

2022

Provincial Budget Submission



Table of contents

- About the Ontario Chamber of Commerce 3
- Introduction 4
- Summary of Recommendations..... 5
- 1. Economic Recovery..... 6
- 2. Resilient Communities..... 10
- 3. Modernizing Regulation & Fiscal Policy 15
- Conclusion 20



About the Ontario Chamber of Commerce

Together with 157 member chambers of commerce and boards of trade and our network's diverse 60,000 members, the Ontario Chamber of Commerce is the indispensable partner of business.

For more than a century, the OCC has undertaken important research on Ontario's most pressing policy issues, advocating for solutions that will foster the growth of Ontario businesses and lead to the creation of jobs in the province. We support businesses of all sizes through our focused programs and services, encouraging workforce development and inclusive economic growth. This work is based on the belief that strong businesses are the foundation of a prosperous Ontario.

Our mission is to convene, align, and advance the interests of our members through principled policy work, value-added business services, and broad engagement to build prosperity for all Ontarians.

We are the most respected, trusted, and indispensable partner of business, driving government decision-making and leveraging assets across our province-wide membership to support their growth and a competitive business climate in Ontario.

From innovative SMEs to established multinational corporations and industry associations, the OCC is committed to working with our members to improve business competitiveness across all industries. We represent local chambers of commerce and boards of trade in 157 communities across Ontario, steering public policy conversations provincially and within local communities.

The OCC is the indispensable partner of business.

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ISBN: 978-1-928052-82-1



Introduction

Dear Minister Bethlenfalvy,

The Ontario Chamber of Commerce (OCC) welcomes the opportunity to participate in Ontario's pre-budget consultation process. This year's provincial budget comes at a critical juncture for Ontario businesses and the economy as we continue to grapple with the ongoing COVID-19 pandemic. Given the unpredictability of this virus and its potential spread, government must be nimble and transparent in its future response to rebuild business confidence and drive recovery.

Budget 2022 should both provide an immediate response to the ongoing pandemic and lay the groundwork for economic recovery. This is an opportunity for the Province to develop and adopt policies that will be necessary to support a healthy workforce, build resilient communities, and enable the province's long-term growth and prosperity.

The government must ensure sufficient resources are directed towards the hardest hit sectors including small businesses, restaurants, and tourism industry operators. The pandemic's disproportionate effects on women and other demographic groups warrant additional attention to ensure full labour market participation during the recovery phase.

From the collective voice of our network's diverse 60,000 members and 157 chambers of commerce and boards of trade, the policy recommendations herein reflect the needs of Ontario businesses under the following pillars: economic recovery, future-proofing Ontario, and modernizing regulations and fiscal policy.

The following submission contains 17 recommendations for the upcoming budget prepared in consultation with Ontario's business community and our chamber network.

It has been nearly two years since the COVID-19 pandemic began and collaboration between the public and private sectors has never been more important. We look forward to continuing to work with businesses of all sizes and the Government of Ontario to bolster economic well-being, growth, and recovery across the province.

Sincerely,



Rocco Rossi
President and CEO
Ontario Chamber of Commerce



Summary of Recommendations

1. ECONOMIC RECOVERY

- a. Support entrepreneurship and small business growth.
- b. Strengthen Ontario's labour market.
- c. Make housing more affordable.
- d. Create an inclusive ecosystem for diverse entrepreneurs.
- e. Support trade-exposed industries.
- f. Tackle Ontario's supply chain crisis.

2. RESILIENT COMMUNITIES

- a. Support a healthy workforce.
- b. Seize Ontario's opportunity to lead in the global green economy.
- c. Collaborate on transportation and transit infrastructure projects.
- d. Address Ontario's skills mismatches and future workforce needs.
- e. Continue to strengthen broadband access.

3. MODERNIZING REGULATION & FISCAL POLICY

- a. Remove barriers to interprovincial trade and labour mobility.
- b. Bolster municipal fiscal capacity.
- c. Develop a strategy to champion the cannabis sector.
- d. Avoid a patchwork of privacy legislation.
- e. Make virtual care permanent.
- f. Develop a plan for fiscal balance.



