

Rural Economic Development (RED) Program

What is it?

A financial support program to help rural communities thrive and grow. It supports projects -- including food processing projects -- that remove barriers to community development and economic growth. Under RED, “rural communities” include all of Ontario with the exception of the Greater Toronto Area (GTA) and eight large urban areas.

However, the program does have a fairly broad definition of “rural” -- so even communities with fewer than 100,000 people that are located within the GTA -- for example, the town of Newmarket -- are considered rural. It’s recommended that you check the RED website (listed below) or speak with one of the program’s advisors to determine whether the community you are in qualifies as “rural” under the RED program.

But your company **DOES NOT HAVE** to be located in “rural” Ontario as long as your project has strong benefits to rural Ontario -- for example, by raising employee skill levels, creating jobs, investment, or innovation in a rural area.

RED Program Objectives:

- Diversified business climate in rural Ontario
- Strategic and coordinated approach for rural development projects
- Creation of alliances or partnerships and increased quality of participation of rural stakeholders. Eligible clients include partnerships between individuals, businesses, community organizations and municipalities
- Development of information, tools and resources to enhance rural economic development

The program contributes to:

- Skills development and enhanced opportunities
 - * Sector internship initiatives
 - * Access to skills enhancement opportunities in remote areas
 - * Rural economic development training initiatives (municipal and community capacity for economic development)
 - * Rural skills through innovation
- Revitalized communities
- Improved access to health care services
- New community development tools
- Sustainable rural economies
- Improved business opportunities



Knowledge,
Connections
and Resources
for your
Business



What is the benefit to my company?

Normally, you could receive up to a 50% grant to reimburse costs that are actual cash outlays to third parties, which you wouldn't otherwise incur, such as:

- Marketing and promotional costs
- Professional fees (legal, architectural, accounting)
- Travel costs
- Studies
- Consultants/ sub-contractor fees
- Equipment (R&D)
- Internship funding for youth and displaced workers
- Skills upgrading – needs assessment training labour force identification and screening
- Minor capital including engineering, architectural and renovations
- Skills development

Skills Development projects are classified in **two ways**:

1. Direct, specialized training that is delivered by a third party (e.g. colleges can provide training if they are not a partner to the application). Eligible training costs can include translation and curriculum development.
2. In-house training that supports an internship. Employers can receive up to \$1,500 for each intern to help offset their salary and in-house training costs.

Skills Development projects can include upgrading the skills of your existing staff.

Who qualifies?

The Key word is -- Partnerships

- Partnerships/strategic alliances between any combination of individuals, businesses, community organizations (including not-for-profit) and municipalities, with an arm's length relationship from each other.
- All applicants must share in the risks of the project, invest in the project, and have a vested interest in completing the project. While not all partners must invest financially – they can contribute through “in kind” contributions -- the strength of the partnership and project is measured by the investment made by partners.
- Individuals or individual businesses are not eligible to apply as sole applicants.

***The strength of your proposal is critical. A project could technically meet the criteria, but not be a “strong” proposal. For example, the partnership may be rated as “weak” when one partner is taking on all or most of the risk.

For Example....

1. A confectionery company qualified for RED funding to implement an effective employee recruitment strategy for its plant start-up. The project includes comprehensive training so employees can operate sophisticated equipment safely and efficiently, and translation of manuals and other documents. It also includes a market study which involves developing test marketing and promotional materials to help evaluate the business case for moving more production lines to Ontario.
2. One Region in Ontario received RED funding to create an innovation and competitiveness strategy for its manufacturers. The goal is to stabilize the sector by providing a skilled workforce that is up-to-date with technology so manufacturers can increase productivity and competitiveness. Four separate, but linked activities include: career information, workplace learning and performance-retooling for the existing workforce, an internship program, and milling technology expertise.

How do I apply?

It's a good idea to "sound out" your project with a RED program adviser to gauge whether it's a **strong** fit. Application forms are available on the website or by calling the RED Program at the locations listed below. You first fill out a simple pre-application form so that you can receive feedback on the strength of your application before going to the more detailed second step of preparing a full application.

Where can I find more information?

Rural Economic Development Program
Ontario Ministry of Agriculture, Food and Rural Affairs
1 Stone Road West
Guelph ON N1G 4Y2
Tel: 1-888-588-4111
Email: red.omafra@ontario.ca
Website: <http://www.omafra.gov.on.ca/english/rural/red/>

Or, find your closest local contact, listed below:

Owen Sound:	John Schut	(519) 371-3134
Woodstock:	Erin Panek	(519) 537-3537
Blenheim:	Kevin Montgomery	(519) 676-3325
Guelph:	Donna Sunter	(519) 826-4349
Kemptville:	Yves Lavictoire	(613) 258-8985
Lindsay:	Elaine Flook	(705) 324-1481

We're Here to Help

To find out how the Business Development Branch at OMAFRA can provide you with knowledge, connections, and resources to help you grow your business, call toll-free at 1-888-466-2372 extension 64474 or e-mail at foodinvest@ontario.ca. For information about this program and others, as well as our branch, visit www.omafra.gov.on.ca/english/food.

Knowledge, Connections and Resources for your Business