws of Growth, Innovation, Sustainability, and the Pace of Life in Organisms, Cities, Economies and Companies by Geoffrey West, 2016

8.3 Welcoming Immigrants and Other Newcomers

Historically, relatively few immigrants have come to Rural Ontario as their "first stop" in Canada or Ontario. Often, newcomers might not be expected to have an affinity for rural life or may wish to become part of a cultural community similar to that which they have left. In addition, they may wish to live in a part of Ontario that can offer services they will need to "fit in" (ex. skills training, language development).

For all these reasons, newcomers have tended to relocate to Ontario's urban areas. ROMA believes these assumptions should be re-examined to see if there are good opportunities for newcomers to settle in the province's rural areas. At minimum, immigration processes could consider the types of communities from which newcomers have left to seek a new life in Canada or Ontario and encourage their resettlement accordingly.

Now more than ever, technology can connect residents to services no matter where they are. More and more community organizations and businesses are helping to connect new arrivals culturally as well. It is also important to ask newcomers more about the places they are leaving --- many are leaving more rural areas in their homelands and bring very useful skills and experience with them from living in those areas (ex. arborists, vintners and brewers, farm operations, baking and culinary skills). Of course, many also bring other skills and expertise including those needed for participation in the digital age, healthcare, architecture, engineering and tourism occupations).

ROMA believes that Rural Ontario would benefit from welcoming more of these newcomers to our communities but favours doing so at a pace that our communities can absorb. The ideal scenario is one in which rural communities have an opportunity to help newcomers weave themselves into the social, cultural and employment fabric of the community. ROMA believes a deliberate strategy should be developed to accomplish this.

A similar line of thinking prevails when rural municipalities consider the implications of welcoming newcomers (to a particular community) from large urban centres. Whether for “cottage country getaways” or permanent full-time relocation (in some cases due to the pandemic), service expectations in rural areas may well fall short of those the newcomer left behind in their previous (urban) home. Transit services may not exist at all. Some roads may not be paved. Internet service and cell phone coverage may be spotty in places. As rural municipalities work to bring services to the standard expected by residents, businesses and travellers wherever they are coming from, there needs to be an ongoing conversation about what is fair and reasonable to expect in areas where per household costs of services are typically higher than in more densely populated areas. ROMA believes that a community-wide effort --- including those interested in moving to a particular area --- is needed.

Recommendation 14: *That ROMA work with federal and provincial authorities to ensure that immigrants and other newcomers know about and have the opportunity to consider resettlement in the more rural areas of the province, assuming that makes sense in terms of newcomers’ prospects for success. For its own part, ROMA will work on creating a strategy for welcoming these newcomers*.

8.4 Making Conscious Decisions on Development

As with indicators of community well-being, ROMA members are taking a fresh look at development processes and indicators of success. In a post-pandemic world, municipal (and provincial) leaders have an opportunity to question old assumptions and redefine what "development" means in Rural Ontario. For some municipalities, the drive to grow the non-residential tax base as a strategy for lessening the cost burden of service provision and as a way to generate employment for residents may have introduced trade-offs that ratepayers may not want to make. Examples might include pressure to build near sensitive areas or take some types of farmland or forested areas out of production for development purposes. Encouragement to undertake intensification within rural settlement areas may warrant a second look when the COVID-related risks of densification are considered.

New approaches to development could also explicitly look for ways to capitalize on "territorial capital" --- those natural and already built resources that can be used --- carefully and sustainably --- to reinvent or grow traditional sectors. The most obvious examples are agriculture, forestry, mining and related tourism.

Some publications (ex. Corporate Knights) used to rank communities based on conventional financial indicators such as building permit activity. More recently, these organizations have adopted indicators that are more aligned with "clean capitalism" criteria. Some of these criteria (ex. resource management indicators, financial management indicators --- such as pension fund status, supplier sustainability scores, innovation capacity) could be useful to ROMA in broadening thinking on how it wishes to "do development differently".

8.5 Contribute to Action on Climate Change

Although they may not garner much coverage in mainstream media, Rural Ontario's actions could make a significant contribution to Ontario's efforts to address climate change. Carbon and particularly carbon dioxide emissions are a primary focus of climate change plans in most jurisdiction; Rural Ontario's role as the steward of substantial land and biological resources suggests significant potential for capturing and storing carbon (ex. no-till agriculture, preservation of ground covers, plantings that can sequester carbon quickly and in large amounts). Energy efficiency measures in most of our organizations and homes can also drive down GHG emissions (depending on the source of energy).

There are also opportunities to do our part on environmental protection and climate change through reviews of municipal operations to capture efficiencies and opportunities to reduce greenhouse gas emissions. These opportunities may involve the use of digital technologies to reduce the need for mobility and engage citizens "in their own homes", use of digital platforms to track environmental performance, make more widespread use of renewable energy (including self-generation --- solar, wind, geothermal and biogas, where it makes financial sense to do so and siting considerations allow it). Rural Ontario may have more opportunities for renewable energy than urbanized areas.

8.6 Address "Full Spectrum" of Housing Needs

One of the most significant impacts of COVID-19 on Rural Ontario is in the area of housing. As individuals and organizations across the province make different choices about where and how to live and work, the impact on housing in Rural Ontario has been dramatic. Available housing stock has become much more limited, prices have risen considerably with many homes being purchased at prices "above asking", and the construction industry has been working at breakneck speed to bring more units to market. The implications for Rural Ontario are many:

> ***"2021 continues to surprise. Sales beat last year's annual record by about Thanksgiving weekend so that was always a lock, but I don't think too many observers would have guessed the monthly trend would be moving up again heading into 2022," said Shaun Cathcart, CREA's Senior Economist. "A month with more new listings is what allows for more sales because those listings are mostly all still getting gobbled up; however, with demand that strong, the supply of homes for sale at any given point in time continues to shrink. It is at its lowest point on record right now, which is why it's not surprising prices are also re-accelerating. We need to build more housing."***
>
> ***Source: https://creastats.crea.ca/en-CA/***

- Good quality, reasonably-priced rental accommodation has long been in short supply in rural areas and COVID-19 has intensified the pressure to shift the balance between apartments and single-family dwellings. Responding to these pressures introduces development challenges related to servicing multi-unit buildings (ex. water and sewer services, parking requirements, mixed use zoning, accessory accommodations).
- Residents on fixed (or low-incomes) may have difficulty paying the operating costs of their current homes as energy prices, insurance other similar costs rise. Many feel pressured to downsize or to move to rental accommodation… but have nowhere to go within their own community. The upswing in short-term rentals constrains supply further. Embracing new types of housing (ex. tiny homes) may be difficult for some municipalities even if they know there is demand. Without innovation in the housing market, many of these residents will be compelled to move to larger urban centres and out of the social or family networks that are the best antidote to loneliness or depression.
- Most rural communities are challenged (as are urban centres) to provide sufficient affordable housing units to address ever-changing wait lists. Low-cost financing options may be unavailable if inflation and interest rates rise.
- Finally, there is also a shortage of homes for families who want to live and work in Rural Ontario. Unless this issue is addressed, employers will continue to have difficulties attracting workers and the contribution of Rural Ontario to the social and economic life of the province will be constrained.

Recommendation 15: That ROMA establish as one of its highest priorities the ability of Rural Ontario communities to offer the full spectrum of housing options including but not limited to traditional single-family dwellings.

COVID-19 has also given us an opportunity to bring rural lifestyles to the attention of those who are making new and different decisions for themselves about where and how they live. As Ontarians move through different stages of life, they may at certain points savour the associated social, economic and possibly health benefits of a rural lifestyle.

If rural communities are to rebalance their demographics, become more welcoming and more diverse, and acknowledge the income challenges faced by existing residents and newcomers alike, there is merit in developing a "made-in-Rural-Ontario' housing strategy. This strategy would be intended to help rural municipalities and their residents --- current or prospective --- meet the challenges of a contemporary housing market.

> ***"It's time for local governments to step up and they should start with rolling back exclusionary zoning. Currently, it is illegal in neighborhoods in large cities to convert a single-family home into a townhome, duplex, triplex or fourplex without a zoning by-law change, which delays projects, costs additional money, and leaves people stranded without an affordable home. These outdated zoning laws encourage NIMBY forces to drive up costs of homes or drive away affordable homes in a neighbourhood entirely.***
>
> ***In too many Ontario cities, it defies common sense that you can take a bungalow and turn it into a monster four-storey home for one wealthy family, but you cannot build affordable townhomes for multiple families without red tape, runaround, and exorbitant costs."***
>
> Tim Hudak, CEO of the Ontario Real Estate Association, November 25, 2021

Average Selling Prices of Houses in Ontario – A December to December Comparison

Real Estate Area	Dec-20	Dec-21	Percentage Change Y/Y
Thunder Bay	$ 242,128	$ 294,995	21.8
Ottawa	$ 569,700	$ 661,500	16.1
Renfrew	$ 314,584	$ 422,151	34.2
Greater Toronto	$ 921,400	$ 1,208,000	31.1
York Region	$ 1,077,048	$ 1,426,021	32.4
Cornwall & District	$ 295,207	$ 366,471	24.1
Sault Ste. Marie	$ 226,598	$ 286,455	26.4
Guelph & District	$ 672,100	$ 874,100	30.1
Timmins, Cochrane & Timiskiming Districts	$ 166,286	$ 215,423	29.5
Kingston and Area	$ 425,400	$ 547,900	28.8
Mississauga	$ 959,000	$ 1,202,300	25.4
Windsor-Essex	$ 441,530	$ 560,023	26.8
Northumberland Hills	$ 551,500	$ 732,400	32.8
Lakelands	$ 485,900	$ 644,300	32.6
Orangeville	$ 770,707	$ 967,317	25.5
Sarnia-Lambton	$ 407,297	$ 508,768	24.9
Hamilton-Burlington	$ 762,500	$ 998,799	31.0
Simcoe and District	$ 459,700	$ 577,000	25.5
Grey-Bruce Owen Sound	$ 408,700	$ 534,800	30.9
Quinte and District	$ 407,600	$ 547,500	34.3
Peterborough & the Kawarthas	$ 510,200	$ 676,500	32.6
Sudbury	$ 338,839	$ 420,155	24.0
London & St. Thomas	$ 478,300	$ 657,600	37.5
Woodstock-Ingersol	$ 484,300	$ 641,400	32.4
Niagara Region	$ 535,600	$ 720,200	34.5
Huron-Perth	$ 419,400	$ 564,500	34.6
Durham Region	$ 778,068	$ 1,012,920	30.2
Kitchener-Waterloo	$ 644,700	$ 851,700	32.1
Kawartha Lakes	$ 488,400	$ 679,600	39.1
Oakville-Milton	$ 1,111,900	$ 1,516,800	36.4
Rideau-St. Lawrence	$ 378,600	$ 487,100	28.7
North Bay	$ 270,500	$ 385,100	42.4
Chatham-Kent	$ 344,487	$ 436,070	26.6
Barrie and Distrcit	$ 602,600	$ 836,200	38.8
Cambridge	$ 634,300	$ 884,600	39.5
Tillsonburg District	$ 430,300	$ 574,100	33.4
Brantford Region	$ 507,500	$ 712,300	40.4
Bancroft and Area	$ 321,600	$ 476,899	48.3
Ontario	$ 751,655	$ 922,735	22.8
Canada	$ 606,194	$ 713,542	17.7

