



Compendium of Policy Resolutions 2021-2024

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COMPETITIVENESS

A. Balanced Species at Risk Policy Needed to Provide Jobs and Economic Opportunity

Submitted by: The Thunder Bay Chamber of Commerce, Co-sponsored by North Bay & District Chamber of Commerce, Sault Ste. Marie Chamber of Commerce, and Greater Sudbury Chamber of Commerce.

Issue

Species at risk policy continues to threaten the social, environmental, and economic sustainability of northern and rural communities. A long-term and workable solution is needed to truly open Ontario for business.

Background

Ontario is recognized as a world leader in sustainable forest management. Harvesting 0.2% of Ontario's renewable resource annually, Ontario's forest products sector directly employs over 150,000 hardworking men and women in every corner of the province.

The Crown Forest Sustainability Act (CFSA) is an equivalent process to the Endangered Species Act (ESA) and provides for continuous supply of species at risk habitat over space and time. In recognition of this, forestry-based businesses and communities have been requesting from government a need for a permanent solution to ESA for the forest sector; that is, to allow the sector to operate under one act, the CFSA. Extensions made to the current regulation under previous governments have not provided any long-term certainty. The sector needs a permanent, long-term solution and it is hoped that this discussion paper is the beginning of a constructive path forward.

The Ontario government is currently undertaking a review of the ESA to "improve protections for species at risk, consider modern and innovative approaches to achieve positive outcomes for species at risk, as well as to look for ways to streamline approvals and provide clarity to support economic development."¹

As part of this review, changes made to the ESA must include the consideration of climate change on habitat on all species at risk policy and recognize the cumulative impact of all species at risk policy on a healthy economy; and socio-economic impact analysis must be completed and shared with impacted stakeholders and Indigenous communities prior to any species at risk policy being implemented.

Furthermore, under a permanent regulation or legislative change to the ESA recognizing equivalency, species at risk policy and prescriptions delivered under the CFSA must consider the impacts of climate change and the cumulative social and economic impacts.

Ontario has a window of opportunity to ensure a workable outcome on species at risk policy that provides a long-term solution that protects jobs and the economy. However, there is a concern that the federal government could step into non-federal lands and prescribe how forests will be managed through an unworkable Section 11 Conservation Agreement under the Species at Risk Act or Emergency Protection Order.

¹ <https://www.ebr.gov.on.ca/ERS-WEB-External/displaynoticecontent.do?noticeId=MTM2NTM2&statusId=MjA4MDg1&language=en>

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Recognize equivalency between the ESA and CFSA through a permanent section 55 regulation or legislative change to the ESA.
2. While working under the CFSA, ensure all species at risk policy and prescriptions take into account the impacts of climate change and the cumulative social and economic impacts.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

B. Improving the Process for Establishing Regulations That Impact Business

Submitted by: The Burlington Chamber of Commerce

Issue

New and existing regulations invoked by the Ontario Government that affect business can unintentionally place businesses in jeopardy of survival. This could arise due to failing to consult and consider the implications of a regulation to the operation of a business, it could arise due to conflicting regulations with no clarity on which regulation supersedes, or it could arise from costs being in excess of social or economic benefits to be gained.

Background

There have been instances where poorly developed laws and regulations have meant considerable expense to businesses.

A recent example involves a restaurant caught in the middle of two provincial commissions – Ontario Human Rights and the Ontario Alcohol and Gaming. Ontario Human Rights has determined that a patron has the right to smoke ‘medical marijuana’ at the doors of the restaurant while Ontario Alcohol and Gaming will revoke the restaurant’s license if alcohol is served to an individual known to have used a controlled substance.

In this particular case the restaurant owner incurred thousands of dollars in legal fees in trying to determine what avenues were available to him in the near impossible task of meeting the conflicting requirements of the Commissions. The goal of the business was to prevent the smoking of a controlled substance within the immediate outdoor space of the restaurant while abiding by the alcohol serving rules. Additionally, the taxpayers have to fund the Ontario Rights Commission and the Alcohol & Gaming Commission in them defending their respective regulations while neither have an obligation to assist in finding a solution.

In a situation like this, the cost will fall on the business to try to resolve such a situation. The real shortcoming is in the process for development of legislation.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Move to a regulatory model whereby all proposed legislation and regulations must be supported by a cost-benefit analysis and an analysis on the impact on business.
2. Move to a regulatory model whereby all legislation and regulations must be reviewed for their degree of conflict and integration with existing legislation.
3. Work with the federal government to adopt a standard of regulatory harmonization between the two levels of government.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

C. Support Ontario's Steel Industry and its Supply Chain Clusters

Submitted by: The Hamilton Chamber of Commerce and the Sault Ste. Marie Chamber of Commerce

Issue

The Ontario steel industry, includes steel producers as well as manufacturing industries within its value chain and geographical clusters and has long been a cornerstone of the provincial economy. Recently, a combination of illegal tariffs, instability in the global market economy, and foreign competition from industries benefiting from unfair economic advantages has led to a sharp decline in their ability to compete globally. The Ontario government needs to focus public policy and investment efforts towards supporting this important industry, clusters and the innovation it creates.

Background

Steel is a versatile material whose local production is essential to supporting local industries, consumer products, building and maintenance of our transportation and physical infrastructure. Ontario is home to more than 70% of Canada's steel production capacity. Our steel industry directly employs 16,000 and indirectly employs about 53,000 Ontarians.² Ontario's steel industry thereby has a multiplier of approximately 3.3:1; that is, there are 3.3 jobs outside of the steel industry for every direct job within the industry. Beyond contributing to overall employment, Ontario steel makers contribute to supply chains within the broader manufacturing sector in the province. In particular, steel makers play a crucial role in Ontario's 400-km automotive corridor, with direct impacts on the province's auto assemblers, and over 1,200 auto parts suppliers.³ Challenges faced by this industry have a notable ripple effect across the province on related SME companies, suppliers, and manufacturers.

The rise of the steel industry was integral part of Canada's development as a world-class economy in the 20th century. From Algoma in Sault Ste Marie to Dofasco and Stelco in Hamilton, Ontario firms especially distinguished themselves as centers of excellence and advancement in new varieties of steel. Steel producers by principle agree to compete against imports on a fair commercial basis but are in global competition against foreign government subsidies, state-owned enterprises, and other forms of support that run counter to the trade rules. The United States announced illegal tariffs of 25% on imports of Canadian steel would take effect on June 1, 2018, under Section 232 of the Trade Expansion Act 1962, suggesting Canadian steel products pose a national security threat to the U.S. In response to the unprecedented tariffs, Canada imposed retaliatory countermeasures on imports of steel from the United States.⁴ Market conditions are jeopardized by an ongoing violations of WTO practices, the ineffectiveness of trade remedy laws and lack of full reciprocity within trade treaties.

While the majority of media coverage has focused on the decline of the industry, tariffs, foreign competition and oversupply in the existing market, experts remain optimistic that fundamental forces, which if harnessed, will continue to support the prosperity and global demand for Ontario steel. While challenges related to international markets remain a federal issue, the province can still play a critical role in:

1. Supporting investments for organizations in new technologies under various funding envelopes;
2. Working with the federal government to negotiate more equitable trade regimes and adjudications processes;
3. Incentivizing the development of a skilled workforce equipped to participate in the transition to advanced manufacturing;
4. Easing goods movement infrastructure bottlenecks, especially near trading hubs;

² Ontario Newsroom <https://news.ontario.ca/medg/en/2018/04/ontario-supporting-4700-jobs-in-hamiltons-steel-industry.html>

³ Ontario Newsroom <https://news.ontario.ca/medg/en/2018/04/ontario-supporting-4700-jobs-in-hamiltons-steel-industry.html>

⁴ Global Affairs Canada https://international.gc.ca/trade-commerce/controls-controles/steel_alum-acier_alum.aspx?lang=eng

5. Incentivizing the development and participation of steel industry clusters and value chains.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Taking inspiration from the European Steel Technology Platform, work with the federal government to develop a coordinated steel manufacturing strategy that especially prioritizes investment in trade-enabling infrastructure near major clusters.
2. Explore the legislated and voluntary expansion of procurement tools to include fair and preferential treatment for Canadian steel products where the exported alternative doesn't meet or exceed Canadian and provincial environmental, health and safety regulations and does not allow similar, fair and equal access to their markets for the same product.
3. Given their role as suppliers of high-performance material in the manufacturing supply chain and in flowing down R&D improvements,⁵ prioritize allocation of the newly announced Ontario Carbon Trust funds to help energy-intensive businesses like steel industry to invest in low-carbon processes, technology and innovation and other capital investments.⁶
4. Work with the Government of Canada by pursuing diplomatic channels to eliminate the remaining U.S. tariffs on Canadian steel products.
5. Strongly encourage that local suppliers and domestic steel content be used in all provincially and federally funded projects if the materials can be supplied from domestic sources.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

⁵ Birnbaum, Cohen, Harris and Warrian (2009) Ontario Manufacturing, Supply Chains and Knowledge Networks: A Report to the Toronto Regional Research Alliance (TRRA), Toronto: TRRA October 2009

⁶ Government of Ontario <https://prod-environmental-registry.s3.amazonaws.com/2018-11/EnvironmentPlan.pdf>

D. Supporting Ontario to Become a Leader in Global Mining Innovation

Submitted by: The Greater Sudbury Chamber of Commerce. Co-sponsored by Sault Ste. Marie Chamber of Commerce, Thunder Bay Chamber of Commerce, North Bay Chamber of Commerce, and Huron Chamber of Commerce

Issue

The current commodity volatility is impacting the competitiveness of Ontario's mining sector. Strategic government investments in areas such as mining research and innovation is needed to stimulate this sector in a challenging economic time and to position the province for success when global mining fortunes begin to turn for the better.

Background

Mining is a competitive advantage for the province.

Ontario's mineral production and related activities contributes \$12 billion to Canadian GDP and creates 78,800 jobs.⁷ The Ontario Mining Association estimates that there are approximately 900 mining supply and service sector companies in Ontario, that combined to contribute an economic impact of \$6.6 billion.⁸ The City of Toronto is the mining finance capital of the world, and Ontario's expertise in mineral production, mining supply and services, finance, and innovation are in global demand.

It is essential that the provincial government take active steps, such as investing in innovation to maintain Ontario's competitive advantage and to ensure the mining sector's continued role as an economic driver for the province. In face of a difficult economic environment, innovation and creative ideas are needed more than ever to reduce costs and increase production. Mining innovation allows for the development of new technologies, products, and business processes necessary for Ontario firms to stay competitive. With mines becoming deeper and more remote, research and innovation is increasingly essential to developing new tools and techniques to address these challenges.

Ontario is home to a number of nation-leading mining research and innovation groups and initiatives, including the Centre for Excellence in Mining Innovation (CEMI), the Mining Innovation Rehabilitation and Applied Research Corporation (MIRARCO), the Northern Centre for Advanced Technology (NORCAT), and important mining programs at postsecondary institutions including those offered at the University of Toronto's Lassonde Institute of Mining, Laurentian University's Goodman School of Mines, and Lakehead University's Centre for Excellence in Sustainable Mining and Exploration. The Northern Ontario Mining Supply and Services Association (SAMSSA) also represents the largest concentration of expertise in mining supply/products and services including innovation.