1. Economic Recovery

The COVID-19 pandemic has exacerbated persistent challenges that threaten businesses and economic prosperity including labour shortages, inflation, and constrained supply chains. The government will need to alleviate these pressures to support a robust recovery, especially for the hardest-hit sectors and communities.

a. Support entrepreneurship and small business growth.

Small and medium-sized businesses are cornerstones of local economies and have been at the centre of the economic crisis created by COVID-19. When individuals purchase goods and services from an independently owned or small business, it creates a ripple effect that leads to direct and indirect economic activity within their communities. Small business owners continue to feel the impacts of low consumer confidence and reduced foot traffic due to the pandemic whether restrictions are in place or not. To ensure entrepreneurs and small businesses can keep their doors open, the Province must develop a strategy to ensure their viability and growth.

Recommendations:

1. Ensure any restrictions intended to control the spread of COVID-19 are met with targeted relief and proportionate support programs, loan forgiveness, and extensions on payment terms for impacted workers and small businesses.
2. Improve access to public procurement opportunities for small businesses by addressing barriers that limit their access.
3. Develop a pathway for international students who purchase shares or ownership of a small business in Ontario to apply for Permanent Residency, similar to programs in [Alberta](#) and [Nova Scotia](#), and build on succession matching opportunities to connect graduates with aging small business owners as they retire.
4. Expand programs targeted towards small business technology adoption such as Digital Main Street.

For more information on access to capital for small businesses, see our 2021 report, [*Capital is Key: Financing Entrepreneurship in Ontario After COVID-19*](#).



Employee ownership trusts

Employee ownership opens meaningful pathways to wealth accumulation for workers and provides an opportunity for business owners to sell their companies to employees at a market rate. With nearly three-quarters of business owners poised to exit their business within the next decade, modernizing employee ownership policies and matching best practices from around the world can help businesses in need of succession plans. In Budget 2021, the federal government committed to examining ways to reduce barriers to employee ownership.

The OCC encourages the Province to begin work on an employee ownership policy framework with the objectives of reducing barriers, promoting awareness, and creating targeted incentives to complement the federal government's approach.

b. Strengthen Ontario's labour market.

The pandemic has exposed and amplified labour shortages across Ontario in several professions. As part of the solution, the Province must continue to pursue progressive immigration policies.

For example, Labour Market Impact Assessments (LMIAs) use provincial labour market information to demonstrate whether immigration is needed to fill employment gaps. Employers in small and rural communities who are unable to attract Canadian citizens from major urban centres are often denied the opportunity to hire an immigrant because LMIA data shows that sufficient Canadian citizens are available to fill the role, but the LMIA does not consider whether Canadian citizens are willing to relocate to that area.

Recommendations:

1. Continue pushing the federal government to double the number of immigrants allowed into the province through the Ontario Immigrant Nominee Program (OINP) from 9,000 to 18,000 per year.
2. Make regional immigration pilots permanent to attract skilled immigrants to communities facing low or negative population growth.
3. Work with the federal government to eliminate the current requirement for a LMIA for OINP participants to be hired in communities with populations under 200,000.



c. Make housing more affordable.

Access to affordable housing is essential to attracting, retaining, and developing a diverse and productive workforce. High housing costs put a strain on the local economy by preventing employees from living near their jobs, which increases commute times and makes it more challenging for businesses to hire workers with the right skillsets.

Recommendations:

1. Work with private developers and municipalities to ensure appropriate and available residential lands move to the market for development.
2. Expedite the planning process for developers to start and complete projects, eliminating any excessive regulatory costs and red tape, including establishing a transparent and fair process around municipal zoning orders (MZO).
3. Implement the One Ontario concept, which will create a common Development Approval Data and Information Exchange Standard, a Central Review Platform, and Central Analytics and Reporting Platform to be used by municipalities, Provincial Ministries, and other approval agencies in Ontario for the development and building permitting processes.
4. Develop a policy framework around inclusionary zoning as one planning tool to increase the supply of affordable housing. The approach should involve a partnership between municipalities, developers, and builders through which incentives and/or concessions are used to offset the costs of building affordable units to sell or rent at below-market rates.

d. Create an inclusive ecosystem for diverse entrepreneurs.