Source: Canadian Real Estate Statisticas as at January 15, 2022 (for December 2021)
https://www.crea.ca/housing-market-stats/national-price-map/

"Supply concerns aside, the mass vaccination of society and (eventual) reopening of our lives and economies along with the associated migration and international immigration also present a considerable amount of uncertainty to the outlook over the balance of 2021 and into 2022, but only from a timing standpoint. It is hard to see how these will not ultimately act as tailwinds for housing demand. 2021 will almost certainly be a record year for home sales in Canada. While 2022 is expected to see significantly fewer MLS® transactions than in 2021, it is nonetheless still expected to mark the second-best year on record for Canadian home sales."

"As anyone who has tried to get even a small project done in the last year knows, availability of materials and skilled labour are not dials that can simply be turned up to 11 whenever we decide we need them. And that's not to mention all the other barriers to building, of which there are many."

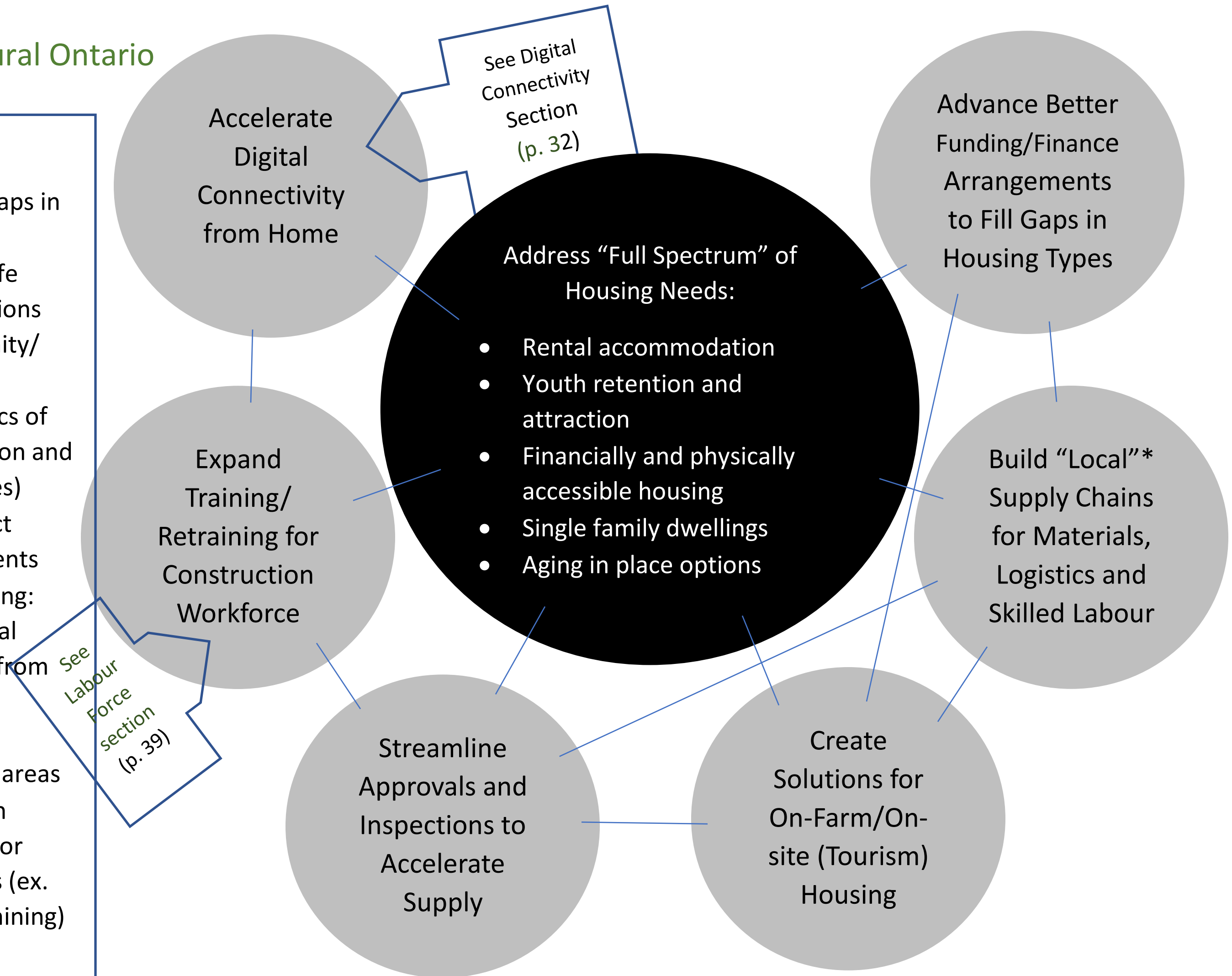
Excerpts from Canadian Real Estate Association Quarterly Forecast, September 2021
https://www.crea.ca/housing-market-stats/quarterly-forecasts/

Housing Goal: To ensure that Rural Ontario has sufficient development capacity and housing stock (both rental and owned) to ensure affordable, attainable housing regardless of residents' point in life or personal resources.

8.7 A Plan for Housing in Rural Ontario

Why Housing Matters:

- Addresses long-standing local gaps in housing (ex. rentals)
- Supports existing residents as life situations change; provides options for residents to stay in community/ remain socially engaged
- Helps to rebalance demographics of Rural Ontario (ex. youth retention and attraction, attract young families)
- Provides opportunities to attract workforce and other new residents
- Addresses new aspects of housing: digital connectivity now essential including working and learning from home; "smart" housing
- Leverages prior investments in colleges with campuses in rural areas
- Supports growth and succession planning in sectors that are major contributors to rural economies (ex. agriculture, tourism, forestry, mining)
- Capitalizes on strength of Rural Ontario labour force (construction workforce, skilled trades)
- Makes supply chain "two-way" within Province (rural and urban Ontario supply different goods and services)



**In this context, "local" means within a community, region or province.*

8.8 Recommended Solutions to Act on Housing Opportunities

Examples of actions that might be taken to pursue the opportunities associated with housing include:

Accelerate Digital Connectivity from Home

- Work with provincial and federal governments to expand and process connectivity initiatives more quickly
- Increase the number of local "hotspots" where residents and visitors can access the internet (including municipal offices, libraries etc.) for work, education and/or training purposes
- Monitor availability of non-traditional alternatives (ex. Low Earth Orbiting satellites) and share information with residents, businesses, not for profit organizations and institutions
- Provide public service information on cybersecurity and prevention of digital fraud.

Expand Training/Retraining for Construction Workforce

- Work with colleges and/or private training organizations to develop targeted 'rapid response' training programs to increase the supply of moderate skill-high-demand occupations (ex. drywallers, insulation installations, manual labourers)
- Recruit recently-retired building inspectors to join a broader group-based best practices effort to understand how and when alternative methods of satisfying building code requirements could/should be deployed
- Design and implement a specific training program for renovation construction to accelerate access to qualified contractors for homeowners wishing to add secondary suites or accessory accommodations quickly and efficiently.

Streamline Approvals and Inspections to Accelerate Supply

- Recruit recently-retired building inspectors to join a broader group-based best practices effort to understand 6 to 12 month assignments with municipalities to address inspector shortages
- For those municipalities with development charges, consider targeted/time-limited reductions in development charges for any/all of housing units that are small/have few bedrooms and fixtures, are modest in size (example: tiny homes and/or rental units) or can use technologies that do not strain local services or cannot use them due to distance (ex. wastewater treatment, sewage systems). The goal is to avoid adding unnecessary costs to housing that is intended for low-income residents or families.

Create Solutions for On-Farm and On-site Housing for Tourism Operations

- Prepare an interpretation of the Provincial Policy Statement that provides exemptions for its focus on "settlement area" to encourage municipalities to develop policies that provide for short-term/discontinuous housing on working farms, tourism facilities in rural areas, and other similar businesses, to ensure that they can cost-effectively offer housing to seasonal/summer workers. The policy should be deemed to apply to businesses and workers who do not have access to private transportation or public transit.

- Work with community colleges to accelerate design and construction of code-compliant housing that can be built and inspected before transfer/placement at a specific site. This could include small modular housing units that could be grouped together to provide accommodations for multiple workers at resorts or remote job sites.
- The same approach could be taken to creating housing for those working in the forestry sector or in mining.

Advance Better Funding/Finance Arrangements in Housing Types

- Work with the Province to provide time-limited incentives for builders to build more of the types of housing most in short supply in Rural Ontario; these include rental accommodation such as townhouses or small square footage apartments. Incentives might include exemptions from parking spot requirements or agreements with nearby public organizations that have ample parking, or targeted/time-limited discounted development charges or building permit fees. As one mechanism through which market failure might be addressed, the Province would be invited to compensate municipalities for a share of the (documented) foregone revenues.
- Work with the Province on a longer-term strategy to contain the cost of residential construction; the Housing Affordability Task Force is a good beginning. ROMA members could offer insight on the ripple effects of the forces affecting urban housing markets on rural housing markets, and suggest mechanisms that might accomplish the Task Force's end in rural areas.