Direct government investment is necessary to leverage the capabilities of these institutions. Although we are encouraged by the 2015 Ontario Mineral Development Strategy which includes innovation objectives, we believe specific and measurable action items are needed to bring this vision into reality. Improved funding flows and ratios as well as a broader vision of innovation will both contribute to sustaining mining innovation throughout the downturn and enhancing Ontario's mining innovation expertise on the global stage.

The success of mining innovation is impacted by the time it takes for funding to flow and the government-to-industry ratio of funding. In some jurisdictions, proposals can take over a year to be processed and it can take another year before approved funding begins to flow. The time required impacts the momentum of the project as a whole, available talent and resources, as well as the delay in the potential economic impact and adoption. It also impacts the willingness of management within industry to commit to funds. Most managers

⁷ <https://www.oma.on.ca/en/ontariominning/EconomicContribution.asp>

⁸ https://www.oma.on.ca/en/ontariominning/facts_figures.asp

and business leaders are willing to commit funds for projects that accrue benefits within their “lifetime” in a particular position, generally between 1-3 years. This incentivizes shorter term thinking, unless the commitments are approved at the highest levels.

Generally, Ontario mining companies and the government contribute research and innovation funds on a 1:1 ratio. Matching investments are provided regardless of the type of project. With fewer resources available from industry, this skews investments towards cheaper and lower risk research projects, and away from the innovation and commercialization projects that are necessary to realize productivity gains in the sector. In order to attract funds and partnership from global mining companies, the Government of Ontario needs to consider adjusting its funding ratios and consider options such as increasing ratios to 4:1 or 5:1 to provide incentives to support larger-scale, longer-term, visionary provincial mining innovation projects given that the ventures have a strong business case and a high return on investment. Increasing the relative government-to-industry ratio for innovation and commercialization projects will incentivize greater industry investment in higher risk projects and boost productivity enhancing activity in Ontario during this downturn in the mining cycle. The Ontario Government is also encouraged to work with the federal government to enhance funding ratios in mining innovation to better leverage private sector funds.

Further, for innovation to work, it must be adopted. Mining innovations need to be demonstrated and implemented as workable beyond the theoretical, but also show commercial viability. The lack of commercialization is one of the reasons why so little of the funding for mining research has impacted mine operations. The majority of funding in the province is targeted at research in academia that may not necessarily translate into industry-relevant innovation or commercialization. While university-based research is essential, research in operating mines and with suppliers is equally important. The Research, Demonstration and Implementation (RD+I) approach to focus on practical applications, distinct from academic research, was developed by the Centre for Excellence in Mining Innovation (CEMI) in 2011, and is aimed at addressing this very important issue. Mining service and supply firms also make significant contributions to the commercialization process and their efforts should be supported in an integrated manner. Funding and programming in such areas will further encourage commercialization and industry adoption of important mining innovations.

In face of the current economic environment and competition from jurisdictions with lower wages, operating costs, and less stringent environmental regulations, Ontario has little choice but to innovate. Given the relative strength and coherence of the mining industry, research and innovation organizations and our mining supply and service sector in Ontario, we have a tremendous opportunity to become a global powerhouse in this field – so long as all the factors for success are in place in which mining innovators can thrive. Conventional approaches are failing to deliver new mines at greater depths and in more remote locations; innovation is essential if we are to sustain our strength in mining.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Increase the relative government-to-industry funding ratio for innovation and commercialization projects, and manage funding flows as appropriate based on the size and timeframe of such projects.
2. Provide funding for mining innovation projects that go beyond academic research and incorporate the mining industry, the supply and service industries, and other cross-sector industries to support implementation and commercialization requirements.

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Sunset Date: May 4, 2022

E. Changes to Alcohol Retail in Ontario Need to Support Local Industry and Jobs in the Wine and Grape Sector

Submitted by: The Windsor-Essex Regional Chamber of Commerce. Co-sponsored by the Leamington Chamber of Commerce, Prince Edward County Chamber of Commerce, Greater Niagara Chamber of Commerce, and Grimsby Chamber of Commerce.

Issue

As the Ontario government considers new retail for wine in the province it is essential that the government uses this opportunity to ensure Ontario grape growers and wineries are able to grow their businesses, contribute to the provincial and regional economies and create local jobs. Key to ensuring the future growth of the Ontario grape and wine sector is:

- Eliminating the 35% import tax currently imposed on local Ontario wineries;
- Eliminating the 6.1% retail store tax on domestically produced wine;
- Ensure direct delivery of all Ontario wine to new retail opportunities; and,
- Not trading the current retail monopoly for a grocery led oligopoly.

Background

In 2015, the Ontario wine and grape industry contributed \$4.4 billion to the Ontario economy, supported 18,000 jobs, hundreds of small family-owned businesses in Ontario communities and attracted over 2.4 million tourists to wine country every year.⁹ This in itself accounted for nearly half of Canada's wine and grape industry. An average bottle of Ontario wine sold generates \$29.69 of business revenue, \$5.23 of tax revenue and \$8.71 of wages. For every \$1.00 spent on Canadian wine in Ontario, \$3.95 in GDP is generated across the province.

In 2015, there were approximately 456 grape growers operating in Ontario with a combined acreage of 18,383 grape-bearing acres. There were also approximately 180 wineries in Ontario that sold over 8.3 million nine-litre equivalent cases of wine. Total winery revenue representing wine sales, wine kit sales and non-wine revenue such as merchandise, events, etc. was \$562.9 million.

The wine and grape industry is a key economic driver in Ontario but is especially important to the Niagara, Lake Erie North Shore and Prince Edward County areas. Windsor-Essex County alone has 17 wineries due to its unique maritime climate which allows it to have longer sun hours and greater heat units than any other area in Canada. This unique climate contributes to the production of award-winning wines created from the finest locally grown vinifera and French hybrid wine grapes.¹⁰

Ontario is already one of the most open wine jurisdictions in the world. At the LCBO, Ontario wines hold only a 24 percent market share. Other wine producing nations around the world dominate their own market. Spain, South Africa, Argentina and Chile each own over 90% of their domestic market. Italy owns over 80%, Australia over 75%, the USA over 60% and even Russia is at 50% ownership of their own market. Major wine producing countries such as Spain, Italy, France, America and Australia provide hundreds of millions of dollars in subsidies particularly for marketing abroad. These subsidies are often directed by the foreign wineries at maintaining and growing market share in Canada and Ontario.

Alongside limited market share, Ontario wineries pay the 35% import tax that is also levied against foreign wineries. The elimination of this tax would allow Ontario wineries and grape growers to create more jobs in

⁹ <https://wgao.ca/economic-impact/>

¹⁰ <https://www.epicwineries.com/wineries/>

rural Ontario, keep protecting the Greenbelt and continuously invest in the Ontario economy.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. **Eliminate the Import Tax on Domestic Wines:** Ontario wineries currently pay a 35% import tax through the LCBO markup structure. Ontario wineries are seeking a 35% permanent tax credit that is predictable.
2. **Allow Direct Delivery to retail stores:** Provide Ontario wineries the ability to deliver directly to any new retail store channel similar to US wineries. It is the best way to ensure a fair and reasonable margin on wine sales in new retail channels.
3. **Eliminate the Retail Store Tax:** No other Ontario business has a 6.1% tax on top of the other sales taxes the government collects. Reduce the Retail Store Tax by 6.1%.
4. **Prevent Private Oligopolies from Arising:** Ensure market is accessible to retailers of all sizes, including independent licenses for specialty wine shops i.e. a license enabling independent stores with no chains or ability to consolidate.
5. **Work with other provinces to enable Ontario wineries to better serve their customers.** Enable cross border shipping so Ontario wineries can ship purchased products home to customers in provinces including Quebec, Saskatchewan and Alberta.

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Sunset Date: May 4, 2022

F. Ensuring Access to Export Markets for SMEs

Submitted by: The Richmond Hill Board of Trade

Issue

Ontario SME Export Businesses lack affordable access to insurance products to allow them to compete outside of Canada.

Background

In order to do business on the World Stage in general, and in particular, in the European Union and United States, business must carry sufficient insurance products to be able to even come to the table to qualify to sell their products. This situation exists particularly in large corporations and purchasing blocks with Vendor Management Organizations that rapidly exclude Ontario Startup in sectors including technology and financial technology.

Typical insurance requirements are, as separate items¹¹:

- Commercial Blanket Bond for Deliverables - US\$25Million
- Technology Errors and Omissions Insurance – US\$10Million¹²
- Media Errors and Omissions Insurance – US\$10Million
- Privacy and Network Security Insurance - US\$10Million
- Commercial General Liability Insurance - US\$2Million (this is available)

The authors, as an exercise, attempted to obtain the above insurance in 2017, were quoted US\$1Million per year.

Without these insurance products, at affordable levels, any investment in SME technology companies that expect to export their products will face undue hardships and must resort to indirect sales through local agents, that directly impacts companies' bottom lines, and puts their viability and growth at risk.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Work with the Insurance Industry to come up with affordable and available products that allow Ontario SME businesses to export and compete outside of Ontario and Canada.

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Sunset Date: May 4, 2022

¹¹ Typical VMO survey done in 2017 by member to Large US Bank (names cannot be disclosed).

¹² This level of insurance is not available in Ontario based on communication with major local insurance companies.

G. Fair Business Practices to Ensure Ontario Stays Competitive

Submitted by: The London Chamber of Commerce

Issue

In a time when the political climate is becoming increasingly polarized, it is important that private companies engaging with government know where they stand. Governments change through the political will of the people and when that change occurs, it is imperative that businesses partnering with the government are treated fairly.

Background

While changing circumstances or political climate may necessitate the cancellation or modification of policy or regulations that impact the government's contractual commitments, every effort must first be made to understand and respect the impact of such changes on Ontario's businesses and the economy.

To the extent that affected parties to a contract are not treated fairly and in accordance with corporate and commercial law and the terms of their contract, this failure will have ongoing negative consequences for future government procurement. Future bidding entities will exit the Ontario marketplace and diminish the competitiveness of the remaining players, and those remaining will build this kind of political risk into the pricing of their product or service.

We live in a world where attracting talent and business opportunities is becoming increasingly competitive between jurisdictions and it is important Ontario be viewed as a province that supports business. The impact on the Venezuelan economy arising from politics taking advantage of the business community demonstrates the risks that Ontario runs when cancelling contracts without adequate compensation. Since 2007 oil production in Venezuela has been on a steep decline, despite oil prices that were regularly above \$100/bbl. In 2015 Venezuela's oil production had fallen to 2.6 million BPD, a decrease of more than 20% below 2006 levels. By comparison, the U.S. oil production has risen by 86% during the same period. In 2007 Venezuela demanded changes to the agreements made by the international oil companies like ExxonMobil, BP, Chevron, Total and ConocoPhillips that would give the government majority control of the projects. Total, Chevron, Statoil and BP agreed and retained minority interests in their Venezuelan projects. ExxonMobil and ConocoPhillips refused, and as a result, their assets were expropriated. The result of stripping the rewards from the industry without fair compensation was to stifle future investment and this should serve as a warning.

