# STRENGTHENING ONTARIO'S SMALL BUSINESS ECOSYSTEM

# **Purpose**

Support increased, flexible, and future-ready funding for Enterprise Renfrew County and the Small Business Enterprise Centre (SBEC) network to sustain and grow Ontario's small business ecosystem. We appreciate ongoing provincial support and welcome an even stronger partnership to grow Ontario's small business economy, especially in rural regions.

# **Proposal**

Support increased, flexible, and future-ready funding for Enterprise Renfrew County and Ontario's Small Business Enterprise Centre (SBEC) network to sustain and grow Ontario's small business ecosystem – especially in rural regions that rely on this vital support.

# **Background**

The Small Business Centres of Ontario (SBCO) network – including Enterprise Renfrew County (ERC) and 53 other Small Business Enterprise Centres (SBECs) across Ontario – serves as the province's entrepreneurial front door. These centres are critical supports for new and growing businesses, delivering free consultations, workshops, youth entrepreneurship programs, and access to startup capital and guidance.

With the rise in self-employment, microbusinesses, and rural entrepreneurship – particularly post-pandemic – SBECs are under growing pressure to do more with less. Yet core funding for these centres has not increased in more than a decade, despite inflation, rising operating costs, and significantly increased service demand. In many rural and small-town communities, SBECs are the only local business support providers, making their role even more critical.

Enterprise Renfrew County is one example of how these centres serve as economic development drivers, helping hundreds of businesses annually across a large, rural region with limited resources and support.

#### Why Now?

- Ontario's entrepreneurial culture is growing, with more residents pursuing business ownership as a livelihood.
- Small businesses represent more than 98% of all Ontario businesses and play a disproportionately large role in rural economic resilience.
- Flat funding since 2012 has led to declines in service levels, outreach capacity, and program innovation across the network.
- The demand for customized, locally relevant programming is increasing but centres lack the flexibility or resourcing to respond effectively.



## **Recommendations for Strengthening the SBEC Network**

## 1. Strengthen Core Services Funding

- Introduce an annual funding review mechanism to adjust core funding based on inflation, population growth, and service demand.
- Provide a 28% increase in base funding to restore service levels to 2012 standards, including community outreach and timely response.
- Implement a minimum annual funding increase tied to CPI, with adjustments for regional growth trends.
- Allow for flexible budget use to meet evolving local needs.
- Allocate targeted supplemental funding for high-demand or priority initiatives (e.g., digital transformation, green economy, rural resilience).

## 2. Improve Metrics, Reporting, and Impact Evaluation

- Develop a centralized, integrated performance tracking system across all SBECs aligned with Ministry KPIs.
- Expand success metrics to include not just one-on-one consultations, but also workshops, long-term business outcomes, and indirect supports.
- Establish standardized impact measurement for job creation, business start-up rates, and long-term sustainability to capture the true return on investment.

## 3. Foster Innovation Through New Program Development

- Create a dedicated innovation fund for SBECs to pilot locally tailored programs that address regional or demographic-specific needs.
- Support development of initiatives focused on 2-5-year growth-phase businesses, helping them scale and succeed beyond startup.
- Fund sector-specific programming based on regional economic priorities e.g., food & beverage, trades, tourism, retail, and tech.
- Facilitate knowledge-sharing and best practice exchange across the SBEC network to accelerate innovation and collaboration province-wide.

Ontario's economic competitiveness depends on a vibrant and inclusive entrepreneurial landscape – and SBECs are the frontline of that effort. Enterprise Renfrew County and the broader SBCO network are proven, cost-effective engines of small business development, especially in rural and under-served regions. Increased and flexible funding, better measurement tools, and support for innovation will ensure they remain responsive, resilient, and results driven.

Investing in SBECs is investing in Ontario's next generation of job creators, community builders, and economic leaders. A stronger SBEC network = stronger local economies, more jobs, and a more resilient Ontario.