Build "Local" Supply Chains for Materials, Logistics and Skilled Labour

- Encourage business/trade associations, economic development officers and the provincial Ministry of Economic Development, Job Creation and Trade to create an online directory for businesses with production facilities in Ontario that can (or could) expand production of finished materials, parts and construction components that are most contributing to construction project delays and/or rapidly increasing costs. Opportunities to move significant volumes of construction materials from other provinces to job sites might also be considered.
- Work with the Province to expand programs to bring recently-retired skilled trades workers back into the labour market on a short-term basis to complete small housing developments or housing for vulnerable populations.

Recommendation 16: That ROMA work with the Province on a broader strategy that encompasses housing availability and affordability, including reviewing municipal and provincial processes and regulations, pursuing opportunities to increase in-province supply of materials and components, and accelerating the availability of the construction and trades labour force. ROMA welcomes the attention being paid to housing through the creation of the Premier's Task Force on Affordable Housing and

believes that a broader conversation is in order, particularly one that includes direct municipal representation, and consideration of measures that may be more appropriate for rural areas.

Recommendation 17: That ROMA advocate to the Province for a range of funding and financing options and incentives that would help rural municipalities address the full breadth of housing needs in their communities, including but not limited to affordable and attainable housing --- whether for ownership or rent. Example: housing well-suited to youth, seniors downsizing from larger family homes, or immigrants seeking their first home as they get settled in a new community.

9 A Stronger Role for Rural Municipalities

9.1 Municipalities as Primary Service Delivery Agents

Even before COVID-19, municipalities were --- and still are --- primary delivery agents for many provincial programs. Those responsibilities accelerated during the period of greatest challenge due to COVID and remain in force today.

- In some cases, the additional responsibilities arose from municipal governments' direct role in managing programs and services (ex. long term care, paramedic services, some forms of housing). In other cases (mental health issues, addictions), municipalities were expected to act "by default" --- there was, nor is there yet --- provincial capacity to address these issues. Rural Ontario municipalities became "case managers by default". In other cases, municipalities needed to move quickly to implement protocols and communicate with the public and facility user groups about the protocols in place at any point in time.

- There have also been times when the Province needed to engage organizations beyond Ministry of Health-directed/funded services (ex. hospitals and primary care centres) for widespread testing, vaccine rollout, enforcement services). Often municipalities played some role in assisting with organization and roll-out "on the ground" for all aspects of COVID-19 support.

- The Province's reliance on municipal infrastructure and organizational capacity alongside Public Health is worth noting (long-term care, testing in pharmacies, mass vaccination clinics using municipal facilities; municipal collaboration with Health Units re: enforcing protocols and communications with citizens).

- Finally, municipal governments are significant employers in many Rural Ontario communities and are sought out by other employers to gain a better understanding of how best to work with employees on adherence to protocols. Many municipalities found creative ways to redeploy staff who were precluded from "coming into the office as usual". These experiences are worth consolidating and sharing.

If COVID-19 persists for the foreseeable future --- and the consensus view of public health experts suggest that it will --- now would be a good time to re-examine the ways in which municipal and provincial governments work together to deliver the services that Ontarians expect and deserve. Municipal governments' role in Ontario's successes to date should be recognized, built into ongoing working relationships and incorporated into ongoing financial arrangements.

9.2 Better Ways to Provide/Maintain Infrastructure

The challenges rural municipal governments face in providing and maintaining vital infrastructure are long-standing. If Rural Ontario is to prosper in a post-COVID world and deliver on its potential to serve the provincial economy, the ways in which infrastructure is planned, funded or financed, and maintained must change. ROMA congratulates the Province of Ontario for recognizing this in the Fall Economic Statement and in particular in designing and implementing an Infrastructure Index as a mechanism for calculating Ontario Community Infrastructure Funding (targeted to municipalities with populations less than 100,000 as well as northern and rural municipalities). There is, of course, more to be done…

- **Find New Ways to Address Transportation Infrastructure Needs**: given that transportation infrastructure is often the single largest expenditure in most rural municipalities' capital and operating budgets, the limited financial resources of rural municipalities (including but not limited to overwhelming reliance on residential tax assessment) make maintenance and new construction challenging.
- **Use long-term funding arrangements** that bear relationship to the normal lifespan of capital assets. These should be put in place to provide much greater (multi-year) predictability for municipalities budgeting and investment purposes. The approach to Ontario Community Infrastructure Fund allocations for 2022 and beyond bodes well for greater predictability since it is a) based on documented assets under management (at cost in the Financial Information Returns), b) does not require annual applications (but does require provision of planning and reporting documents), c) includes a minimum guarantee of at least $100,000 in funding, and d) allows municipalities to accumulate funds for up to five years for larger infrastructure projects.
- **Clarify Asset Management Plan expectations:** Given the importance of Asset Management Plans to capital investment and funding decisions amongst the orders of government, rural municipalities would benefit from greater clarity on provincial guidance on expectations. To ensure that municipalities can capitalize fully on infrastructure funding opportunities, the Province could articulate a set of standards that any asset management plan should meet, including the criteria to be used to determine funding levels. ROMA understands that the Province is working on this type of guidance with projected availability in 2024. Accelerating this work would enable municipalities to move forward more quickly with vital infrastructure projects.
- **Find Better Ways to Support Rural Transportation:** Across most of Rural Ontario, conventional transit options to help people get back and forth to work or school, or to get to medical or other appointments, are simply not financially sustainable. Other transportation options such as ride-sharing services, car-sharing and other digitally-enabled transportation services have now emerged and may hold promise for Rural Ontario. ROMA encourages the Province to work with municipalities and other stakeholders in Rural Ontario to find better ways to support rural transportation.

- **Address the Challenges of Long-Term Care.** While ROMA acknowledges and appreciates the Province's ongoing commitment to bringing 30,000 additional long-term care beds into the sector, the quality of services everyone wants and deserves will not be possible without addressing three other factors (funding formulae for operating costs, staffing, and expectations for increased levels of direct care). These issues are delineated in more detail on page 65.

Recommendation 5: That ROMA acknowledges the Province's recent efforts to adjust infrastructure funding mechanisms (particularly through the Ontario Community Infrastructure Fund) to reflect the challenges and needs of smaller municipalities, and expresses its willingness to work with the Province to either finetune or extend the approach taken to OCIF in other areas of funding.

Recommendation 6: That ROMA encourage the Ministry of Infrastructure to provide guidance on the approach to be taken to evaluating Asset Management Plans and the qualitative standards for the Plans to be submitted to the Province in support of Ontario Community Infrastructure Funding

9.3 Being Engaged on 'Next Generation' Transportation

Because rural municipalities are striving to get 'ahead of the curve" on 'next generation' transportation opportunities (on-demand services, Connected/Autonomous Vehicles, electrification of transportation), ROMA believes there is an opportunity to work with the Province and OGRA to ensure that rural communities are engaged early in any transition or regulatory processes. Rural municipalities are also keenly interested in policy development related to services such as Uber, Lyft and ridesharing platforms. In particular, municipalities are interested in the steps that should be taken 'now' to prepare transportation infrastructure for the advent of these new service options in the years to come.

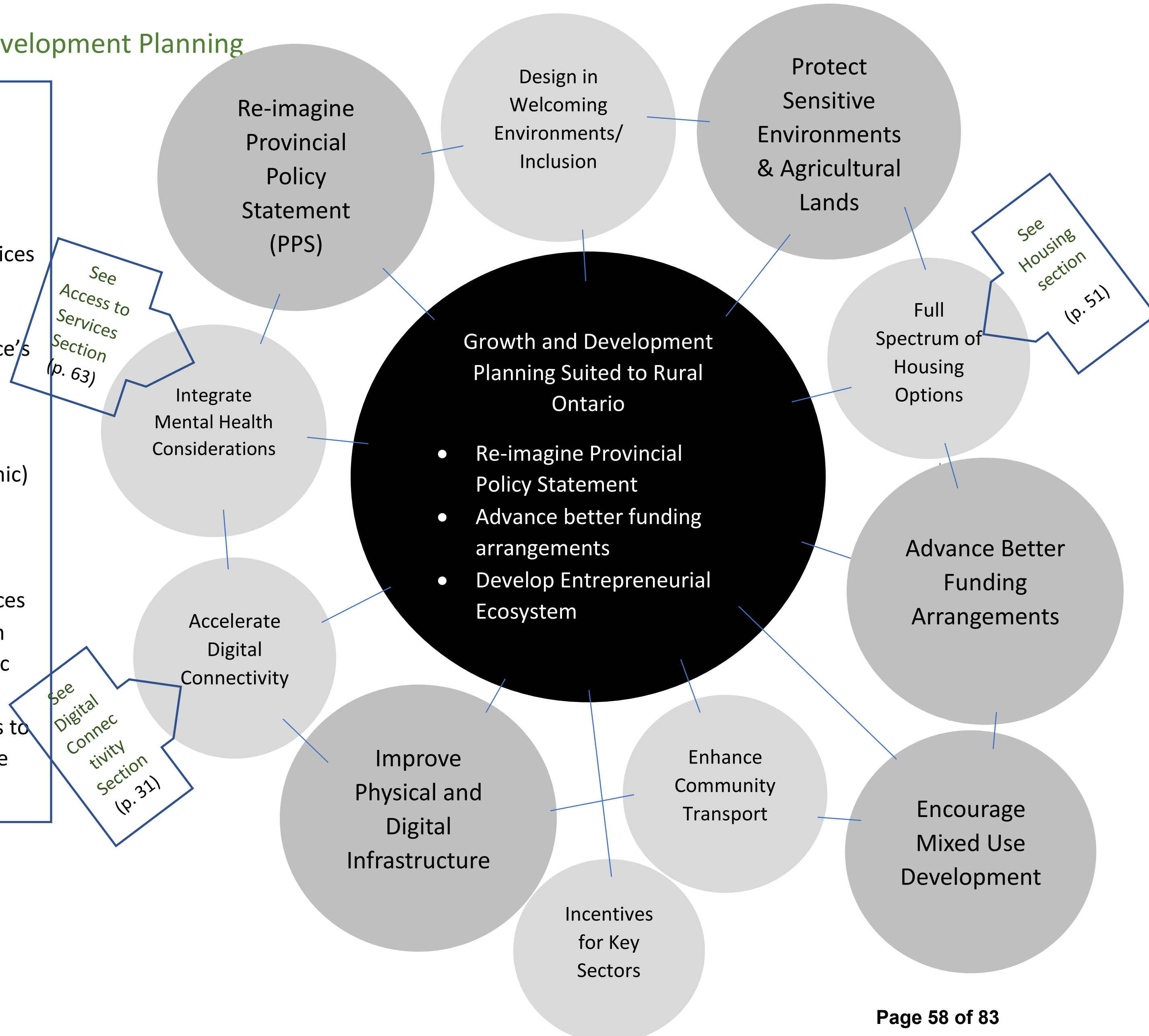
Recommendation 8: That ROMA work with its members, the Province of Ontario, Good Roads (formerly as Ontario Good Roads Association), technology and platform providers, and the private sector to ensure that transportation infrastructure begins to build in the capabilities to support electric and Connected Autonomous Vehicles (CAVs).