Cancelling contracts and not honouring agreements can lead to the voting public losing faith that they will be treated fairly when the political winds of another special interest group conflict with their own interest.

The large international companies may be able to withstand the impacts of political changes; however, this may not be the case for small entrepreneurs. During the start up phase of a new business many entrepreneurs are betting their personal savings on the success of the contracts they enter into with government and others. Knowing that the government has a track record of cancelling contracts without sufficiently compensating the individuals involved will increase the perceived risk and lead to less entrepreneurial activities developing through interaction with the government.

We understand and respect the enthusiasm with which the new Ontario Government has moved to attempt to correct many of the ill-conceived energy programs that they inherited from their predecessors. However, in doing so, the Government must exercise every caution to ensure that their actions, although laudable in their intent, do not inadvertently cause more harm than good.

In 2018, the Ontario government proceeded to direct the Independent Electricity System Operator (IESO) to cancel 758 renewable energy contracts in the Province. Large Renewable Power contracts cancelled include

hydroelectric, solar and wind projects. Feed-In-Tariff (FIT) contracts cancelled included solar, biomass, biogas and hydroelectric projects. Most cancelled projects had not yet received their notices to proceed from the IESO.

In a separate move, the Province enacted the White Pines Cancellation Act (Act), cancelling the Project's FIT Contract and regulatory approval, and required White Pines to decommission the project, after major equipment had been ordered and construction had begun. The Act does include provisions for some cost recovery for expenses incurred in the development and decommissioning of the Project; however, it does not compensate for any lost revenues.

It is unclear what, if any, compensation will be made available to other developers.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Create policies to reasonably compensate parties for cancelled contracts ideally including a formula that takes into account the opportunity cost of the investments made by developers;
2. Disclose the cost (or an estimate thereof) of cancelling a project to the public when such a cancellation occurs;
3. Designate and empower by statute the Auditor General for Ontario to review contract cancellation costs incurred and to provide an independent analysis of the actual costs versus benefits achieved by governments as a result of a contract cancellation;
4. Upon entering contracts where more than half of the contract is to be performed during a new government include terms of possible cancellation; and,
5. Where possible enter contracts in phases with terms coincidental to the political election cycle.

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Sunset Date: May 4, 2022

H. Keeping Ontario's Small Business Support Services Strong

Submitted by: The Vaughan Chamber of Commerce and Newmarket Chamber of Commerce and co-sponsored by the Timmins Chamber of Commerce.

Issue

Ontario's small businesses and entrepreneurs rely on the hands-on training and support they receive from the Province's Small Business Enterprise Centres (SBEC) to start and grow their business. Many of these businesses go on to become important members of Ontario's chambers of commerce and boards of trade. The future of this network, funded by the Province of Ontario's Ministry of Economic Development, Job Creation and Trade (MEDJCT) and host municipalities, is crucial for the success of communities across Ontario. This network requires long term, sustained resources.

Background

Ontario's 47 SBECs are in every corner of the Province. They provide business advisory services like consultation and seminars, along with Province of Ontario programming, to locals interested in starting and growing a business. Their local expertise has made the difference for countless Ontario businesses.

Ontario's SBECs have been the Province's primary resource for main street businesses and entrepreneurs since the 1990s. Small businesses represent 98% of Ontario business. To the more than 400,000 small enterprises employing fewer than 100 people in Ontario, SBECs offer:

- free consultations with a qualified business consultant
- access to business research
- review of business plans
- referrals to local support resources like chambers of commerce
- workshops and seminars
- guidance on licenses, permits, registration, regulations and other documents you need to start a business
- import and export information
- information on patents, copyright and trademarks
- mentoring and networking opportunities

Over the most recent fiscal year, April 2017 to March 2018, SBECs responded to over 198,000 individual public inquiries and helped over 8,300 businesses start or grow, leading to the direct creation of almost 9,500 jobs. This is the result of support delivered in over 27,000 one-on-one business consultations. Furthermore, SBECs referred nearly 1,400 growing businesses to chambers of commerce to help those entrepreneurs on their journey.¹³

The chambers of commerce in Ontario would like to express their support for SBECs as important local partners in business development. Ontario's small businesses and entrepreneurs would greatly benefit from the SBEC network's continued work, backed by long term support from the Province of Ontario.

¹³ Ministry of Economic Development, Job Creation and Trade, *Enterprise Centre Reporting*, (April 1, 2017 – March 31, 2018).

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Implement dedicated long-term and stable funding through the Ministry of Economic Development, Job Creation and Trade for Ontario's Small Business Enterprise Centres (SBECs), recognizing that they have been important resources for Ontarians as they start and grow businesses since the late 1990s.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

I. Reducing Permitting Delays in Mining Exploration

Submitted by: The Timmins Chamber of Commerce. Co-sponsored by the Greater Sudbury Chamber of Commerce, North Bay District Chamber of Commerce, Huron Chamber of Commerce, and the Sault Ste. Marie Chamber of Commerce.

Issue

Given their importance to the economy, and fluctuations in metal markets, it is crucial for mining exploration projects to receive permits in a timely fashion. It is therefore increasingly problematic that Ontario routinely fails to provide these permits within a reasonable timeframe.

Background

Valued at nearly \$10 billion in 2017¹⁴, Ontario's mineral production is essential to its overall economic success. However, this success story is the result of ongoing, diligent efforts by junior firms and major companies alike to conduct exploration, which carries significant risk: the process of developing a single mine can often require 500-1,000 grassroots exploration projects.¹⁵ Given their importance to the economy, and fluctuations in metal markets, it is crucial for mining exploration projects to receive permits in a timely fashion. It is therefore increasingly problematic that Ontario routinely fails to provide these permits within a reasonable timeframe.

Frustrations related to this issue have been widely and increasingly shared in the media in recent years, as growing numbers of mining exploration firms have publicly aired their concerns that delays were extending to such a duration that projects become less economically viable¹⁶; this punishes existing investors while providing less confidence to prospective investors.

This issue is not purely anecdotal: Permit Times for Mining Exploration in 2017 specifically finds that investors are losing confidence in the mineral exploration permit process in many Canadian provinces—including British Columbia, Ontario and Quebec—which has grown longer over the past 10 years and less transparent.¹⁷ In fact, the report indicated that exploration companies routinely experienced longer waiting times for permits than in competing provinces, and that Ontario “also offered less transparency and certainty throughout the permitting process.”

This also impacts perception of industry participants regarding Ontario's friendliness as a mining jurisdiction: nearly 40 percent of mining-sector representatives who participated in the Fraser Institute report indicated they expected to wait in excess of six months for the required exploration permits, with 7 per cent anticipating the process would take in excess of two years. In turn, this affects firms' certainty of receiving their permits; without that confidence, firms are less likely to invest. Notably, 20 percent of mining firms have “no confidence” of receiving their required permits, according to the Fraser Institute.

Moreover, 43 percent also felt that the lack of transparency in Ontario's permitting process served as either a mild or strong deterrent to investment.

Similar concerns apply to the delays surrounding environmental assessments, which have had a considerable impact on numerous projects throughout the province. The most visible example of this issue has been within the so-called Ring of Fire, a multi-mineral deposit in the James Bay Lowlands whose potential value is estimated at \$60 billion by the Ontario Chamber of Commerce.¹⁸ However, progress has been very slow on

¹⁴ https://www.oma.on.ca/en/ontariominning/facts_figures.asp

¹⁵ Roderick Eggert, “Mineral Exploration and Development: Risk and Reward”, 2010

¹⁶ <http://www.miningmarkets.ca/news/ontario-permitting-delays-irk-northern-graphite/>

¹⁷ <https://www.fraserinstitute.org/sites/default/files/permit-times-for-mining-exploration-2017.pdf>

¹⁸ Jed Chong, “Resource Development in Canada: A Case Study on the Ring of Fire”; Parliament of Canada, 2014

numerous fronts for many of the exploration firms active in the region, in part due to the many ongoing delays in the environmental assessment process.¹⁹

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Dedicate sufficient resources to streamline and improve the process for reviewing and approving exploration permits and environmental assessments; and
2. Work with the federal government to address the duplication of regulatory requirements and processes required for mining exploration, including environmental assessments.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

¹⁹ Liam McGuinty, “Where are we now? A Report Card on the Ring of Fire”; Ontario Chamber of Commerce, 2015

J. Support for free market opportunities to address high electricity prices

Submitted by: The Ottawa Board of Trade

Issue

Electricity prices in Ontario are the highest in the country, undercutting the competitiveness of businesses in the province and reducing the attractiveness of the province as a destination for investment. It is the responsibility of the Government of Ontario to explore opportunities for businesses and residents to obtain relief from these pressures.

Background

Between 2008 and 2015, due to a myriad of factors, electricity prices in Ontario rose by 71%, outpacing the growth of Ontario's economy by a factor greater than four.²⁰ Its impact on businesses has been well-documented by this chamber. This resolution will attempt to provide a constructive free-market solution to this challenge – virtual net metering.

Virtual net metering is a billing arrangement which allows multiple homeowners or businesses to participate in the same net metered electricity generation system and share the output from a single facility that is not physically connected to their property (or their meter). Under this arrangement, the electricity generated from a single project creates bill credits which can be used by one or more participating customers to account for a portion of their total electricity needs.

The supplier is partnered with the local utility to ensure the monthly energy (kWh) produced by the project is netted off of the participants' electricity bill proportionally based on their level of ownership in the project. As many of these projects deploy electricity generation that produces power at peak-demand times, this will allow subscribers to take advantage of the 'peaking' nature of the 'time-of-use' period, which will significantly reduce their electricity bills.

The move to deregulate the electricity grid in Ontario was the correct one, but the province has yet to truly harness the potential of the free market opportunities that will provide businesses in Ontario with the open, fair, and competitive electricity options that will enable lower prices and long-term resiliency of the grid.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Commit to continue with Time-of-Use pricing and investigate opportunities to enable ratepayers in the province to enter in to virtual net metering arrangement under a time-of-use/production pricing scheme.
2. Amend O Reg 541/05 (the Net Metering Regulation) to allow for virtual net metering.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

²⁰ Jackson, Taylor, et. al., *Evaluating Electricity Price Growth in Ontario*. The Fraser Institute, 2017

K. Addressing the Challenges of Ontario's Largest Economic Sector: Small Business

Submitted by: Greater Sudbury Chamber of Commerce. Co-sponsored by the Peterborough Chamber of Commerce, the North Bay and District Chamber of Commerce, and the Timmins Chamber of Commerce.

Issue

The cumulative regulatory burden, constant legislative changes and reporting requirements present a disproportionate impact on small businesses and are an obstacle to prosperity, growth and competitiveness.

Background

Businesses throughout the province have repeatedly highlighted the cost of regulatory compliance as a barrier to investment and growth. Business owners have said they find it incredibly difficult to navigate the regulatory framework – especially when that framework is frequently changing due to new and/or updated legislation. When new and/or updated legislation unwittingly introduces hidden costs, the problem is only exacerbated. The Government of Ontario needs to take steps to reduce red tape for small businesses and make it easier for them to understand and comply with regulations.