The economic impacts of the pandemic were direct and immediate for women in Ontario. The pandemic experience has been especially challenging for equity-seeking groups, including but not limited to racialized, Indigenous, and LGBTQ2S+ entrepreneurs.

Recommendations:

1. Implement supplier diversity policies that build capacity for women and diverse entrepreneurs to participate in public sector procurement opportunities.
2. Design skilling, upskilling, and reskilling programs that respond to diverse needs, including through flexible formats, customized support, and wraparound services.
3. Join other provinces and territories across Canada in signing a bilateral childcare agreement with the federal government.

Further recommendations and challenges are explored in our report [*The She-covey Project: Confronting the Gendered Economic Impacts of COVID-19 in Ontario.*](#)

e. Support trade-exposed industries.

Ontario has existing competitive advantages in several key industries – including energy, agriculture, mining, and manufacturing – that are critical to Canada’s export capacity and regional economic development. Policies that support the growth of these industries will serve to drive innovation, job creation, decarbonization, and community revitalization across the province.

Recommendations:

1. Encourage the use of domestically produced steel and natural resources in construction and manufacturing.
2. Invest in research at universities and colleges working on renewable energy, batteries, agriculture, advanced manufacturing, and mining.
3. Recognize the strategic health and economic priority of life-saving medical isotopes.
4. Develop a competitive electricity rate program to encourage industrial investments in Ontario, similar to Quebec’s Tariff L program or New York State’s Recharge NY program.
5. Accelerate mining exploration and development further by increasing the Ontario Flow-Through Tax Credit from 5 percent to 25 percent.

f. Tackle Ontario’s supply chain crisis.

The COVID-19 pandemic and resulting economic crisis, along with ongoing climate-related disasters, have exposed structural weaknesses in both domestic and international supply chains threatening Canada’s progress with economic recovery, national security, and business competitiveness.

To build a holistic view of the province’s supply chain constraints, we call on the government to create an emergency task force. This task force should include a coalition of government, private sector leaders, and local chambers to explore potential support measures, particularly for small businesses still recovering from lost revenues due to COVID-19. The Province must also develop a strategy to support local manufacturing and sourcing of raw materials to reduce the cost of goods and services to Ontarians while also reducing dependence on foreign entities.



2. Resilient Communities

As we work towards a strong recovery, the Province must recognize this as a watershed moment for investments in technology and infrastructure that will serve as the foundation for the economy for decades to come. Specific emphasis must be placed on digital and transportation infrastructure, workforce development, addressing the climate crisis, and developing a healthy labour force.

a. Support a healthy workforce

With the onset of COVID-19, numerous challenges emerged for patients and the health care system – from growing concerns around the impact the pandemic will have on Ontarians’ mental health to a large backlog in preventative care, routine immunizations, and cancer care. The pandemic also amplified longstanding capacity and staffing shortfalls which has manifested in an overstretched health care system.

Against this backdrop, the Province must take steps to tackle immediate issues and invest in long-term solutions to ensure our health care system has the capacity to withstand future public health emergencies while enabling patients to continue to have access to timely care. COVID-19 underscored the fact that these investments are not only critical for public health, but also for the economy. Throughout the pandemic, an overwhelmed health care system has resulted in public health restrictions, including Ontario-wide lockdowns, which constrains business activity.

Moreover, a patchwork approach is not sufficient; instead, systems-level thinking is needed. Policymakers will need to re-envision and modernize the health care system – for the benefit of patients, health care professionals, and the economy alike.

Recommendations:

1. Encourage businesses to evaluate their current mental health benefits, including whether employees have access to free online resources, employee assistance programs, and/or adequate benefits coverage, and encourage employers to strengthen these offerings.
2. Continue to invest in mental health supports, including supports for frontline workers experiencing heightened stress during COVID-19.
3. Develop a comprehensive, long-term strategy to bolster the life sciences industry that includes further partnership with the private sector and short, medium, and long-term health systems planning beyond COVID-19 which considers the needs of rural, northern Indigenous and Francophone needs.