Growth and Development Planning Goal: To achieve better, more cost-effective public services (including those offered by municipalities) by rethinking service delivery models and funding arrangements.

9. 4 The Plan for Growth and Development Planning

Why Growth and Development Planning Matters:

- Processes either accelerate or constrain municipalities' ability to address housing and access to services
- As constructed, Provincial Policy Statement limits Rural Ontario's ability to contribute fully to province's recovery and growth
- Revised funding formulae would enable municipalities to better address long-standing (pre-pandemic) service issues
- Rural areas need latitude to make growth and development choices based on local needs and preferences
- Building entrepreneurial ecosystem offers spark for long-term economic and social health
- Local choices provide opportunities to create unique, inviting and inclusive environments for newcomers



9.5 Recommended Solutions for Growth and Development Planning

Examples of actions that might be taken to pursue the opportunities outlined for Growth and Development Planning include:

Re-imagine the Provincial Policy Statement

- **Permit development of residential, commercial and industrial properties outside of settlement areas without requiring a comprehensive review**. The Statement acknowledges that "*Ontario's settlement areas vary significantly in terms of size, density, population, economic activity, diversity and intensity of land uses, service levels, and types of infrastructure available*" and that "*it is in the interest of all communities to use land and resources wisely…*" (Section 1.1.3) However subsequent sections of the Statement are prescriptive on how best to address development pressures, including:
  - A strong emphasis on intensification and redevelopment within built-up areas, including provincial targets "representing the minimum target for affected areas" (those with targets established through provincial plans).
  - Focusing new development in designated growth areas (which may not exist in Rural Ontario) and linked to intensification and redevelopment targets.
  - An expectation of "timely provision of the infrastructure and public service facilities required to meet current and projected needs".
  - Identification of a settlement area or expansion of a settlement area boundary "only at the time of a comprehensive review" and only when certain other conditions have been met.

  From a Rural Ontario perspective, the "notwithstanding" clause (1.1.3.9) does not address the most challenging aspects of the Statement (intensification and redevelopment targets and servicing capacity). Preservation of prime agricultural areas, referenced in multiple sections of the Statement, is in the interest of Rural Ontario municipalities and ROMA fully supports inclusion of related references in the Provincial Policy Statement.

- **Broaden the permitted uses of rural lands to include a wider range of business types** (beyond "home occupations and home industries" --- 1.1.5.2) including health and social services, education and training facilities, co-working facilities, professional services firms, light manufacturing or other non-agricultural production that could serve regional or provincial supply chains. These developments could make use of different types of infrastructure --- particularly servicing --- while still achieving the same goals of environmental protection and efficient investments.

- **Incorporate direct reference to "alternative solutions" or "compliance alternatives" (as described in the Ontario Building Code) in the Provincial Policy Statement** to assist developers, builders and municipal building inspectors in rural areas expedite permitting or construction-related matters. These may be most helpful in areas that could use new environmental technologies instead of wastewater and/or sewage systems that are commonplace in urban environments. (OBC reference: Article 1.2.1.1. Part A of the Ontario Building Code).
- **Acknowledge the challenges of providing "transit" in settlement areas --- and elsewhere --- in Rural Ontario.** New business models such as ride-sharing services, on-demand transportation, and car-sharing services mean that conventional transit is far from the only mobility option for rural areas. The Provincial Policy Statement should acknowledge other options in cases where conventional public transit will not meet the financial sustainability test even with significant settlement area growth.

Protect Sensitive Environments and Agricultural Lands

- **The natural environment is key to both the lifestyle appeal and economic health of Rural Ontario**. Rural municipalities have a vested interest in ensuring that sensitive environments continue to be protected and that development that could affect them is carefully considered. Active discussions with Indigenous Communities should also be part of any deliberations with clarification and fulfilment of "duty to consult" being considered the minimum standard.
- **Work with the Province to ensure that municipalities are engaged in decisions related to uses of Crown lands or other natural resources**. Municipalities are responsible for operating and maintaining much of the transportation infrastructure and emergency response services relied upon by those who access these lands.
- **ROMA supports the protection of agricultural lands, considering them vital resources from which springs the food and other crops on which much of the province depends. Based almost exclusively in rural and remote Ontario, agriculture is a cornerstone of the Ontario economy and a strategic resource for the entire province.** ROMA believes the time is right for a proactive approach to supplying more of the food and related products that are in jeopardy due to global supply chain issues. Supplying more of these goods "locally" should, in ROMA's view, be part of a provincial resilience strategy.

Advance Better Funding Arrangements

- **Work with the provincial and federal governments to either refine or extend funding arrangements for physical infrastructure**, based on the Infrastructure Index approach recently put forward by the Province. ROMA would support the extension of this type of approach to other areas of funding where spatial considerations and physical assets are involved.
- **Digital infrastructure is now an essential service and must be considered separately from other types of infrastructure** (ex. transportation, environmental services). Please see pages 32 for examples of actions to improve digital infrastructure and related connectivity.

Encourage Mixed Use Development

- **Develop "neighbourhoods" --- whether in settlement areas or not ----** that combine different forms of housing, small enterprise workplaces, stores for essentials (ex. food, pharmacy), co-working facilities, bed and breakfast accommodations, doctors' offices, and other medical or social service establishments). This approach could help to reduce social isolation as well as improve access to services. Some of the facilities in these neighbourhoods might also be used for training and skills development either on-site or virtually.
- **Zoning bylaws could be developed to accommodate smaller, less expensive housing** (such as tiny homes) or other buildings that are self-contained from a servicing perspective and may be attractive to residents wishing to downsize or new arrivals making a conscious choice about lifestyle and environmental footprint. Still others may simply find this type of living easier to manage on a fixed income. Enabling policies could be considered that encourage apartments above shops or secondary suites in large homes, look for creative solutions for parking, encourage home-based businesses, or scale development charges or building permits to incentivize the desired type of housing.

Recommendation 18: That ROMA advocate with the Province for review of the Provincial Policy Statement to either clarify or modify the Statement to ensure that the legitimate development aspirations of Rural Ontario are not constrained by outmoded views of the economic and social potential of Rural Ontario.

Develop Entrepreneurial Ecosystem

- **Work with colleges, universities, entrepreneurs, investors and innovative businesses** to create gathering spaces (physical or online) through which entrepreneurship, business start-ups and new products and services can be brought to market from Rural Ontario. These "spaces" could provide access to equipment, tools or expertise available in partner organizations, enabling innovators and entrepreneurs to undertake early development work "close to home" at least in early stages of development. Digital connectivity will be key to success with these kinds of ventures since it supports collaborations that were formerly only possible among those who lived and worked in the same community.
- **Apply the ecosystem concept to local healthcare and social** services to provide physical focal points for provincial institutions and local agencies delivering services in a particular area, and reducing the need for rural residents to travel long distances to access services. (*See the Access to Services Section*).

Recommendation 19: That ROMA encourage economic developers, colleges, universities, entrepreneurs, investors and innovative businesses create gathering spaces (physical or virtual) through which innovations can be brought to market from Rural Ontario.

9.6 Improve Access to Services

Through the course of consultations and its own discussions, ROMA has identified multiple opportunities to improve access to services across Rural Ontario. At present, rural residents often do not have access to the same services or the same level of service available in other parts of the province. Sometimes this is the result of geographic distance; in other cases, it is the result of relatively low service volumes that make the service difficult to sustain financially. ROMA believes there are at least five strategies that could be used to make service provision more equitable for rural residents:

- **Review key provincial policy documents** (such as the Provincial Policy Statement) to remove unnecessary constraints on provincial or local agencies (or municipalities) and acknowledge the service aspirations of rural citizens
- **Apply the ecosystem concept to local healthcare and social** services at a community or regional level to provide physical focal points for provincial institutions and local agencies delivering services in a particular area, and reducing the need for rural residents to travel long distances to access services. Whether by co-location or shared services, closer collaboration could help organizations increase service availability and encourage appropriate information-sharing among agencies.
- **Collaborate more closely across community-based, municipal, provincial and often federal services** to maximize impact and reduce prospects for either gaps or duplication of service (example: Community Paramedicine).
- **Rethink the way specific services are funded**, to ensure that these mechanisms and formulae are robust enough to serve all stakeholders well into the future (example: Long Term Care).
- **Seek opportunities to deploy technology** to expand and improve services, whether to reach across long distances to keep in touch with clients or patients or to empower citizens to be proactive in reaching out for assistance.