Recent years have seen significant changes implemented or proposed to WSIB, labour relation, the minimum wage, and pension plans. Businesses saw many changes as a result of Bill 148, the *Fair Workplaces, Better Jobs Act*, 2017, and the subsequent introduction of Bill 47, the *Making Ontario Open for Business Act*, 2018, which repealed or rewrote many of Bill 148's changes. Businesses continue to see many changes due to environmental regulations and the federal carbon tax. While regulatory change is not necessarily “bad” – in fact, updating and modernizing regulations should be a priority for all governments – it can have a lasting, negative impact on businesses, if they are implemented haphazardly, or if the government does not make compliance easy. The cost of such changes disproportionately burdens small businesses that often do not have dedicated human resource departments or dedicated personnel to manage the complexities of the requirements.

According to Innovation, Science and Economic Development Canada, Ontario had 429,852 small businesses in December 2018; this represents 97.7 percent of all businesses in the province.²¹ The Ontario government has shown its commitment to broad, structural red tape reduction. The Cutting Red Tape webpage was introduced for businesses to submit red tape issues they face. Furthermore, the appointment of an Associate Minister of Small Business and Red Tape Reduction has demonstrated the government's commitment to tackling this issue.

The Ontario government recognizes that reducing unnecessary red tape will save businesses time and money and that such reduction is an integral part of growing Ontario's economy. The *Better for People, Smarter for Business Act*, 2019, contains several proposed amendments that will support small businesses. We applaud the government's efforts to reduce red tape thus far, however there is still much work to be done.

The Government of Ontario can ease the regulatory burden by establishing a regulatory concierge service for small businesses in Ontario. Such a concierge service would be a single-access point for information, support and expertise on regulatory compliance in Ontario. The concierge service would offer one-on-one support to small businesses so that they can successfully navigate regulatory frameworks and achieve compliance with

²¹ https://www.ic.gc.ca/eic/site/061.nsf/eng/h_03114.html

much greater ease and so they could devote their limited resources to growing their businesses and the economy.

Such a concierge service is nothing new. The federal government already runs a program called *Concierge*, which is “a single access point to funding, expertise, facilities, and global opportunities for small and medium-sized enterprises (SMEs) seeking to grow through innovation.” *Concierge* does not offer funding itself; it provides customized, one-on-one guidance to innovators so that they can find funding and take advantage of other government programs. *Concierge* leverages the expertise of a team of “innovation advisors” so that business owners can spend their time and energy more effectively.

Other jurisdictions have understood the benefit of one-stop support for businesses:

- Greater Sudbury’s Regional Business Centre
- Hamilton’s One-Stop for Business
- The British Columbia Business Registry
- One Stop Business Registration Portals in Wisconsin and Virginia

While certain single-window initiatives in Ontario exist, such as Service Ontario’s ONe-Key, these are ‘self-serve’ initiatives rather than concierge services, and they do not address the regulatory burden that weighs on Ontario’s small businesses.

Creating a team of industry experts to guide business owners through regulations in Ontario will make Ontario attractive for investment and allow existing businesses to spend their resources more efficiently.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. streamline government services by creating a concierge service to provide single-window, one-on-one, customized access for small businesses to guide them through regulatory compliance processes and help them achieve compliance obligations.
2. develop interconnectivity between municipal, provincial, and federal concierge services to enable knowledge-sharing and to ensure that each is able to provide the best guidance and expertise to its clients.
3. continue to work with the Ontario Chamber of Commerce, Ontario’s business community, and with small businesses in order to reduce red tape.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

L. Creating Northern Ontario Economic Hubs, Technology Clusters, and the Innovation Ecosystem

Submitted by: Sault Ste. Marie Chamber of Commerce

Issue

Ontario's economic performance is not shared equally in all regions in the province due to differences in their economic makeup or base. External macro factors play an important role not only in Ontario's economic performance but also in each region to varying degrees. Regional growth performances during 2015 were led by the Toronto and Hamilton-Niagara regions, with the Kitchener-Waterloo-Barrie and London regions close behind. At the other end of the growth spectrum were the northern regions and to a lesser extent Windsor-Sarnia and Stratford-Bruce.

Background

Much of the research on the contemporary-knowledge economy starts from the assumption that economic inputs have shifted away from traditional resources and physical attributes towards new knowledge and innovations. As an economy steeped in the natural resource industries, Northern Ontario's strengths can be said to lie in incremental innovation - generating new value from its demonstrably strong markets.

The term innovation is quite hazy, and lacks universal definition. "In common use" writes Dr. Richard Hawkins, "innovation is used interchangeably with invention [and] often used synonymously with technology," which he argues is a misapplication. He writes, "[t]o this day, virtually all of the strategies, programs and measures undertaken by the Federal and Provincial governments in Canada[. . .] remain oriented to promoting industrial R&D and/or supporting the growth of start-up companies, mainly in the technology goods sectors" (Hawkins).

The Organization for Economic Co-operation and Development (OECD) defines innovation as "the introduction of a new or significantly improved product, process or method [that] holds the key to boosting productivity" (OECD Ministerial Report).

Building the Innovation and Entrepreneurial Ecosystem is a key element to the success of the Growth Plan for Northern Ontario. The Plan contains policies that focus and guide action on building a regional economy that is resilient, sustainable, building on the strengths and human potential of today's northerners by providing them with more education, training and career opportunities, attracting people and investments. The Growth Plan aims to strengthen the economy of the North by:

- Diversifying the region's traditional resource-based industries
- Stimulating new investment and entrepreneurship
- Nurturing new and emerging sectors with high growth potential.

Communities with a high level of entrepreneurial activity tend to be better off economically. As a Nation, Entrepreneurship is a powerful force driving innovation, productivity, job creation and economic growth. Entrepreneurs have made fundamental impacts throughout the history of Canada, and today more and more Canadians from all walks of life are becoming entrepreneurs. In Canada entrepreneurs and the Small and Medium size businesses they generate account for 54% of our gross domestic product, employ 74% of our workforce and create 54% of our new jobs nationally.

The creation of the Entrepreneurial and Innovation Ecosystem requires:

- A risk taking culture
- Talented, diverse and imaginative work force and students
- A community that gives back
- Abundant capital
- Collaboration with industry
- Government support

Canada's level of entrepreneurship is on a par with Australia, with about 13 per cent of the working-age population involved in early-stage entrepreneurial activity, according to Peter Josty, executive director of the Centre for Innovation Studies, Alberta. Among the positive attitudes cited for Canadian culture:

- Highly supportive of individual success achieved through personal effort.
- Emphasizes self-sufficiency, autonomy and personal initiative.
- Encourages creativity and innovation.

But the culture of innovation is different in Canada. "In most countries consumer services is the big sector, but in Canada, the highest rate is in the business to business services and that's a whole different ballgame," Josty said in an interview with CBC News Network's The Exchange with Amanda Lang.

Canada also lags in entrepreneurship — in which process engineers and others improve business efficiency within a larger company, he said. "The number of people in large businesses doing this is half the rate in the U.S. and Australia and we think this correlates with poor innovation and productivity in Canada," Josty said.

The peak age range for Canadian entrepreneurship is 45 to 64, but there remains a lot of activity among Canadians under age 45. More highly educated Canadians are more likely to start businesses, but there are entrepreneurs with every level of education. Creating the environment of risk taking is critical in building entrepreneurs of the future and stemming the outward migration of youth from the North.

Shifting investments into attracting youth and immigrants to the region and developing a high-skilled and technical labour force will set the region apart from competitors who dominate industries made up of low-skilled workers. This means building a strong education system with government and industry partners and less restrictive and more specialized apprenticeship programs. These strategies are broad, but necessary, given the challenges facing the region. 'Creating jobs' by pumping money into a few companies is a short-sighted goal that usually only last as long as the funding does. However creating the Ecosystem in which innovation can thrive and entrepreneurship commercialize the outcome from innovation is critical to the future of Northern economies.

As the economies of the North are somewhat isolated from centres of concentrated economic activity with limited access there is the natural existence of collaborative efforts amongst firms. Where there has been a need to build stronger collaboration is between firms conducting and or needing R&D with academic institutions, assuming they have R&D capacity. Building this capacity is critical to the development of ecosystems and economic clusters

In many communities of Northern Ontario the elements of this ecosystem exists but require a stronger emphasis in the education system and teaching of entrepreneurship. Due geographical location there is strong sense of community that sees the business leaders sharing their financial success within the community but also a willingness to share their wisdom and experience to new and existing entrepreneurs.

Access to capital is relatively sophisticated in the urban communities of the North with extensive bank, credit union and capital lease companies. There also is a strong network of resources such as the Community Futures organizations, NOHFC, Fed Nor and community based micro lending programs. Most significant in providing innovation capital is the Northern Ontario Angels Network which has provided over \$50 million in private monies to a variety of investment opportunities realizing significant economic impact.

For Northern Ontario's businesses to be able to expand their markets beyond local boundaries, they first need to be given the opportunity to build capacity in their local market – that is, to build civic capital, which begins with access to a skilled workforce. The Private Sector Youth Internship provides this opportunity to business owners who have the potential and willingness to grow – not abandoning their local roots, but naturalizing their market in new climates, while blooming where they are planted.

In terms of the digital economy, for small and isolated communities who have little opportunity for industry within the physical locality, having access to high quality internet speeds could make or break a fledgling digital entrepreneur. The digital foot print expands into educating a skilled workforce in remote areas as well as delivering efficient modes of health care. By arming communities with opportunities that are unfettered by eternal download speeds and sprawling geography which place knowledge and opportunity out of reach, high speed broadband services can function as a springboard of opportunity for small, northern communities to expand their horizons, and markets.

At the Ontario Chamber of Commerce's annual Ontario Economic the theme of Building Prosperity by Strengthening the Innovation Ecosystem brought together leaders from the private sector, elected and non-elected members of the Provincial government, academia and chambers of commerce from across the province. While a Northern perspective was lacking the elements of the many conversations, discussion and presentations were applicable to creating a Northern Innovation Hub. Government as an enabler of the Innovation and Entrepreneurial ecosystem can enhance the Northern economy through addressing the following:

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Locate a physical office(s) in Northern Ontario for the Ontario Centre of Excellence to maximize its investment in regional innovation through University and College research based funding and capital grants to develop knowledge clusters that support inherent economic drivers.
2. Align programs and services with company evolution from start-up to maturity and ensure funding and resources are available at each step of the process.
3. Streamline the process between the federal and provincial governments to better co-ordinate and focus innovation-related programs.
4. Simplify program support and expedite the funding process to ensure that government programs and services allow innovation to occur at the speed of the market.
5. Support investments for organizations to invest in new technologies under various funding envelopes to encourage innovation in existing economic engines of the Northern clusters and value chains.
6. Incentivize the development of a skilled workforce equipped to participate in the transition towards advance manufacturing.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

M. In the Spirit of Business

Submitted by: Greater Peterborough Chamber of Commerce, Prince Edward County Chamber of Commerce, Quinte West Chamber of Commerce, Belleville Chamber of Commerce

Issue

Aligning the craft distilling industry with the policy regimes of the craft brewery and winery industry will help maintain this industry as a positive growth sector for the Ontario economy.