4. Invest in cancer screening, diagnoses, and treatments to close the current gap in cancer care and meet the anticipated demand, with a focus on reducing wait times¹ for appointments, tests, procedures, and/or diagnosis to ensure patients have access to timely, quality care.
5. Ensure Public Health Units are adequately resourced with health human resources to resume school-based vaccination programs (i.e., meningitis, human papillomavirus, and hepatitis); leverage a variety of options (i.e., school and community-based programs, primary care, pharmacy-based clinics, etc.) to ensure equitable access to routine immunizations and accelerate the roll-out of its catch-up vaccination program for students; and develop a central electronic immunization registry to support catch-up immunization programs currently underway.

b. Seize Ontario's opportunity to lead in the global green economy.

Extreme weather events are inflicting costly damages to infrastructure and communities across Ontario. A recent report by the Financial Accountability Office of Ontario found the cost of maintaining public buildings will increase by \$6 billion between 2022 and 2030 because of three climate hazards.² However, confronting climate change spells opportunities for innovation, job creation, and regional economic development. While there is no silver bullet solution to this crisis, Ontario has competitive advantages that it can leverage globally, including its low-carbon energy, world-class colleges and universities, talented workforce, sustainable natural resources, and cleantech sector. The Province must emphasize decarbonizing the transportation sector given it accounts for the largest proportion (36 percent) of the province's greenhouse gas (GHG) emissions.

Recommendations:

1. Invest in cleantech research with promising commercial applications, such as hydrogen and biochar.
2. Work with the federal government to invest in climate adaptation and equip municipalities with necessary funding and information.
3. Expand energy efficiency programs for small and medium-sized businesses. This includes reinstating the Business Energy Audit program.
4. Develop a zero-emission vehicles (ZEVs) strategy that integrates electric, RNG, nuclear and hybrid technologies.
5. Champion Indigenous-led clean energy projects.
6. Explore additional opportunities for public-private partnerships and green bonds to invest in clean energy infrastructure.
7. Begin developing a long-term energy plan focused on securing low-carbon, affordable power for future generations to ensure there is necessary supply and infrastructure in place to support economic growth and the electrification of transportation and heavy industry.

For more information, see our report, *[The Climate Catalyst: Ontario's Leadership in the Green Global Economy](#)*

¹ On average, it takes 28 days to reschedule cancer care appointments and 44 days to reschedule procedures or surgeries. Delays in appointments and treatments continue to impact patients and caregivers, with nearly 70 percent reporting these delays were having a major impact on their emotional and mental health. For more, see: https://survivornet.ca/news/cancer-cant-wait-new-survey-reveals-covid-19-continues-to-disrupt-cancer-care-across-canada/?utm_source=sudbury.com&utm_campaign=sudbury.com%3A%20outbound&utm_medium=referral.

² Financial Accountability Office of Ontario. 2021. Costing Climate Change Impacts to Public Infrastructure. <https://www.fao-on.org/web/default/files/publications/EC2105%20CIPI%20Buildings/CIPI%20Buildings-EN.pdf>.

c. Collaborate on transportation and transit infrastructure projects.

Public transit and transportation infrastructure will play a key role in driving Ontario's economic recovery, jobs, and decarbonization efforts. The pandemic resulted in historic low ridership across municipalities in Canada, with major transit authorities reporting historic shortfalls in revenue. To get people back on transit, the Province must work in partnership with municipalities to guarantee that essential transit links are affordable while also improving access by expanding GO Transit service, investing in long-term infrastructure projects, and purchasing zero-emission fleets.

Specific focus must also be placed on resolving long-standing infrastructure gaps affecting Northern Ontario. The OCC's report, *Moving Forward: A Strategic Approach to Ontario's Transportation Needs*, highlights that a lack of transportation options continues to hamper Northerners' ability to access jobs, healthcare, post-secondary, and business opportunities.

Proposed infrastructure in large cities such as Toronto, including the Ontario Line and Eglinton West extension, will support continued population growth in Ontario's urban centres. In developing these proposals, the Province must ensure greater integration with existing transportation infrastructure including Billy Bishop Toronto City Airport (YTZ).

Recommendations:

1. Work with the federal government to develop additional rail capacity and invest in long-term transit infrastructure projects including VIA Rail, Light-Rail Transit, Bus Rapid Transit, and electrification.
2. Fill transit gaps that have resulted from the withdrawal of regional bus service through expanding GO transit and building partnerships with the private sector.
3. Re-establish Ontario Northland transit service.
4. Collaborate with the private sector to expand electric vehicle charging stations.
5. Support municipalities in reviewing and adjusting transit services based on long-term changes resulting from the pandemic.



d. Address Ontario's skills mismatches and future workforce needs.