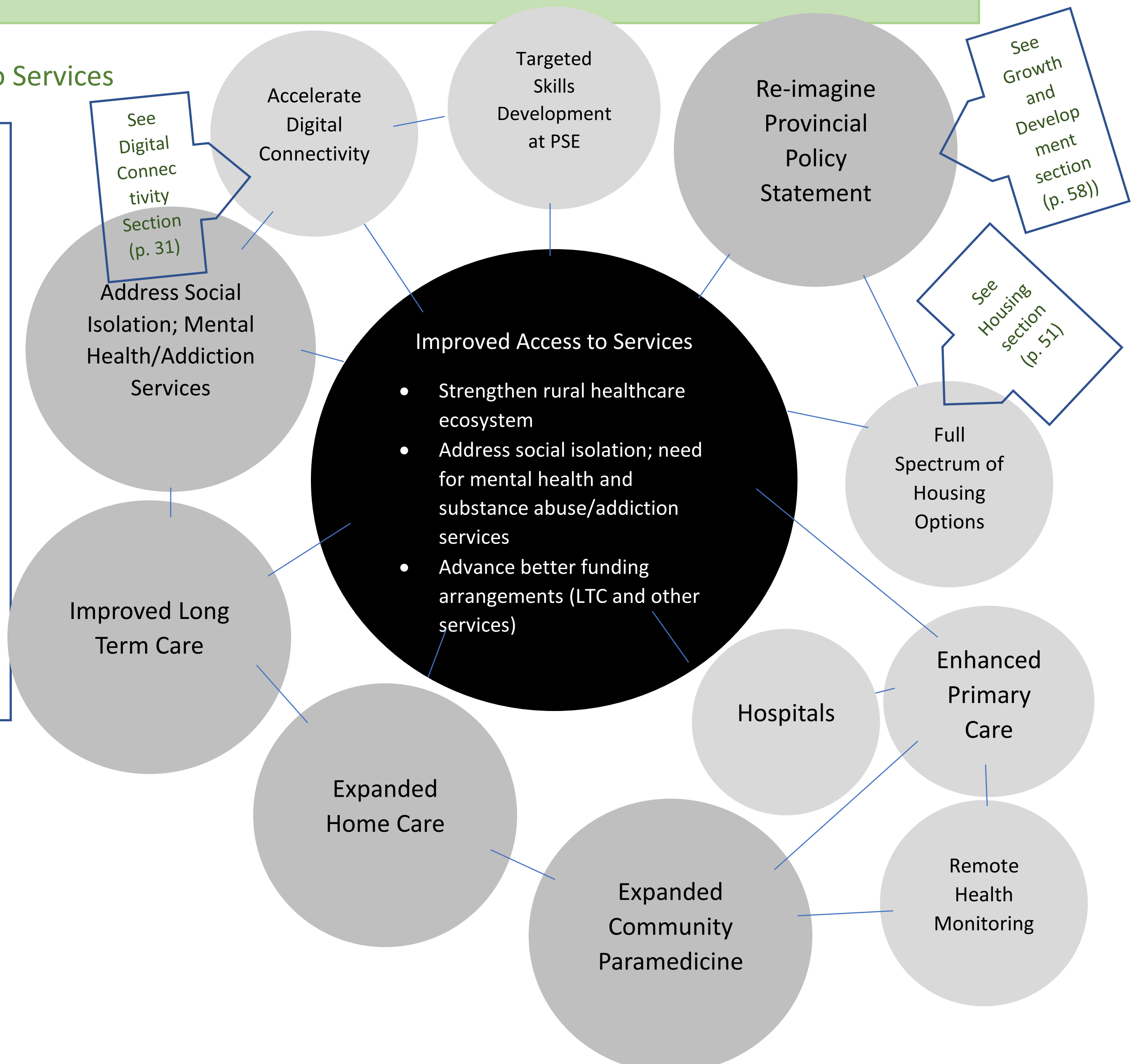
The following section outlines specific opportunities that ROMA wishes to pursue. ROMA is aware of several provincial initiatives (such as Ontario Health Teams) that are seeking the same ends. ROMA is also aware of recent provincial announcements on matters such as long-term care and is eager to work with the Province to address these ongoing challenges.

Access to Services Goal: To improve access to public services (including those offered by municipalities) by rethinking service delivery models and funding arrangements).

9.7 The Plan for Improved Access to Services

Why Improved Access to Services Matters:

- Enables municipal governments to address planning issues that support services
- Ensures that all components of healthcare ecosystem are addressed
- Addresses long-standing local gaps in housing (ex. rentals)
- Acknowledges need to address social isolation and expand mental health services in Rural Ontario
- Leverages digital connectivity for resident outreach
- Leverages prior investments in colleges with campuses in rural areas



9.8 Recommended Solutions for Improved Access to Services

Examples of actions that might be taken to pursue the opportunities associated with Access to Services page include:

Reimagine the Provincial Policy Statement

- **Broaden the permitted uses of rural lands to encourage a wider range of service types in rural areas** (beyond "home occupations and home industries" --- 1.1.5.2) including health and social services, EMS and first responder services, education and training facilities, co-working facilities, and professional services firms. There is an opportunity to encourage rural municipalities (or rural areas within large urban centres) to use planning tools to make vital services easier to access close to home (or work) as is the articulated vision of the Province's approach to the creation of Ontario Health Teams ("*a new way of organizing and delivering care that is more connected to patients in their local communities*".)

  Other planning matters related to the Provincial Policy Statement are addressed in the previous section on Growth and Development Planning (page 58).

Recognize and Develop Local Healthcare Ecosystems

- **Support (with policy and funding) the development/evolution of local healthcare and social service ecosystems**. Locally-coordinated networks of services such as primary care, expanded home care, mental health and addictions services, expanded community paramedicine and long-term care can help to maintain the health of rural residents and reduce demand for hospital services. ROMA believes that there is a need to expand support particularly for recruitment of primary care physicians and associated professionals, as well as community paramedicine, and counselling services for those with mental health or addictions challenges. In particular, because counselling service options are currently limited, municipalities have been attempting to respond to unmet needs for these services, laid bare by the COVID-19 pandemic. ROMA would work with the Province to advance better funding arrangements for these services.

Recommendation 20: That ROMA advocate with the Province for the development of healthcare and social service ecosystems in rural areas to serve as base stations for rapid response to community needs as they evolve over time. In particular, ROMA seeks discussions with the Province to determine how best to ensure that sufficient levels of mental health and substance abuse/addictions services are available "on the ground" in Rural Ontario.

- **Work with the Province to implement comprehensive Community Paramedicine.** ROMA welcomes the Province of Ontario announcement (October 22, 2021) regarding expansion of the Community Paramedicine program, and signals its interest in ensuring that funding arrangements make this service equitably accessible to rural seniors (given the distances required to reach them and the paucity of transportation services in rural areas).

ROMA believes that remote health monitoring technologies and non-urgent transportation services (to primary care physician offices) could be useful and cost-effective complements to the Community Paramedicine program. Further, ROMA suggests that these options would be useful additions/supplements to home care services provided to clients who are not seniors but have chronic conditions limiting their mobility.

Recommendation 21: That ROMA work with the Province as well as Paramedic Services serving Rural Ontario, to support the expansion of Community Paramedicine into rural areas, serving seniors and/or other residents with similar health and mobility issues.

Guiding Long-Term Care Through an Upcoming Tumultuous Period

- **Work with the Province to implement improvements to Long Term Care (LTC), including better funding arrangements.** Because upper and single tier municipalities in Rural Ontario are responsible for a large share of long-term care facilities and services, ROMA seeks direct and ongoing engagement on provincial measures to address the challenges in this sector.

  While congratulating the Province on continued commitment to additional long-term care beds and other long-term care related initiatives, ROMA wishes to underscore the importance of *well-coordinated attention* to:
  - Construction of additional facilities/more beds in Rural Ontario or nearby urban areas.
  - Workforce development plans to staff both new and existing beds. Just as important as increased beds is the need for the Province to engage with the municipal long-term care sector to develop and implement a plan to address not just current staffing shortages. Most if not all rural counties are 24/7 recruiters for their long-term care homes; they must also recruit, train and retain the additional staff that will be needed as the 30,000 new beds become operational.
  - Moving to four hours a day direct service (per resident), which increases staffing requirements significantly, and
  - Improved/expanded operational funding for long-term care facilities that reflect the preceding changes.

  The complicated formula for determining funding to municipalities for operating long-term care facilities needs to be simplified. This would have several benefits. First, doing so would save LTC home operators significant time in administration --- time that might be better spent delivering service to residents.

  Secondly, simplifying the funding formula offers an opportunity to adopt a forward-looking perspective in long-term care funding. Currently, “next year’s funding is based on previous years’ operating experience. Given the dramatic reduction in the average length of stay of an LTC resident (some reports suggest the length of stay has declined from five years to less than two), funding formulae should better reflect “tomorrow’s” operating conditions not “yesterday’s”. At minimum, funding commitments from the Province must be known much faster and should be based on the profile of the *current* resident population as well as taking into account future developments to further improve quality of care.

- **Rethink the Case Mix Index (CMI) approach to long-term care funding**. In the long-term care sector, the CMI is a numeric value assigned to a long-term care home and is used as a measure of the average care requirements of residents in the home. The CMI directly affects the per resident funding for the home because it is used to determine the Base Level of Care Per Diem for the Nursing and Personal Care portion of the funding formula. This may have made sense in an era where both the level of care for residents and expectations for the amount of personal care for each resident were relatively stable. In recent years however, neither of those conditions is being met. There is an urgent need to rethink the CMI approach to funding and develop one that better reflects the environment in which long-term care facilities operate. There are four reasons behind this recommendation.

  1. CMI values being applied to “next year’s” funding are based on the care needs of residents who were residents in the long-term care home as long as two years ago. With the average length of stay in long-term care dropping to under two years (even before the pandemic), the CMI no longer reflects the care needs of the home’s *current* residents let alone those of the future. The pandemic has also increased care costs; these are likely to be required for several years if not longer. In short, a pre-pandemic formula is no longer appropriate.