Background

Craft distilling is a growth industry. Distillers are creating jobs and boosting economies in large and small centres alike.

In the past few years, there has been some movement to parity with other craft alcohol industries. These improvements include allowing craft distillers to distribute their products to bars and restaurants and are appreciated by the industry.

But there is more to be done. In its 2019 report “Refreshing the Sale of Beverage Alcohol in Ontario”, the Ontario Chamber of Commerce (OCC) identifies a number of positive economic results from the industry that would only be enhanced by parity with the other sectors of beverage alcohol, including:

- The spirits industry and craft distillers in Ontario generate over \$2.4 billion in annual sales
- The spirits industry supports 6,000 jobs across the province and contributes \$1.5 billion to Ontario's Gross Provincial Product every year.
- Ontario is currently home to 39 spirit distillers. There has been an increase in the number of small and artisan distillers that specialize in niche products across Canada.
- The spirits industry works closely with local farmers and contributes to the economic growth of rural areas across Ontario.

The report also connects the beverage alcohol industry to a number of adjacent industries, including farming, tourism, and hospitality. The power of beverage alcohol to be a force for economic development – particularly rural economic development – should therefore be reflected in policymaking.

However, the most significant challenge to be addressed is around taxation. The tax is currently 61.5% at craft distillery tasting rooms, which is 10 times what Ontario wineries pay. And the time is now to consider change as the tax regime for beverage alcohol is part of the comprehensive Government of Ontario review that is underway.

The call for change is not only coming from chambers of commerce and boards of trade, but alongside the Ontario Craft Distillers Association. Modelling by the Ontario Craft Distillers Association (based on experience in Nova Scotia, BC, and Alberta) shows that any cut in taxes is more than recouped within approximately two years because of taxes associated with job growth in the industry.

Nova Scotia continues to be a leader in the spirit industry as the government reduced the government mark-up by 60-80% in 2014, with another 10% mark down if distillers use provincially-grown agricultural products. The government also cut the license fee from \$2,000 to \$500 and increased production threshold, and introduced a graduated mark-up based on annual production. This has allowed craft distillers to thrive. Furthermore, in British Columbia, since the introduction of a graduated tax system in 2013, the industry has

grown from 7 to 60 distilleries and the volume of craft spirits produced in British Columbia grew by almost 400 percent.²²

In order to achieve parity across alcohol categories, where spirits can be sold and how consumers access the product also deserves consideration. As such, spirits should also be allowed at grocery, convenience, corner stores etc; dedicated shelf space/displays for craft distillers at the LCBO, so that the small players can compete next to the international brands; and permitted at farmers markets.²³

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Freeze the current spirits basic tax.
2. Offer further pricing incentives to craft distilleries for spirits made primarily with Ontario ingredients, graduated by production method and volume.
3. Improve access for craft distillers and consumers by:
 - a. Allowing spirit sales at grocery, convenience, and corner stores, etc.
 - b. Having dedicated shelf space/displays for craft distillers at the LCBO, so that the smaller players can compete next to the international brands
 - c. Permitting the sale of spirits at farmers markets

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

²² “Refreshing the Sale of Beverage Alcohol in Ontario,” Ontario Chamber of Commerce, 2019, pg 15.

²³ “Refreshing the Sale of Beverage Alcohol in Ontario,” Ontario Chamber of Commerce, 2019, pg 5.

N. Support Ontario's Forestry Industry by Establishing an Ontario Commercial Loan Guarantee Program

Submitted by: The Timmins Chamber of Commerce. Co-sponsored by the Sault Ste. Marie Chamber of Commerce

Issue

As a direct result of United States duties on softwood lumber, the Ontario forest sector has more than \$245 million in deposits currently being held at the border. In the face of these baseless trade actions, our forest industries are unable to reinvest in their employees and operations, putting mills and communities at significant risk. To ensure we keep mills open and people working, we encourage the Province to establish a Made-in-Ontario Commercial Loan Guarantee Program to ensure our Forest sector continues to grow and thrive.

Background

The Canada / United States (U.S.) softwood lumber dispute is the longest running trade dispute between our two countries. We are currently in the fifth individual trade action spanning four decades.²⁴ The U.S. alleges that Canadian timber is sold at below-market prices, and this assertion is used as the basis to impose punishing duties on the Canadian industry.²⁵ However, these duties are arbitrary and punitive, and have never survived Canadian appeals under the North American Free Trade Agreement and the World Trade Organization.

In 2017, the U.S. imposed new import duties as high as 24 percent on Canadian lumber as part of its most recent trade action.²⁶ As time goes on, the cash tied up in duty deposits becomes an increasing threat to the viability of lumber producers in Ontario and across the country.

The Ontario forest sector accounts for 21 percent of the nation's forest industry employment, employing 172,000 people, and spurs \$15.5 billion in economic activity,²⁷ yet as one of the largest sectors contributing to our provincial economy, they are continually face insurmountable barriers with respect to U.S. border tariffs.

Supporting Ontario's renewable industry in a tangible way by providing the lumber sector with commercial loan guarantees, will help preserve the industry's credit and enable it to borrow against cash deposits so that litigation and costly duties cannot hinder the industry as in previous years.

The Federal Government has established a mechanism to help companies seeking to diversify their product line, make efforts to develop new markets overseas, help Indigenous communities and groups improve their performance and participation in forestry, and extend work-sharing agreements in order to minimize layoffs.²⁸

²⁴ Rahman, Osman, and Stephen Devadoss. "Economics of the US-Canada Softwood Lumber Dispute: A Historical Perspective." *The Estey Centre Journal of International Law and Trade Policy*, vol. 3, no. 1, 2002, pp. 29–45.

²⁵ Ibid.

²⁶ Baker, Peter, and Ian Austen. "In New Trade Front, Trump Slaps Tariff on Canadian Lumber." *The New York Times*, *The New York Times*, 25 Apr. 2017, www.nytimes.com/2017/04/24/us/politics/lumber-tariff-canada-trump.html.

²⁷ "Canada's Forest Industry: By the Numbers (35 Facts)." Canada Action, canadaaction.ca/forest-sector-by-the-numbers-economic-contribution.

²⁸ <https://www.nrcan.gc.ca/sites/www.nrcan.gc.ca/files/plansperformancereports/dpr/2018-19-DP-NRCAN-EN.pdf>

These programs may be helpful in provinces where lumber market diversification is an option, but for Ontario, whose natural market is the United States, the Federal programs are not realistic. Ontario's lumber producers need to have adequate liquidity to survive the U.S. lumber trade action, and to do that it requires support to maintain access to cash until the legal process is concluded.

Without the establishment of a Provincial loan guarantee program, many of our provinces' sawmills will not be able to finance deposits at acceptable rates without the support of the Provincial government. While such intervention may be claimed by the United States as a countervailable subsidy, such a finding could not have any impact for at least two years and, even then, would not calculate to anything detrimental to the government or the industry.

Keeping Ontario open for business means establishing a Provincial commercial loan guarantee program. As a natural resource-rich province, the government must do all it can to realise the success of our industries who are responsible in maintaining our forests for generations to come.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Establish an Ontario Commercial Loan Guarantee Program that supports the Ontario forest sector with working capital by:
 - a. offering loan guarantees to assist the industry in maintaining credit and borrow against cash deposits.
 - b. providing access to any Ontario lumber producer that has paid an anti-dumping tariff and countervailing tariff.
 - c. allowing the forest industry access to 75 percent of the paid anti-dumping and countervailing tariff through loans at a commercial rate comparable to current bank rates.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

O. Support Ontario's Growing Cannabis Industry

Submitted by: The Hamilton Chamber of Commerce and the Guelph Chamber of Commerce

Issue

Ontario's legal cannabis market has not reached its full potential for growth. Existing regulation inhibits market growth and efficiency in a number of ways. The Government of Ontario needs to focus public policy and investment efforts towards supporting this emerging industry by ensuring post-secondary training focuses on key skills required by the cannabis industry, by investing in post-secondary cannabis research, by considering edibles consumption lounges, and by permitting cannabis retailers and licensed producers to establish a commercial relationship with one another.

Background

Ontario's legal cannabis market is not meeting its full potential. Currently, Ontario has 24 cannabis retail stores serving a population of 14 million people. An additional 50 stores are expected to be operational by spring 2020. The Province of Alberta, in comparison, has opened over 300 cannabis retail stores, serving a population of 4 million people.²⁹ Provincial government estimates suggest Ontario's cannabis market could support up to 1,000 retail stores and create approximately 14,000 jobs in the retail sector alone.³⁰ Ontario had the highest cannabis sales of all other provinces in the first year of legalization, with a total of \$216 million in sales.³¹ This suggests the legal cannabis market is drastically underserved, allowing the illicit market to continue flourishing.

Ontario is home to about half of all Licensed Producers across Canada, employing approximately 6,000 Ontarians.³² To support this emerging industry, the Government of Ontario needs to focus public policy and investment efforts effectively in the key areas detailed below.

Now that THC-infused edibles and beverages have entered the legal market, cannabis consumption lounges for edibles (excluding smoking or vaping cannabis) in Ontario would create opportunities for investors, entrepreneurs, and existing businesses and, in turn, create jobs. The emergence of consumption lounges would provide adults with a safe, secure, and sanitary space to consume cannabis products. Consumption lounges also present an opportunity to act as a front-line resource for public education, thereby complementing the Province's efforts to educate consumers on responsible consumption, especially for new products they may be unfamiliar with.

Ontario is home to 44 leading postsecondary institutions. Post-secondary institutions will need to continue to work with the cannabis industry to ensure courses and programs meet industry needs and an evolving regulatory environment. As an example, Niagara College launched an eight-month Commercial Cannabis Production program that focuses on large-scale crop cultivation, the federal regulatory environment around cannabis production, and business fundamentals, in addition to an experiential learning component

²⁹ Cain, Patrick. *As Ontario moves to open up cannabis retail, here's what we'll see next*. December 2019. Global News <https://globalnews.ca/news/6289867/ontario-cannabis-store-announcement-whats-next/>

³⁰ George-Cosh, David. *Ontario expects up to 1,000 pot stores, opens door to shopping malls*. November 2018. BNN Bloomberg <https://www.bnnbloomberg.ca/ontario-expects-up-to-1-000-pot-stores-opens-door-to-shopping-malls-1.1169064>

³¹ Statistics Canada. "The Retail Cannabis Market in Canada." December 11, 2019. <https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2019005-eng.htm>

³² Statistics Canada. "Labour Force Survey." November, 2018. <https://www150.statcan.gc.ca/n1/daily-quotidien/181207/t005a-eng.htm>

developed with over a dozen LPs.³³ With access to a strong talent pool, the cannabis industry can flourish in our province.