While immigration is essential to filling short-term labour gaps, Ontario needs a workforce development strategy to prepare for longer-term labour market needs. Specific emphasis must be placed on attracting and retaining skilled labour in high-demand sectors including construction, logistics, early childhood education, health care, agriculture, and long-term care. As we work towards recovery, it will be crucial to ensure specific skills training support is afforded to those demographic groups disproportionately affected by the pandemic and looking to join or re-enter the labour force.

Businesses were encouraged by recent announcements by the Province aiming to remove barriers for internationally trained professionals and tradespeople, including the need for Canadian work experience for specific jobs and duplication for official language proficiency testing for internationally trained immigrants.

Recommendations:

1. Work with stakeholders to address labour shortages by promoting skills training and career opportunities in sectors facing large labour shortages.
2. Work with Ontario's employers and post-secondary institutions to identify and promote in-demand skilled trades to students in secondary schools.
3. Introduce a tax credit available to employers who hire graduates of co-operative education or equivalent programs that allow employers to claim a percentage of wages and salaries for the first year of full-time employment.
4. Provide financial support to individuals and small businesses for reskilling, upskilling, and micro-credentials, particularly for data, digital, and other in-demand skillsets.
5. Address the labour shortage of trained medical personnel by investing in programs and services that bridge the knowledge and skills gaps of foreign professionals.
6. Strike a task force to study best practices in closing the wage gap within certain segments in the private sector and understand what is driving recruitment and retention challenges within industries facing labour shortages.

For more information about labour challenges in the agricultural sector, see the OCC's recent report, [*Growing a More Resilient Food Supply Chain in Ontario*](#).



e. Continue to strengthen broadband access

Access to high-speed internet is a basic requirement of the 21st-century economy, much like roads, bridges, and electricity. The pandemic has made it even more essential to employment, skills training, education, health care, and other services. Smart and strategic spending when it comes to expanding broadband access will create an immediate return on investment for economic and social well-being in the province.

The Government of Ontario must continue to take the necessary steps to support broadband expansion by reducing barriers to building infrastructure through private-sector collaboration. There remain unserved and underserved communities that require the government to step in.

Recommendations:

1. Continue to fast-track funding commitments.
2. Improve coordination with the telecommunications industry to ensure public funding is used to address gaps in private sector investments rather than compete with them.
3. Streamline the application and reporting process for participants to ensure requirements are proportional to the scope of each project and encourage smaller providers with limited resources to apply for small contracts.



3. Modernizing Regulation & Fiscal Policy

Outdated and duplicative regulations continue to affect business productivity and growth in the province. Further, the pandemic has amplified cost pressures for all orders of governments, particularly municipalities. To ensure rapid recovery, the Province must continue to modernize regulatory frameworks and improve long-term fiscal sustainability.

a. Remove barriers to interprovincial trade and labour mobility.

Interprovincial barriers to trade and labour mobility continue to limit Ontario's competitiveness and deter further investment. Economic activity is hampered by inconsistent rules around transportation, the environment, securities, professional certification, marketing, and more. According to a recent study by Deloitte, removing interprovincial trade barriers would increase Ontario's GDP by \$23 billion and annual provincial tax revenues by \$5 billion.³

Recommendations:

1. Continue supporting the work of the Regulatory Reconciliation and Cooperation Table established under the Canadian Free Trade Agreement.
2. Consider unilaterally recognizing the adequacy of standards used elsewhere in Canada or pursue mutual recognition agreements with provinces and territories that are similarly prepared to act swiftly.

Specifically address barriers around meat and meat products, by making permanent the temporary exception granted to permit the movement of products from provincially licensed processors in Quebec and working towards a trade agreement with the Province. In the interim, undertake a study to understand the impact of such an agreement on the province's agri-food sector.



³ Deloitte. 2021. The Case for Liberalizing Interprovincial Trade in Canada. <https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/finance/ca-en-the-case-for-liberalizing-interprovincial-trade-in-canada-aoda.pdf>.

b. Bolster municipal fiscal capacity.