  2. Over time, the level of care required for most residents of long-term care homes has increased significantly. More residents are experiencing dementia, need much more assistance with basic physical mobility, and have multiple health conditions requiring medical management. These are exactly the types of changes that require more nursing and personal care. Backward-looking CMI values are effectively under-funding today’s residents. This means that long-term care home operators --- many of which are run by municipalities --- cannot afford to staff their facilities at the levels required by current residents. Because aging in place strategies are quite appropriately keeping older members of the community in their homes longer, the average level of care for long-term care residents is likely to continue to escalate.

  3. In November 2020, the Province announced that it would be mandating an average of four hours of direct care for each long-term care resident with “hard targets set over the next four years to achieve this standard by 2024-2025.” While a welcome initiative from a quality of care perspective, the new standard poses a near-term challenge for home operators. Fulfilling the four-hour standard relies on personal support workers, registered practical nurses and registered nurses --- all of whom were in short supply even before the COVID-19 pandemic. The staffing shortage is accentuated by the heightened competition for the same workers by home care services, hospitals and long-term care homes. Even if long-term care home operators are able to recruit sufficient numbers of staff to fulfill the four-hour mandate, provincial funding formulae

may not increase funding to pay these valuable members of staff for another two years. The new standard needs to be reflected in funding allocations immediately.

4. Given the intended introduction of targets for meeting the four-hour standard, and the staffing challenges likely to persist for several years, funding formulae that exact financial penalties on long-term care operators that do not meet new targets due to staffing shortages is counterproductive. Instead, the Province should redesign its approach to funding to support operators in achieving the targets and the associated quality of care to which both the Province and the operators aspire.

Taken together, these reasons underpin ROMA's call for an overhaul of the Province's approach to funding long-term care to put greater emphasis to reflect where the long-term care sector is going rather than where it has been.

Recommendation 22: That ROMA advocate with the Province of Ontario for a specific collaborative approach between the Province and municipalities with long-term care responsibilities to ensure that the (positive) changes being undertaken by the Province are introduced in an integrated way, that is mindful of the multiple, simultaneous challenges facing the sector.

Recommendation 23: That ROMA work with the Province to overhaul the formulae/algorithm by which Long Term Care is funded to ensure that it reflects the growing demand for care for high-need residents and provides incentives for care that maximizes residents' quality of life.

Undertake targeted skills development and training opportunities in Rural Ontario

- **Work with the Province and post-secondary education institutions to undertake targeted skills development and training** to support key public services. Like much of the rest of the province, Rural Ontario is experiencing serious workforce shortages that, left unaddressed, threaten to limit provision of services to rural residents, and constrain economic recovery and growth. Many of these services are provided by municipal governments. Examples include building inspection, bylaw enforcement, occupations in long-term care, multiple occupations in municipal operations/public works. ROMA proposes a trilateral working group (province, municipalities, PSE institutions) to understand and respond to these shortages. Please see page 39 for examples of action on labour force opportunities.

Develop a full spectrum of housing options

- Amid a period of unprecedented changes in where and how Ontario residents work, and where they choose to live, ROMA sees an urgent need to ensure that a full spectrum of housing options is affordable and available to residents of Rural Ontario regardless of income or stage in life. ROMA strongly supports the appointment of the Housing Affordability Task Force and anticipates extensive opportunity for consultation on exploration of measures to address housing affordability and availability in Rural Ontario. While affordability of home ownership has deteriorated in rural areas, ROMA is particularly concerned about the ongoing shortage of rental housing in rural areas and the need to stimulate the development of a full spectrum of housing options including but not limited to traditional single-family dwellings. Please see page 51 for examples of action on housing opportunities.

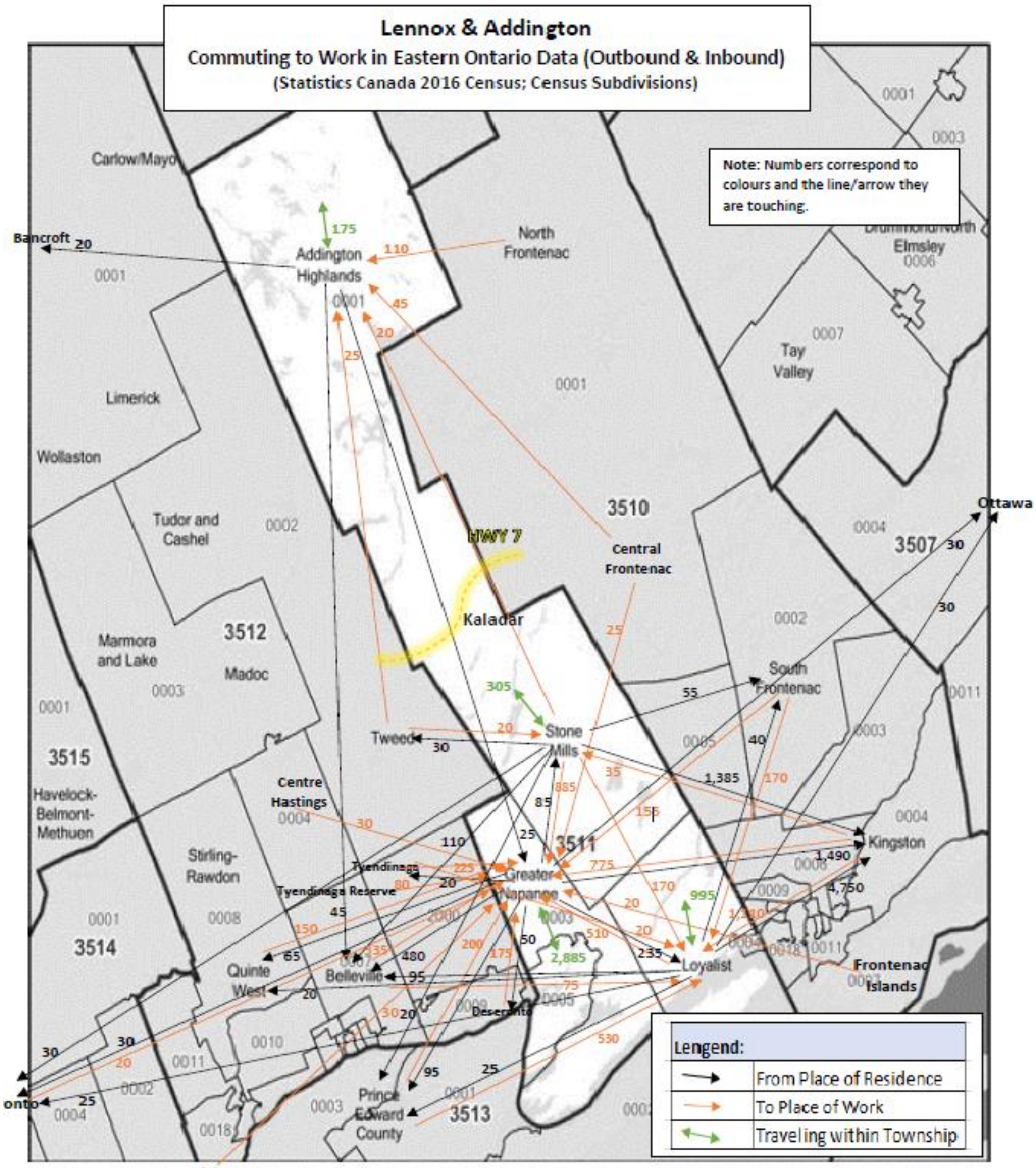
Accelerate digital connectivity

- High-speed internet and mobile broadband/cellular services are key to service improvements in Rural Ontario, including community paramedicine, virtual consultations in healthcare and social services, and reducing social isolation both within and outside of long-term care. Please see page 32 for examples of actions that might be taken on digital connectivity generally.

Appendices

Appendix A:

Example of Network Model Mapping Applied to Commuting in One Rural Ontario County



Brighton

Source: Statistics Canada (Census 2016). Journey to Work, 2- Commuting Flow from Geography of Residence to Geography of Work- Census Divisions: Sex (3) for the Employed Labour Force Aged 15 Years and Over Having a Usual Place of Work, in Private Households. #2.1 98-400-X2016391 Census Divisions.

Appendix B:

Defining "Rural Ontario"

Definitions of "rural" generate vigorous and useful debate. In Canada, the prevailing definition of "rural" is areas that are not a Census Metropolitan Area (CMA) or Census Agglomeration (CA) (see inset box for definition). This approach uses commuting patterns as a proxy for economic integration; this aspect of the definition Is similar to the analysis carried out on [Commuting Zones and Labor Market Areas in the U.S.](#)*[2000],* that sought to capture "the economic and social diversity of nonmetro areas." The rationale was based on the assertion that *"what we know about this heterogeneity is based largely on data for counties. This means that our understanding of nonmetro diversity comes from data on arbitrary political units."* In other words, the focus on developing Commuting Zones and Labor Market Areas was intended to address the observation that *"A local economy and its labor market are bounded not by the nearest county line, but by interrelationships between buyers and sellers of labor."*

> ***"A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a population centre (known as the core). A CMA must have a total population of at least 100,000 of which 50,000 or more must live in the core. A CA must have a core population of at least 10,000. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the core, as measured by commuting flows derived from previous census place of work data.***
>
> Source: https://www150.statcan.gc.ca/n1/pub/92-195-x/2011001/geo/cma-rmr/def-eng.htm

In 1990, the U.S. defined "741 commuting zones for all U.S. counties and county equivalents. These commuting zones were developed without regard to a minimum population threshold and are intended to be a spatial measure of the local labor market." The commuting zones were aggregated into 394 labor market areas that met the Bureau of the Census's criterion of a 100,000 population minimum. The rationale for aggregating these zones was to obtain an earlier Census Public Use Microdata Sample that identifies labor market areas in which individuals work. The CZs and LMAs were classified by the population of the largest cities within each of them. By 2000, labor market areas were no longer being estimated because "*many researchers found them to be too large and not as useful as commuting zones*."