In terms of infrastructure, Niagara College established the Canadian Cannabis Research and Education Institute, which focuses on applied research and training in cannabis production and food and beverage innovation in partnership with industry. The University of Guelph is also investing in the development of the Guelph Centre for Cannabis Research (GCCR). The GCCR will be a home for cannabis research in Canada and provide opportunities for governments and academic researchers, in partnership with industry and associations, to perform collaborative and multidisciplinary research at a centralized facility. The centre aims to engage in a range of projects, including horticulture research to optimize production, yield, and quality. They are further developing cannabis strains targeting certain human and animal disorders, as well as processing and extracting essential oils to maintain medicinal properties. The GCCR's mandate includes training and enhancing the technical capacity of the cannabis industry.³⁴ To date, the University of Guelph has secured half of the funds needed to complete this 30,000 square-foot research venue. A lack of infrastructure funding hinders the ability of post-secondary institutions to build a talent pool for Ontario's cannabis industry.

The Ontario Cannabis Store (OCS) is currently the exclusive wholesaler and online retailer of legal recreational cannabis in the province of Ontario. The OSC is responsible for purchasing cannabis from licensed producers (LPs), setting the prices and markups, and distributing the product to retailers. This structure puts Ontario at a competitive disadvantage in cannabis, as conversations between retailers and LPs can take up to several months with this model.³⁵(1)

Permitting cannabis retailers and licensed producers to establish a commercial relationship with one another would allow LPs and retailers to negotiate their product mixes, along with the associated prices, terms and conditions. As an example, an LP would have the ability to make a deal with an independent retailer to establish a new product line and brand at an exclusive price to that boutique retailer. In turn, the retailer could support the LP by entering into significant, long-term, supply arrangements which would help the LP grow its business.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Consider the licensing of private consumption lounges for Ontarians to consume THC-infused edibles and beverage products.
2. Act as a convener by engaging the cannabis industry and postsecondary institutions, identifying the skills needed for current and future positions in the cannabis industry and developing a strategy highlighting the variety of education and employment opportunities related to the legal cannabis sector.

³³ Commercial Cannabis Production. 2020. Niagara College.
<https://www.niagaracollege.ca/environment/program/cannabis-production/>

³⁴ Armstrong, Kenneth. "First Nations cannabis company helping finance new U of G Cannabis Research Centre." December 3, 2018. GuelphToday.com. <https://www.guelphtoday.com/local-news/cannabis-research-centre-atu-of-g-expected-to-begin-construction-in-spring-1146589>.

³⁵ Rossi, R. and Beatty, P. *What's next for Ontario's cannabis industry?* December 2019. Toronto Sun. <https://torontosun.com/opinion/columnists/opinion-whats-next-for-ontarios-cannabis-industry>

3. Develop a funding pool that allows post-secondary institutions to apply for capital needed to build new infrastructure, such as those underway at the University of Guelph and Niagara College, to attract research dollars, industry, and students and, in so doing, support the growth of Ontario's cannabis talent pool.
4. Permit cannabis retailers and licensed producers to establish a commercial relationship with one another by working collaboratively to create exclusive and unique products and wholesale pricing, within the broader framework of the OCS maintaining its oversight role as regulator.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

P. Make the Ring of Fire a Provincial Priority

Submitted by: Greater Sudbury Chamber of Commerce. Co-sponsored by the North Bay and District Chamber of Commerce and the Timmins Chamber of Commerce.

Issue

The Ring of Fire is a transformative project for Canada. Provincial action is required to expedite the development of the Ring of Fire and ensure the economic and social potential of this multi-generational project is realized.

Background

The Ring of Fire is a mineral resource rich area of approximately 5,120 km² located in the James Bay Lowlands region of Northern Ontario. Since the early 2000s, significant deposits of copper, zinc, nickel, platinum, palladium, vanadium, and gold along with the first and largest deposit of chromite in North America have been discovered. Based on current projections, the Ring of Fire is estimated to hold more than \$60 billion in geological riches³⁶ with deposits being significant enough to sustain activity for a century.³⁷

The Ring of Fire is not only a Northern Ontario, but it should be a priority for all of Ontario as it will have far-reaching impacts across the nation. In the first ten years of the Ring of Fire development, all levels of government stand to increase their tax revenues by nearly \$2 billion, with the provincial government projected to accrue between \$700 to \$760 million.³⁸ In the long term, the provincial government is expected to receive \$2.34 to \$2.63 billion in taxes from the Ring of Fire.³⁹ Long-term benefits to Ontario's GDP (32 years) have been forecasted to range between \$16.8 and \$27 billion.⁴⁰ The Ring of Fire is also estimated to sustain over 5,500 full-time equivalent jobs annually within its first ten years, along with significant GDP increases and economic activity in multiple sectors.⁴¹ Benefits will not only impact the mining and mining supply sectors but will also generate economic opportunities within the manufacturing, construction, utilities, wholesale/retail, trade, and financial services sectors among others.

The Ring of Fire's polymetallic deposits are of global significance and have the potential to enable the diversification of Canadian exports – a shared goal of both the provincial and federal governments, and the business community. The Ring of Fire holds billions of dollars' worth of high-quality chromite, an essential metal in stainless steel production, demand for which is expected to increase in the years to come.⁴² China, the largest importer of chromite, accounting for 60 percent of global demand, has already demonstrated significant interest in the Ring of Fire.⁴³ The provincial government should promote the Ring of Fire's polymetallic deposits internationally as a significant investment and trade opportunity.

Further, the Ring of Fire has the potential to result in significant innovation gains in Ontario. Private sector actors for example are already developing innovative energy saving methods such as refining ferrochrome

³⁶ <https://www.oma.on.ca/en/news/index.aspx?newsId=02d35d94-38c9-4daa-953e-996cf3469ec0>

³⁷ "Beneath the Surface," Ontario Chamber of Commerce, 2014, pg. 1.

³⁸ "Beneath the Surface," Ontario Chamber of Commerce, 2014, pg. 15.

³⁹ Ibid.

⁴⁰ "Beneath the Surface," Ontario Chamber of Commerce, 2014, pg. 11.

⁴¹ "Beneath the Surface," Ontario Chamber of Commerce, 2014, pg. 12-14.

⁴² <http://kwgresources.com/ring-of-fire-railroad-chromite-supply-and-demand-roskill/>

⁴³ <http://kwgresources.com/global/>

using green and low-cost natural gas rather than electricity. The provincial government should work with Indigenous groups and private sector actors to spur environmental innovation and explore technologies that can reduce energy costs and help make exploration in the Ring of Fire more efficient. Recent announcements by the province on further exploring the potential of small modular reactors is a step in the right direction, and such technology can be tested and applied in projects such as the Ring of Fire.⁴⁴

The Ring of Fire has endless economic opportunities but will only be successful if community needs are addressed. In August, 2019, the province decided to end the regional framework agreement with nearby Indigenous communities, and proceed instead with a series of bilateral agreements.⁴⁵ In Budget 2019, the federal government committed significant funding toward skills training and building Indigenous capacity, both critical investments needed for the Ring of Fire to succeed; the provincial government should match such initiatives. These communities will require access to continuous skills and educational programs to build capacity in management, finance and regional/community-based infrastructure planning in order to participate in decision-making and resource development and to prepare community members for potential job opportunities.

Now is the time for the provincial government to scale-up efforts and work jointly with the Government of Canada, Indigenous communities, and industry to capitalize on the window of opportunity and advance this project forward. Following conversations with industry stakeholders and federal government representatives, the chamber has learned that the Government of Canada is willing to partner with the province on developing the Ring of Fire, but it requires the province to prepare a funding proposal for the project. The Premier has advocated in recent months for the necessity of cross-government collaboration following a contentious election, and such a funding proposal could be an example of such a partnership.

The Ring of Fire has been referred to as a “game changer,” and “the most promising mining opportunity Canada has seen in a century.” The Ring of Fire also offers a unique opportunity to be a template for the development of natural resources in remote and isolated locations alongside Indigenous communities. This type of framework can serve to help inform resource development across the country.

The Ring of Fire should be treated as a national priority and communicated to all federal government departments as such.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Recognize and promote the development of the Ring of Fire as a project of provincial and national economic and social significance across all sectors;
2. Partner with the federal government to immediately begin negotiations on a cost-sharing agreement to fund infrastructure needs in and around the Ring of Fire;
3. Begin to work without delay with the federal government, industry and community partners to build capacity and community readiness of Indigenous communities so that they may take full advantage of resource development in the Ring of Fire;
4. Actively promote the Ring of Fire, along with other mining projects, in the global arena as a trade and investment opportunity; and

⁴⁴ <https://news.ontario.ca/opo/en/2019/12/premier-ford-premier-higgs-and-premier-moe-sign-agreement-on-the-development-of-small-modular-reacto.html>

⁴⁵ <https://www.cbc.ca/news/canada/thunder-bay/regional-framework-ends-1.5261377>

5. Partner with the federal government, the private sector, and Indigenous communities to explore innovative technologies and R & D opportunities to reduce energy costs and create efficiencies in the Ring of Fire.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

Q. Establish a Business Energy Audit Program

Submitted by: Mississauga Board of Trade

Issue

When the Ontario Government ended the Cap & Trade system, it cancelled a number of energy conservation programs that were funded through this tax. The business Energy Audit program was one of those casualties. However, the program was very successful and encouraged businesses to perform an energy audit and use the findings to implement energy conservation programs.

Background

The Ontario Government has stated that it intends to help Canada meet the Paris 2030 greenhouse gas emission reduction targets through programs that will help residents and businesses reduce their GHG emissions.

In order to develop a successful plan for GHG emission reduction, a business needs an energy audit performed by a qualified contractor in order to use the findings to implement an energy conservation plan.

In the past, the Government has funded up to 50% of the cost of an energy audit as an incentive to get businesses to retain a consultant and complete the audit.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Establish an Energy Audit program for businesses and fund up to 50% of the cost of the audit to a business through a grant.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

R. Building Ontario Back Through a New Advanced Manufacturing and Industrial Strategy

Submitted by: Sault Ste. Marie Chamber of Commerce. Co-sponsored by: Greater Kitchener-Waterloo Chamber of Commerce, North Bay & District Chamber of Commerce, Windsor-Essex Regional Chamber of Commerce, Guelph Chamber of Commerce, Brampton Board of Trade, Orillia District Chamber of Commerce, Tillsonburg District Chamber of Commerce, and Burlington Chamber of Commerce

Issue

The emergence of the Covid-19 pandemic has brought to light the erosion of the industrial and advanced manufacturing capability of Ontario. Over the past decades, the growing reliance on imports of goods and the decline of domestically produced goods has exposed the vulnerability of our economic underbelly and an ability to aggressively respond to health crisis like the Covid-19 pandemic.

Furthermore, President Biden's executive action to enforce the 1933 Buy American Act and a series of executive actions to enforce Buy American rules places Ontario's economy at great risk.

Ontario must reverse the decline in its ability to produce high skilled, high earning jobs and the economic benefits that come from a strong and growing advanced manufacturing and industrial sector. Moreover, government must provide the appropriate conditions and support to assist industry, particularly those in Energy Intensive Trade Exposed (EITE) industries, in decarbonization efforts. Ontario needs a long-term strategy to advanced manufacturing and industrial capabilities and competitiveness.