The COVID-19 pandemic has had an impact on all three levels of government, with municipalities arguably experiencing the greatest fiscal pressures given their budgetary constraints. As ‘creatures of the provinces’, municipalities have a limited set of options with regards to their ability to draw on reserve funds or adjust services, and they rely heavily on property tax revenues. Even before the pandemic, municipalities’ responsibilities and demand for spending had been increasing as revenue streams remained stagnant. The pandemic has exacerbated these challenges and threatens their ability to meet the needs of their population. A municipality’s ability to adequately invest in infrastructure and community services is crucial for the business community.

The Province must take steps to support municipalities’ long-term fiscal capacity. During the recovery, the Government of Ontario must work in partnership to provide municipalities with financial assistance similar to the 2020 Safe Restart Agreement. Such funding will be necessary for towns and cities to continue scheduled infrastructure developments and state-of-good-repair (SOGR) projects.

Recommendations:

1. Commission an independent review of all municipal responsibilities to assess whether residents and taxpayers are better served by these responsibilities residing with the federal, provincial, or municipal governments in terms of absolute cost and service delivery.
2. Undertake a comprehensive and forward-looking review of the province’s property tax system.
3. Re-consider the "highest and best use" approach to property tax assessments.
4. Improve predictability for municipalities and businesses by providing more frequent property assessments.
5. Work with rural municipalities to address the maintenance, repair, and upgrading of critical infrastructure and provide core funding to enhance support for municipal drainage and the expansion of natural gas to rural communities.

For more information, see our report, [*Better Budgets: Bolstering the Fiscal Reliance of Ontario’s Municipalities.*](#)



c. Develop a strategy to champion the cannabis sector.

Ontario's cannabis market just reached a milestone, with legal purchases surpassing illegal sales for the first time since legalization. This is due in large part to structural regulatory reforms which the Ontario Cannabis Policy Council steadily advocated for, such as the expansion of retail stores and the introduction of permanent online delivery options for retailers.

In the three years since recreational cannabis has been legalized in Canada, the cannabis sector has quickly emerged as one of Canada's fastest-growing, uniquely positioned as a home-grown industry with an entirely domestic supply chain from seed to sale. In 2021, against the backdrop of a pandemic, the cannabis sector continued to grow, contributing \$17 billion to Canada's GDP, accounting for tens of thousands of jobs and significant tax revenue, in addition to safeguarding public health by working to displace the illegal market. Despite this progress, major hurdles persist including an overly restrictive regulatory regime inhibiting economic growth, deterring investment, and squeezing margins for producers and retailers alike; a lack of transparency in the retail store application process; and a notable absence of a government strategy to champion the sector's economic growth.

Recommendations:

1. Allow licensed producers (LPs) and retailers to have a direct relationship. As the sector continues to mature, so too must the regulatory environment. Allowing LPs and retailers to have a direct relationship and negotiate their own exclusive product mixes, prices, and terms and conditions, would support the industry's growth, and allow for craft LPs and independent retailers to compete more effectively.
2. The Ontario Cannabis Retail Store (OCS) should include quarterly updates on their progress towards implementing the 16 recommendations contained in the Auditor General's value-for-money audit report on the Ontario Cannabis Retail Corporation (OCRC), with priority and emphases on:
 - a. Recommendation 1 to have a more structured, consistent, and transparent approach to product listing calls and product listing sections;
 - b. Recommendation 2 on the re-evaluation of the current value-based pricing approach;
 - c. Recommendation 3 to formalize the product delisting process; and
 - d. Recommendation 10-12 on fulfilling the public health and safety mandate of the OCS.