In developing the Canadian version of Commuting Zones, Statistics Canada used 2006 Census Metropolitan Areas and Census Agglomerations (later updated with 2011 Census/National Household Survey data to propose a method of classifying "Self-Contained Labour Areas" by degree of rurality. The definition of self-containment has two parts: a) the percentage of area jobs that are filled by area residents, and b) the percentage of area residents that have jobs in the area. In other words, how many of the available jobs in a CSD are filled by local residents and how many of the local residents stay in the area to work?

The intent of this approach was to group together areas based on the **reciprocal strength** of the commuting ties between them (emphasis added). The equation to calculate this reciprocal strength was drawn OECD studies and travel-to-work area calculations in the U.K (specific citations to be determined). [Source: *Operationalizing 'Self-contained Labour Areas' as a potential standard geography for disseminating Statistics Canada data*, Alessandro Alasia, Centre for Special Business Projects, Canadian Rural Revitalization Foundation, 2016 Conference, Guelph, October 13, 2016] The description of the OECD methodology refers to delineating functional areas "in all types of territories based on **multi-directional flow data**" (emphasis added).

The Statistics Canada clustering algorithm generated 329 Self-Contained Labour Areas with the average SLA being 96% self-contained (the algorithm captured virtually all of the commuting interrelationships across CSDs), with a resident workforce of 36,000, a resident population of 89,000, and containing 11 geographically- contiguous CSDs. Note that some CSDs were not grouped into SLA because they were completely self-contained or had suppressed data due to small data samples.

There are 5,253 CSDs in Canada, 3,000 of which were included in the SLA geographic clusters. In Ontario, 40 SLAs were identified including 12,851,821 people (2011). Note that Saskatchewan has 67 SLAs, Quebec has 61 SLAs and British Columbia has 55.

The most recent previous analysis (2011) generated 336 SLAs across the country. Roughly two-thirds (204 SLAs) were considered self-contained without considering CSDs within a CMA/CA; 108 SLAs contain some CSDs in a CMA/CA and some that fall outside a CMA/CA. The balance (24) are entirely self-contained within a CMA/CA boundary.

> ***"There are between 197 and 229 self-contained labour areas that can be described as "rural self-contained labour areas" depending on the way "rural" is defined. "***
>
> ***"Again, depending on the "rural" definition used, 29% to 39% of rural Canadians reside in a rural self-contained labour area. However, the majority of rural residents reside and work in a labour market with some degree of connection to a larger urban centre."***
>
> Source: Self-Contained Labour Areas: A Proposed Delineation and Classification by Degree of Rurality, Rural and Small Town Canada Analysis Bulletin, Vol 8, No. 8 (December 2011)

Future improvements (contemplated in 2016) were to merge adjacent (previously defined) according to economic characteristics such as industry composition, and connectivity via road network information. There was also an expectation of user feedback/consultation. As Statistics Canada noted, "**As each self-contained labour area is (largely) self-contained in terms of workers and jobs, these areas may provide a useful delineation for understanding other issues which residents would have in common (such as the need for post-secondary institutions for health and recreational services**" (emphasis added). Source: Rural and Small Town Canada Analysis Bulletin, Vol. 8, No. 8., (December 2011); Statistics Canada; Anne Munro, Alessandro Alasia and Ray D. Bollman, Statistics Canada.

> ***Use of a somewhat arbitrarily-set population threshold to distinguish between urban and rural areas effectively reclassifies many rural municipalities with separate governance structures (councils) into nearby urban areas. Using these classifications in policy-related statistical analyses can lead to misunderstanding of economic and social patterns, capabilities and service needs.***

Appendix C: Data Provided by Rural Ontario Institute

Employment by Sector in Rural Ontario

NAICS	Description	2019 Jobs	2021 Jobs	2019 - 2021 Change	2019 - 2021 % Change	Avg. Wages Per Job	2021 Location Quotient
55	Management of companies and enterprises	1,454	1,778	324	22%	$53,196	0.24
11	Agriculture, forestry, fishing and hunting	33,580	32,861	(720)	(2%)	$32,280	2.55
21	Mining, quarrying, and oil and gas extraction	14,739	15,332	593	4%	$86,440	1.29
22	Utilities	19,013	17,984	(1,029)	(5%)	$104,084	2.30
23	Construction	89,074	88,441	(633)	(1%)	$62,910	1.35
31-33	Manufacturing	155,959	144,690	(11,269)	(7%)	$60,926	1.52
41	Wholesale trade	46,347	44,597	(1,750)	(4%)	$61,417	0.89
44-45	Retail trade	131,676	129,107	(2,569)	(2%)	$28,444	1.06
48-49	Transportation and warehousing	45,322	43,547	(1,775)	(4%)	$52,625	0.90
51	Information and cultural industries	10,829	10,134	(695)	(6%)	$56,316	0.46
52	Finance and insurance	22,528	23,338	810	4%	$51,677	0.49
53	Real estate and rental and leasing	12,260	10,299	(1,961)	(16%)	$44,541	0.64
54	Professional, scientific and technical services	35,822	36,313	491	1%	$63,251	0.57
56	Administrative and support, waste management, remediation	47,105	44,819	(2,285)	(5%)	$42,529	0.90
61	Educational services	69,078	66,242	(2,836)	(4%)	$64,057	0.80
62	Health care and social assistance	137,878	135,039	(2,839)	(2%)	$48,771	1.01
71	Arts, entertainment and recreation	23,502	15,743	(7,759)	(33%)	$32,422	1.21
72	Accommodation and food services	87,748	61,928	(25,819)	(29%)	$19,538	1.01
81	Other services (except public administration)	41,095	35,164	(5,931)	(14%)	$41,533	0.94
91	Public administration	78,991	71,176	(7,815)	(10%)	$68,168	0.90
X0	Unclassified	19,136	17,655	(1,481)	(8%)	$60,317	1.00
	Total	**1,123,136**	**1,046,188**	**(76,948)**	**(7%)**	**$51,425**	

Figure 7 - Source: EMSI Analyst 2021. These charts present data for Rural Ontario as defined by ROMA.

Production of Goods and Services in Rural Ontario

NAICS	Industry	Demand Supplied in Region	Exports	Total Production in Region
31-33	Manufacturing	$60,031,170,034	$92,263,094,404	$152,294,264,438
91	Public administration	$3,669,486,273	$15,763,100,948	$19,432,587,221
11	Agriculture, forestry, fishing and hunting	$8,245,264,751	$10,586,200,107	$18,831,464,859
22	Utilities	$3,965,518,211	$6,808,111,018	$10,773,629,230
62	Health care and social assistance	$7,342,657,913	$6,610,144,509	$13,952,802,422
21	Mining, quarrying, and oil and gas extraction	$3,697,060,367	$5,180,827,855	$8,877,888,221
23	Construction	$16,529,530,717	$4,600,910,569	$21,130,441,286
48-49	Transportation and warehousing	$6,178,515,818	$4,472,376,032	$10,650,891,850
61	Educational services	$3,584,629,209	$4,176,500,035	$7,761,129,244
41	Wholesale trade	$5,359,818,729	$3,564,535,031	$8,924,353,760
56	Administrative and support, waste management, remediati	$3,499,317,537	$2,348,798,778	$5,848,116,315
54	Professional, scientific and technical services	$4,501,052,566	$2,218,606,212	$6,719,658,779
72	Accommodation and food services	$4,716,355,601	$2,176,524,615	$6,892,880,216
44-45	Retail trade	$8,094,654,050	$1,877,731,281	$9,972,385,331
52	Finance and insurance	$3,732,474,675	$1,355,471,948	$5,087,946,623
81	Other services (except public administration)	$3,808,267,445	$1,095,795,400	$4,904,062,845
71	Arts, entertainment and recreation	$1,356,094,546	$847,342,171	$2,203,436,717
53	Real estate and rental and leasing	$4,021,513,880	$828,407,224	$4,849,921,104
51	Information and cultural industries	$1,719,961,833	$718,544,530	$2,438,506,363
55	Management of companies and enterprises	$99,326,351	$36,669,193	$135,995,545
	Total	**$154,152,670,505**	**$167,529,691,861**	**$321,682,362,366**

Figure 8 - Source: EMSI Analyst 2021. Total production in the region is defined as the sum of demand supplied within the region plus exports out of region. This analysis does not include the value of goods imported into the region. These charts present data for Rural Ontario as defined by ROMA.

Employment Locations by Size across Rural Ontario

NAICS Code	Description	1-4 Employees	5-9 Employees	10-19 Employees	20-49 Employees	50-99 Employees	100-199 Employees	200-499 Employees	500+ Employees	Indeterminate	Total
11	Agriculture, forestry, fishing and hunting	4,202	1,269	620	348	104	48	21	4	32,026	38,642
21	Mining, quarrying, and oil and gas extraction	85	88	54	50	20	8	10	12	255	582
22	Utilities	99	45	29	19	11	5	0	5	1,194	1,407
23	Construction	10,336	3,781	1,689	732	156	50	16	2	22,471	39,233
31-33	Manufacturing	1,775	940	686	667	319	197	102	35	4,270	8,991
41	Wholesale trade	1,591	787	572	372	82	28	6	4	3,642	7,084
44-45	Retail trade	4,586	3,078	2,300	1,202	412	171	43	0	9,510	21,302
48-49	Transportation and warehousing	3,020	558	410	318	123	58	18	3	8,998	13,506
51	Information and cultural industries	652	274	102	51	16	4	0	0	1,630	2,729
52	Finance and insurance	1,694	593	516	220	26	7	3	1	12,591	15,651
53	Real estate and rental and leasing	3,045	413	200	78	17	2	3	0	48,284	52,042
54	Professional, scientific and technical services	5,862	1,008	553	266	49	11	8	0	18,890	26,647
55	Management of companies and enterprises	120	48	36	45	27	9	2	4	2,002	2,293
56	Administrative and support, waste management and remediation	2,470	1,001	519	261	72	28	16	6	7,233	11,606
61	Educational services	403	191	123	65	22	9	11	27	1,872	2,723
62	Health care and social assistance	4,174	1,390	1,202	710	307	194	84	16	9,851	17,928
71	Arts, entertainment and recreation	704	308	252	210	68	23	3	0	3,325	4,893
72	Accommodation and food services	1,757	1,575	1,305	1,046	240	21	9	2	4,052	10,007
81	Other services (except public administration)	5,898	1,789	568	227	27	8	1	2	12,982	21,502
91	Public administration	34	31	54	150	113	86	39	14	36	557
X0	Unclassified	3,961	648	218	75	9	4	1	0	22,391	27,307
	Total	**56,468**	**19,815**	**12,008**	**7,112**	**2,220**	**971**	**396**	**137**	**227,505**	**326,632**

Figure 9 - Source: EMSI Analyst 2021. Note that indeterminate locations does not mean there is no income earned through that enterprise, only that there are no conventionally-hired employees.