Background

One of the by-products of the COVID-19 pandemic is that suddenly people are paying attention to where things are actually manufactured. Ontario was left scrambling for medical equipment, relying on goods that are manufactured halfway around the world, an approach that has mobilized a temporary shift in production in many manufactures to meet domestic need.

Like many regions in the world, Ontario shut down large parts of their economies to contain the COVID-19 virus, and while economic activity stopped, most manufacturers continued to operate. In some cases, many manufacturers ramped up or shifted production in response to the crisis to make more food, personal protective equipment, and other health care products. But because firms have also had to contend with implementing physical distancing measures and weaker than normal demand, the industry's overall production has still declined sharply and have yet to return to pre-pandemic levels.

Manufacturing remains a key part of Ontario's economy. The sector has experienced structural changes in recent decades but is still a major driver of investment, innovation, and employment in the province. The government will need a strategy to support manufacturing and industrial competitiveness and the sectors continued role in opportunity and prosperity in Ontario. An effective manufacturing strategy will need to tackle (1) costs, (2) market access, and (3) talent.

Ontario firms are growing less competitive and thus missing out on the opportunities that expanding local and global economies provide. Canadian manufacturers and industrials are losing market share at home and abroad. Our foreign competitors are taking an increasing share of new and existing customers and as the US expands the Buy America policy and reduces exceptions Ontario must seek remedies and build a strong strategic direction or as a result lose opportunities to create jobs and grow shared economic prosperity in Ontario.

Related to these challenges, Canadian industry will experience significant competitiveness issues due to Canada's carbon pricing regime, if left unmitigated. Carbon prices will increase from \$30 per tonne in 2021 to

up to \$170 per tonne by 2030, which will substantially drive up the cost of final industry products. Direct capital support, investment in industrial carbon mitigation research and transition support are necessary to balance competitiveness and achieve Canadian carbon reduction targets.

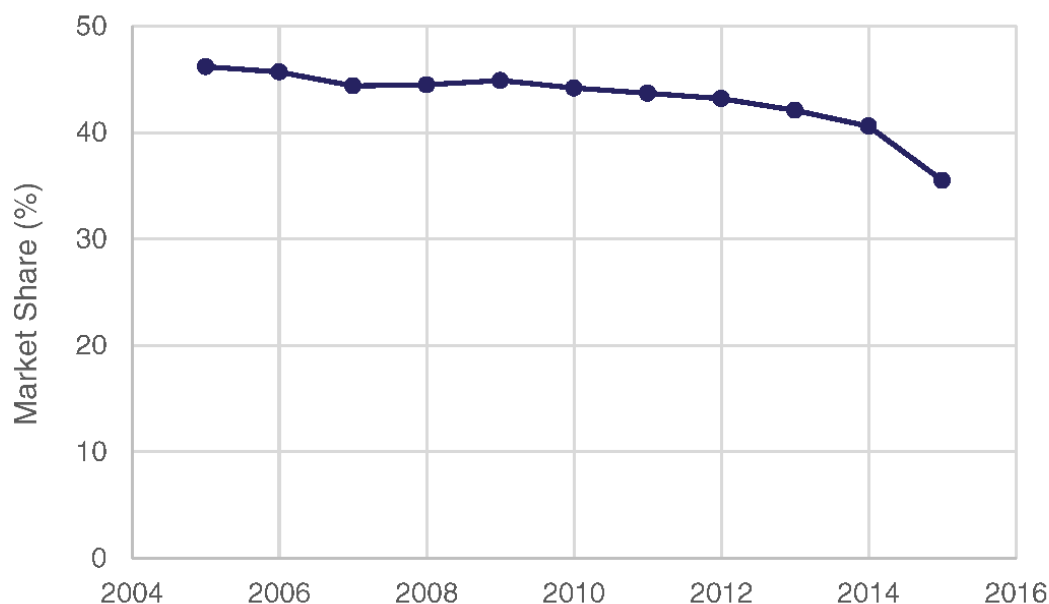


Figure 1. Canadian share of Canadian manufacturing market from 2005-2015. Source: CANSIM Table 304-0014 and Innovation, Science and Economic Development Canada and Trade Online

To reverse this trend Ontario must develop a next generation advanced manufacturing & industrial strategy that would include aligning policy and spending priorities. In consultation with stakeholders, the strategy should focus on encouraging those investments that will increase productivity and innovation, encourage growth of firms, and diversify exports.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. In collaboration with stakeholders, develop and implement a long-term modern advanced manufacturing and industrial strategy, founded on the principles of continuous improvement, that focuses on increasing investment through reducing production costs, supports innovation and technology adoption with the goal of increasing value-added exports.
2. Introduce a trade strategy that targets reshoring of manufacturing capacity to Ontario and strengthens North American competitiveness.
3. As part of the long-term strategy, work with academic institutions, public and private, to develop advanced manufacturing and industrial curriculum to address the skills shortages.
4. Leverage areas of competitive strength and Ontario's value proposition.
5. Continue to build the "Ontario Made" brand by modernizing the legislated and voluntary expansion of government and public-private partnership procurement tools to evaluate and consider selection of Ontario suppliers.
6. Promote with the Federal Government the concept of adopting a "Buy North American" plan, to avoid complicating supply chain linkages between the two countries and Mexico to ensure government procurement markets do not seriously hurt our precarious economic recovery.

7. Reinforce the historically strong diplomatic relations between Ontario and the United States to maintain open market access.
8. Provide the appropriate conditions and support to assist industrial decarbonization efforts in collaboration with all levels of government to establish Canada's clean industrial advantage.
9. Provide support for the manufacturing sector's automation initiatives, which allows manufacturers to compete with offshore production, as well as grow their operations and create more domestic jobs.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

S. Making Ontario a Leader in Circular Economy

Submitted by: Guelph Chamber of Commerce

Issue

COVID-19 has highlighted the importance of increasing Ontario's economic resiliency. The circular economy model offers a way to build back our economy inclusively while helping the private sector transition to more sustainable approaches. Building on the provincial government's [Ontario Made](#) program and producer responsibility waste diversion strategies, we need to build an economy that maximizes value from our natural and produced resources, promotes innovation, reduces waste, and lowers costs for taxpayers. Ontario has a tremendous opportunity to lead North America in the creation of a robust circular economic ecosystem with the potential to revive our manufacturing sector, disrupt legacy industries or create new ones.

Ontario should make the development of a circular economy a priority of our economic recovery to ensure Ontario businesses can maximize the value from our resources while leading the way in environmental responsibility.

The government should make it a priority to support the development of circular businesses approaches in the following sectors, which are believed to hold the greatest potential for circular business models:

- Agriculture and AgriFood
- Plastics and manufacturing
- Construction

Background

Looking beyond the current take-make-dispose extractive industrial economic model, a circular economy aims to transform how we manage resources from design to manufacture to primary use to repurposing of materials afterwards.

The key objectives of the circular model are to preserve and enhance natural capital, optimize resource yields and foster system effectiveness by revealing and designing out waste.⁴⁶ Circular economies invite businesses to capture waste streams for one industry and turn them into value streams for others. Circularity has the added bonus of driving business efficiency, value creation and innovation while reducing environmental impacts.

Circular economy solutions are being adopted internationally by governments and businesses to help reboot economies after the COVID-19 pandemic and transition to a more resilient system with social and environmental accountability. Some of the lasting benefits include substantial net material savings and reduced exposure to price volatility; increased innovation and job potential; as well as increased resilience in both the ecological and economic systems.⁴⁷ Circular principles can be applied to just about every sector of the economy, from clothing to computers, compostable packaging to cars.

⁴⁶https://www.ellenmacarthurfoundation.org/assets/downloads/government/EllenMacArthurFoundation_Policymakers-Toolkit.pdf (p22)

⁴⁷https://www.ellenmacarthurfoundation.org/assets/downloads/government/EllenMacArthurFoundation_Policymakers-Toolkit.pdf (p. 23)

Canada's federal government is taking cues from international circular success and is promoting circular economic policy as an approach to bolster the transition to a cleaner economy.⁴⁸ In 2019, the City of Guelph and the County of Wellington were awarded \$10 million through Infrastructure Canada's Smart Cities Challenge to develop Our Food Future, Canada's first circular food economy. Guelph-Wellington is one of the first industrialized communities in the world to apply a circular approach to the food system. A circular food system aims to eliminate waste by keeping as much energy, nutrients and materials as possible cycling through the system—and generating value as a result. It looks at everything from how we produce food to how we distribute, sell and consume it. The Our Food Future initiative brings together approximately 127 core stakeholders, including local government, community groups, businesses, industry associations, NGOs, academia, institutes, public agencies and utilities. In its first year, Our Food Future helped launch almost 50 innovative circular companies, with dozens of additional entrepreneurs from across the province looking for support to launch circular businesses. In 2021, collaborators in the Our Food Future initiative are piloting and testing a suite of programs and technologies to support businesses that can help Ontario become a leader in the sustainable economy of the future.

Circular Economy (CE) principles and policies have clear and compelling contributions to make in rebuilding Ontario's economy in resilient, sustainable, and inclusive ways.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Leverage existing CE programs to attract new business and investment by marketing Ontario globally as a centre for CE innovation.
2. Mandate an existing provincial agency or Ministry to lead both provincial government Ministries and agencies as well Ontario municipalities to set the right conditions that enable CE opportunities to flourish. Empower the provincial lead to create, implement, and promote province-wide standards, goals, benchmarks, and best practices on the implementation of the CE. Among the said goals should be:
 - Promote the development of business models, circular business clusters and resource management systems that keep products and materials in the economy at their highest possible value.
 - Create economic incentives that reward innovation.
 - Invest public money and stimulate private sector investment to develop the skills required to create CE opportunities.
 - Foster responsive public-private collaboration across value chains to remove regulatory barriers, develop new policies and align existing ones.
3. Commit to providing stable funding and/or tax incentives for CE initiatives both at a provincial and municipal level. Such funding should, when possible, be reasonably tied to outcome-based measurements.
4. Promote the adoption of those initiatives and technologies which have been proven to be replicable and scalable throughout the province.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

⁴⁸ <https://www.canada.ca/en/services/environment/conservation/sustainability/circular-economy.html>

T. Supporting Smaller (local) Vendors: Embed community benefits clauses into public contracts and remove irrelevant disqualifiers

Submitted by: Belleville Chamber of Commerce. Co-Sponsored by: the 1000 Islands Gananoque Chamber of Commerce, Carleton Place & District Chamber, the Greater Kitchener/Waterloo Chamber of Commerce, Prince Edward County Chamber of Commerce and the Quinte West Chamber of Commerce

Issue

In Ontario, there is a legal precedence to exclude preferential treatment to local suppliers by public sector organizations (including municipalities). This supports the open bidding process, transparency and generally optimizes a “lowest bid” award that benefits the taxpayer and is fiscally responsible and recognizes the public sector must minimize costs to achieve modest budgets and keep taxpayer increases low. However, RFPs for public sector organizations may include inadvertent disqualifying conditions that impede or exclude smaller, local companies from submitting proposals to projects they are inherently qualified to compete with. The plea has been to argue legal precedence and support local, though it may be more practical to open the bidding process based on a review of pre-qualifying conditions.