3. Until a more transparent pricing approach is developed in response to the AG’s recommendations, the OCS should implement a freeze on any increases to margins or mark-ups.
4. Avoid sweeping measures for short-term issues that market forces will determine. The pacing of store authorizations, coupled with a lack of disclosure in the application process, has manifested in stores being concentrated in certain neighbourhoods and streets. Rather than imposing further restrictions on the number and location of retail stores, clustering can be addressed by:
 - a. Informing the prospective store owner what stores are or may be opening around their proposed location at the start of the application process.
 - b. Developing a heat map on the AGCO’s website which includes newly approved stores and applications that have been submitted for a retail license, to allow for more informed business decisions.
 - c. Allowing for the market forces of supply and demand to take effect.
5. Establish a trade marketing program that would allow LPs and retailers to use anonymized business intelligence data to build brand awareness, create product differentiation, and tailor products to specific markets. Please refer to [our recent AGCO submission](#) for more details.
6. Facilitate cannabis consumption establishments and implement special occasion permits as outlined in the Chamber’s [submission](#) to the AGCO.

d. Avoid a patchwork of private sector privacy legislation.

In a world in which data underpins most of the goods and services we rely on each day, privacy and trust are imperative. Businesses of all sizes use data to operate, innovate, and serve their customers. They need clear and effective legal frameworks within which they can operate, innovate responsibly, and continue advancing our economic and social progress with data.

In June 2021, the Government of Ontario released a white paper proposing to develop a provincial data privacy framework for the private sector. However, as federal modernization efforts are underway, introducing a provincial framework would add unnecessary confusion and costs for small businesses, deter innovation and investments in Ontario, and make it more difficult for Ontarians to access digital services. Therefore, we urge the Government of Ontario to refrain from introducing duplicative provincial privacy legislation for the private sector.

For more information, see our recent [submission on privacy modernization](#), our [joint association letter](#), and our report, [In Data We Trust: Unlocking the Value of Data in Ontario](#)



e. Make virtual care permanent.

Virtual care has several benefits for medical practitioners (who are also small business owners), patients, and companies both large and small. As in-person medical appointments became less feasible, the Province's implementation of temporary billing codes with the onset of COVID-19 further accelerated its adoption. Given its many benefits, virtual care is here to stay.

Some employers choose to include virtual options in their benefits to improve productivity, build a healthier workforce, reduce costs, and better attract and retain talent. We cannot make the same mistakes we did with SARS by only implementing temporary measures related to virtual care. The permanent integration of virtual care into our system could ensure all Ontarians can access timely and appropriate care, no matter their circumstances, as well as alleviate some of the pressures facing our health care system, such as reducing unnecessary visits to the ER.

Recommendations:

1. Implement permanent Ontario Health Insurance Plan (OHIP) fee codes for virtual care services provided by phone, video, text, and email, ensuring patients can access virtual care for any insured health care service that can be appropriately delivered through electronic means.
2. Work with relevant stakeholders to ensure physicians are equipped with the supports (i.e., equipment, training, educational materials, etc.) needed to use and integrate virtual care solutions into their practice.
3. Continue to support employers' continued investments in virtual care for their employees that expand beyond care delivered virtually through the health care system.

For more information, see our report, [*Realizing the Full Potential of Virtual Care*](#).

f. Develop a plan for fiscal balance.

The continued challenges of COVID-19 have necessitated significant government spending to support businesses and individuals, resulting in a large provincial budget deficit. The Province needs to have a debt management plan and path to fiscal balance in place to protect taxpayers. While support for those in the hardest-hit sectors should remain a priority, policies to improve the cost-efficiency of Ontario's public sector should be explored. The OCC encourages the government to adopt value-based procurement and alternative service delivery, digitize government, reduce administrative burdens, pursue lost revenue from untaxed economic activity, and adopt a formal policy on asset recycling. These measures will improve value for public spending, encourage innovation, and support small businesses.



Conclusion

Almost two years since the start of the COVID-19 pandemic, the situation continues to evolve as new variants of concern are detected around the world. Businesses will have to grapple with continued uncertainty as they plan for their future and post-pandemic recovery.

Our 2022 pre-budget submission provides the Government of Ontario with policy recommendations that target the urgent needs of the province's business community. Adequate supports for businesses and workers will be crucial to ensuring the economy can overcome future waves of the pandemic and economic recovery. In developing a strategy for the province's recovery, government must develop policies to further bolster Ontario's competitive advantages, strengthen public-private partnerships, support entrepreneurs, tackle climate change, and resolve labour market challenges.

Chambers of commerce and boards of trade across the province have continued to advocate on behalf of their local businesses and communities throughout the COVID-19 pandemic and stand ready to work in collaboration with the government as we chart the path to a robust economic recovery.