Demand for Goods and Services Across Rural Ontario

NAICS	Demand for	Demand met In-region	% Demand met In-region	Demand met by Imports	% Demand met by Imports	Total Demand
31-33	Manufacturing	$60,031,170,034	46.5%	$69,135,940,008	53.5%	$129,167,110,042
21	Mining, quarrying, and oil and gas extraction	$3,697,060,367	25.0%	$11,093,617,341	75.0%	$14,790,677,708
11	Agriculture, forestry, fishing and hunting	$8,245,264,751	60.9%	$5,285,058,184	39.1%	$13,530,322,935
23	Construction	$16,529,530,717	76.3%	$5,132,232,924	23.7%	$21,661,763,640
91	Public administration	$3,669,486,273	18.1%	$16,625,702,196	81.9%	$20,295,188,469
62	Health care and social assistance	$7,342,657,913	49.4%	$7,510,400,550	50.6%	$14,853,058,462
48-49	Transportation and warehousing	$6,178,515,818	42.5%	$8,367,120,556	57.5%	$14,545,636,374
52	Finance and insurance	$3,732,474,675	27.0%	$10,114,697,801	73.0%	$13,847,172,476
41	Wholesale trade	$5,359,818,729	42.9%	$7,126,252,452	57.1%	$12,486,071,180
44-45	Retail trade	$8,094,654,050	67.8%	$3,847,463,513	32.2%	$11,942,117,563
54	Professional, scientific and technical services	$4,501,052,566	39.3%	$6,951,002,898	60.7%	$11,452,055,465
53	Real estate and rental and leasing	$4,021,513,880	35.4%	$7,337,471,157	64.6%	$11,358,985,037
61	Educational services	$3,584,629,209	38.4%	$5,752,058,120	61.6%	$9,336,687,329
72	Accommodation and food services	$4,716,355,601	60.6%	$3,067,069,021	39.4%	$7,783,424,623
51	Information and cultural industries	$1,719,961,833	27.1%	$4,628,983,704	72.9%	$6,348,945,537
81	Other services (except public administration)	$3,808,267,445	63.5%	$2,184,703,135	36.5%	$5,992,970,580
56	Administrative and support, waste management and remediation services	$3,499,317,537	61.6%	$2,179,939,520	38.4%	$5,679,257,057
22	Utilities	$3,965,518,211	73.8%	$1,408,067,221	26.2%	$5,373,585,432
71	Arts, entertainment and recreation	$1,356,094,546	62.1%	$828,328,544	37.9%	$2,184,423,090
55	Management of companies and enterprises	$99,326,351	12.7%	$680,274,357	87.3%	$779,600,709
	Total	**$154,152,670,505**	**46.2%**	**$179,256,383,202**	**53.8%**	**$333,409,053,707**

Figure 10 - Source: EMSI Analyst 2021. This chart shows total demand for goods and services in Rural Ontario, whether met by production/service delivery within the region or imported from outside the region.

Appendix D:

Factors Influencing Community Well-Being

Note: unless otherwise indicated, the bolded text represents indicators found in the Community Well-being Index. ROMA may wish to add others based on its own interpretation of well-being (examples: reduced waiting lists for affordable housing or admission to long-term care, percentage of the population with access to mobility/transportation services, percentage of population with access to a primary care physician, percentage of homes needing major repairs).

Domains of Community Well-being	Examples of Possible Actions To Address Aspects of Community Well-Being Where Rural Ontario Tends to Fare Less Well than Urban Areas
Community Vitality	• Continuing to build the already stronger **sense of belonging** to their communities and greater likelihood of **volunteering** for groups and organizations • Increasing Rural Ontario's capacity to provide **unpaid help** to those living on their own • Working with agencies and law enforcement to reduce the incidence of **severe crime** • Maintain or improve **feelings of safety** when walking alone after dark in their community
Democratic Engagement	• Maintain the relatively high percentage of the Rural Ontario population that **votes** in both provincial and federal election • Encourage all residents but particularly those in under-represented groups to **seek public office and leadership positions** in organizations outside of government
Education	• Work to improve the percentage of residents aged 25-29 to **complete high school** and go on to complete some form of higher education (college or university) and/or some form of skills training. • Improve students' progress on **socio-emotional skills**, and the amount of time each day that rural residents spend each day in **direct interactions with children** • Stimulate the development of more regulated centre-based **child care spaces**
Environment	• Encourage organizations in agriculture, forestry and other natural resources to further reduce the **environmental impacts** of their economic pursuits • Continue to enhance municipal services that protect **water quality** and deliver potable water to residents'

	homes and businesses; encourage cost-effective septic system health by the many rural residents responsible for providing their own services • Working to reduce the percentage of Rural Ontario residents that are facing **"energy poverty"** (spending 6 percent or more of after-tax income on home energy)
Healthy Populations	• Increasing the percentage of Rural Ontario residents who rate their **overall health** as very good or excellent • Work with health officials to reduce the percentage of citizens living with **health-related conditions** that affect their participation in activities (ex. physical mobility), the incidence of diabetes and daily or occasional smoking • Improve **access to healthcare services** for Rural Ontario residents thereby reducing the percentage of residents feeling that their healthcare needs are being met
Leisure and Culture	• Maintaining the "active" nature of Rural Ontario residents (percentage of residents who devote a higher percentage of time to **leisure activities** and to **arts and cultural activities**. • Maintaining the percentage of the population taking advantage of programs offered by **local libraries**
Living Standards	• Pursuing improved standing on **before-tax income** while retaining the relatively low percentage of residents **living in poverty** (2016) or spending 30% or more of their before-tax income **on shelter costs**, and reducing the percentage feeling moderately or severely **food insecure.** • Driving up Rural Ontario's relatively low **participation rate** • Maintaining the relatively low percentage of income on shelter costs
Time Use	• Reduce **"long-distance" commuting** for the share of the workforce facing that challenge • Stimulate economic development that will increase **regularity of work and/or flexible work hours**

Rural Ontario Municipal Association

Appendix E:

Summary of Consultations

In October 2021, ROMA invited more than 70 representatives of Rural Ontario organizations to take part in group virtual consultations. Participants attended from municipal, economic development and business, key economic sectors, and the social sector. In addition, an online survey extended the consultation opportunity to an even larger cross-section of organizational and sectoral leaders with nearly 250 responses. In both forms of consultation, participants reflected the geographic expanse of Rural Ontario. Highlights from the online survey (which closely mirrored the discussions in virtual group meetings) include:

- **Availability and cost of housing** was named by nearly 75 per cent of respondents as the most important challenge facing *residents* of Rural Ontario.

- **Finding and keeping employees** was named by roughly 85 per cent of respondents as the most important challenge facing *businesses* in Rural Ontario, with recovering financially from the lockdown not far behind at 69%.

- **Maintaining infrastructure** was named by 81 percent of respondents as the most important *operational* challenge facing municipal governments, with negotiating better funding arrangements not far behind at 66 per cent of responses.

- **Improving digital connectivity** and **addressing housing challenges** were named by just over 70 per cent of respondents as the most important *community development challenges* facing Rural Ontario.

The **biggest opportunities** for Rural Ontario were viewed as:

- Bringing **high-speed internet and mobile broadband services** up to standard (69 per cent), and
- Expanding the **range of housing options** (60 percent).

In open-ended responses, many comments were offered about the opportunities that better connectivity offers, and the sense that the pandemic had brought positive attributes of Rural Ontario into view (attributes that make it a great place to live, work and visit.

Note: neither the virtual discussions or the online survey was intended to gauge the sentiments of individual residents or households. The purpose of the consultations was to gather feedback from key leaders in Rural Ontario.

Appendix F:

Release Schedule – 2021 Census

Topic	Anticipated Release Date
• Population and dwelling counts	February 9, 2022
• Age • Sex at birth and gender • Type of dwelling	April 27, 2022
• Families, households and marital status • Canadian Military Experience • Income	July 13, 2022
• Language	August 17, 2022
• Indigenous peoples • Housing	September 21, 2022
• Immigration, place of birth and citizenship • Ethnocultural and religious diversity • Mobility and migration	October 26, 2022
• Education • Labour • Language at work • Commuting • Instruction in the official minority language	November 30, 2022

Further releases are anticipated with dates to be determined. These will "highlight additional themes and key findings in the data, and will offer more data tables, updates to data products, and analysis for selected data." Source: https://www12.statcan.gc.ca/census-recensement/2021/ref/prodserv/release-diffusion-eng.cfm

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Vacant as of January 17, 2022

Chris White, Zone 2
Mayor, Township of Guelph Eramosa

Lloyd Ferguson, Zone 3
Councillor, City of Hamilton

Allan Thompson, Past Chair, Zone 4
Mayor, Town of Caledon

Pam Sayne, Zone 5
Councillor, Township of Minden Hills

Kim Love, Zone 6
Mayor, Township of Madawaska Valley

Cameron Wales, Zone 7
Councillor, City of Brockville

Eli El-Chantiry, 1st Vice Chair, Zone 8
Councillor, City of Ottawa

Bill Vrebosch, Zone 9
Councillor, City of North Bay

Janet Hager, Zone 10
Councillor, Municipality of Red Lake

Peter Emon
Reeve, Town of Renfrew

Christa Lowry
Mayor, Municipality of Mississippi Mills

Sandra Datars Bere
City Manager, City of St. Thomas

AUTHOR/CONSULTANT

Kathryn Wood
President and CEO Pivotal Momentum Inc.