Background

Community benefits clauses require suppliers contracting with a public sector body to meet specific conditions or criteria, such as local hiring, subcontracting to social enterprise or paying a living wage to secure the contract. Contracting authorities can develop the criteria on their own, request that a potential supplier propose what it can reasonably deliver or work together to determine what community benefits will be imposed through the contract. In some cases, communities impacted by the project are also consulted in developing the criteria, though few jurisdictions have publicly released materials that demonstrate to what extent this occurs in a consistent way across departments and projects. In a few cases, jurisdictions set thresholds at which the clauses must be considered in the pre-procurement stage (e.g., Initial RFI and RFQ necessary), which helps to provide additional direction and clarity for contracting authorities. Generally, higher-value contracts — which are typically awarded to large suppliers with greater capacities — are targeted for community benefit clauses. Or abstract pre-qualifying criteria are placed within the RFI that limit the ability of a local supplier to even present a proposal or bid.

The pandemic has created an increased sensitivity to moving between regions and has emphasized an interest in supporting local. This may also be an opportunity to revisit the regulations and legislation that prevent overt local favoritism in addition to ensuring discriminating pre-qualifying conditions are removed.

Primarily, a local company that has shown a real effort to re-invent itself during the trying times of COVID-19 should be afforded a boosted seat at the table when it comes to local request for proposals. Sustainable and responsible business builds resiliency into every role in the industry — creator, distributor and advertiser. Sustainable and responsible business encompasses both environmental considerations (e.g., minimizing operational waste, energy and water use) and social considerations (e.g., human rights, labour rights, inclusion and diversity). Even before COVID-19, the industry’s commitment to sustainability left much to be desired. (Source Building Back Better: An Action Plan for the Media, Entertainment and Culture Industry WHITE PAPER JULY 2020)

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Allow municipalities (and any public sector organization) to adopt the evidence of the impact of community benefits and social procurement policies in awarding points to businesses who value and include these tools in RFP proposals.
2. Allow municipalities (and any public sector organization) to consider a “tie-breaker” analysis in the event of two identical bids to favour the local bidder.
3. Allow Pre-qualifications to be reviewed to ensure they do not favour non-local suppliers or disqualify a local supplier from bidding on non-related conditions
4. Develop more regional contracting “portals” that can help larger bidders who win the work look for local contractors to assist the project.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

U. The Case for Levelling the Field

Submitted by: 1000 Islands Gananoque Chamber of Commerce. Co-sponsored by: Greater Kitchener Waterloo Chamber of Commerce and Belleville Chamber of Commerce

Issue

In the province of Ontario, we have been seeing an increase in the amount of bonusing that is offered to attract employees into public sector positions; limiting the capacity of small private businesses to hire accordingly and provide affordable services to their clients/customers. This is having a significant impact on private suppliers in health & childcare services and has been exacerbated amid a pandemic as both sectors are stretched beyond capacity.

Background

In the private sector, costs are passed on to the end user; in the public sector, these are passed on to the taxpayer. When skills are required by both public and private sector for similar services, the public sector has an unfair competitive advantage in terms of attracting employees with their compensation packages – often supported by collective agreements. Signing bonuses in the public sector, ultimately paid for by the taxpayer, jeopardize the ability of private organizations to attract similarly skilled employees because the cost must be passed on directly to the end user. This is particularly prevalent in areas of child & health care where both public and private services are critical to economic stability, health and welfare.

There are many cases where public services have been privatized and many others where public and private sectors work together. For example, smaller municipalities contract out duties such as snow removal, waste collection and recycling while their public works crews can concentrate on other frontline infrastructure.

Labour shortages continue to impede the capacity of both public and private sectors to serve their communities and clients/customer's needs. Competition for both skilled and unskilled workers impact every sector but there is a looming challenge where these skill sets are required in both public and private sectors. While the idea of providing incentives and signing bonuses is often appreciated by prospective employees and represents profitability in private companies – when this tactic is used by publicly funded organizations, it puts private business in direct competition for employees that are also often compensated at levels driven by collective agreements with hourly rates beyond the capacity of smaller, private companies.

During the pandemic we have seen small steps taken by our provincial government to assist in certain sectors such as Personal Support Workers. In September of 2020, the Ministry of Health and Ministry of Long-Term Care launched a new Personal Support Worker (PSW) Return of Service Program in partnership with Ontario Health.

The objective was to help Ontario's Long-Term Care and Home and Community Care sectors recruit newly graduated PSWs as they were and are greatly needed. The sector has seen a workforce shortage as the aging population is growing, however the pandemic has made the situation more challenging. The PSW Return of Service Program will provide a \$5,000 incentive to PSWs who graduated on or after April 1, 2020 in exchange for a six-month commitment in a Long-Term Care home or Home and Community Care agency.

Although progressive in nature, this is but a drop in the bucket when it comes to municipally funded long-term care homes and hospitals. Personal health and childcare support workers have not been considered essential and this impact both the public and private sectors. These jobs are generally lower paying positions in the private sector, because the costs for services are passed on directly to the end user. With both home

and childcare critical to support seniors living at home or young parents in the work force, this puts extreme pressure on the private sector to keep their fees affordable.

Often, we are witnessing a shortage of workers not just at private care homes but in the local home building associations, skilled trades and policy and marketing sectors. As the need for individuals to pivot to a new normal of assisting the growing government bureaucracy, we are seeing many small private employers left with an uneven playing field with regard to the amount of hiring bonuses that they can offer to compete for the best workers. The past “brain-drain” we used to see with skilled people leaving Canada for better-paying jobs in Europe and the U.S, we are now seeing a dynamic shift of people abandoning private jobs to join the public service. Although we want the best at all positions to serve our community, we should always look for ways to ensure our private businesses do not have to compete.

Fair competition provides the best service across all economic sectors. It has been generally unacceptable for government to compete with private industry to provide cost-subsidies to consumers that have been funded through taxpayer dollars. It is now time to consider bonusing within the public sector an element of unfair competition.

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government to:

1. Connect incentives to scholarships, bursaries, or repayment of loans to the graduate upon proof they’ve been hired in their field.
2. Strike a task force to study best practices in closing the wage gap within certain segments in the private sector and what’s driving recruitment and retention within industries to encourage people to enter into a sector for career options.
3. Direct the Ministry of Labour, Training, and Skills Development to increase their grant offers for potential funding support for:
 - Dependent Care
 - Travel (certain distance away from in-class training)
 - Living Away from Home (only when required)

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

V. Vaccine Manufacturing in Ontario

Submitted by: Greater Kitchener Waterloo Chamber of Commerce and Cambridge Chamber of Commerce

Issue

The procurement of COVID-19 vaccines for the residents of Ontario is a major challenge. Increasingly, medical experts and other stakeholders are advancing the argument that Canada urgently requires domestic development and manufacturing capacity.

Background

On January 8, 2021, the Wall Street Journal reported that while Canada was quick to order vaccines, the nation was falling behind many developed-country peers in terms of distribution. On January 6, Canada had vaccinated 0.5 percent of the population compared to the United States at 1.6 percent.

By February 19, the Bloomberg Vaccine Tracker reported Canada ranked 41st globally when measuring vaccines per capita, behind not only the U.S. and U.K. but also Serbia, Poland, Morocco, Germany, Romania and Spain. While Canada is still ahead of Japan, that country has not begun its vaccination rollout. Contrary to Canada, Japan plans to produce 90 million doses of the AstraZeneca vaccine domestically.

Even when accounting for population size, the U.S. had inoculated five times more people per capita than Canada and administered nearly 60 million doses of vaccines, compared to just over a million in Canada.⁴⁹

Dr. Alan Bernstein, a prominent member of the federal government's COVID-19 Vaccine Task Force, told numerous Canadian media outlets in late January that the pandemic should be a wake-up call to create our own domestic manufacturing capacity. Emerging variants of the novel coronavirus provide prospects for second and third- generation vaccines which could be required for several years.

Campbell Clark, a regular columnist with the Globe and Mail, wrote in early February that we now know why Canada needs a domestic vaccine manufacturing industry. He cited explicitly the experiences of Providence Therapeutics, a Calgary-based firm that last spring was at the same stage of vaccine development as Moderna. They did not get the financial backing to “run the same race” with the firms that are now in production. Clark also agreed with Bernstein that a new pandemic or new strains of COVID-19 will require new vaccines.

At one time Canada and other leaders in the global economy could depend on the normal flow of goods across international borders and subsequently secure vaccines. However as noted above our vaccination rate is falling behind our peers and both the federal and provincial levels of government are asked to be accountable on procurement practices and policies. Scarce vaccines do not move freely across borders.

Multiple strains of COVID-19 and the potential for other viruses present the scenario that vaccine manufacturing may not only be an economic and health care option but rather an imperative. On January 21, 2021, Next Generation Manufacturing Canada (NGen), the advanced manufacturing supercluster, announced that Providence Therapeutics will receive significant funding for vaccine research and support of manufacturing capabilities.

Sir John Bell, Oxford University professor of medicine supervising the development of the AstraZeneca-Oxford vaccine, noted to CTV News that the United Kingdom went from zero to their current manufacturing strategy of repurposing facilities in less than ten months. They started from nothing and are in a strong position as some countries decided to depend on others, a strategy that was perhaps proven wrong.

⁴⁹ <https://www.bloomberg.com/graphics/covid-vaccine-tracker-global-distribution/>

Bell, a Canadian, indicated Canada should consider vaccines as a health security issue and suggested we are overly dependent on the United States.

On February 2, 2021 Prime Minister Trudeau announced an agreement with Maryland-based Novavax to produce vaccines at a facility in Montreal potentially starting at the end of 2021. Asked if Canada missed an opportunity, Dr. Bell stated the reality is if you do not have enough vaccine, you know it and you need to get on with it.

On February 3, 2021, Premier Ford noted that “with the uncertainty surrounding a steady supply of vaccines, it’s clear we need to start production of COVID vaccines right here in Canada. We have some of the best pharmaceutical companies in the world, yet we are relying on foreign vaccine manufacturers. This needs to change.”

There are more pharmaceutical companies in Ontario than any other Canadian province with approximately 1,900 life sciences firms that employ 60,000 people and generate over \$38 billion in annual revenues. The pharmaceutical sector alone is responsible for \$25 billion and 28,000 employees.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Immediately appoint a Task Force, composed of officials from the Ministries of Health and Economic Development, Job Creation and Trade, academia, and a majority of members in senior executive positions at Ontario-based pharmaceutical manufacturers and research firms, to expeditiously develop a strategy for provincial vaccine development and manufacturing.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

FISCAL/TAXATION

A. Getting Ontario Back to Fiscal Balance

Submitted by: The London Chamber of Commerce. Co-sponsored by the Tillsonburg District Chamber of Commerce.

Issue

Ontario's debt continues to grow and is expected to reach \$347 billion in 2018-19. The Province has reported deficits in 24 of the last 29 years resulting in Ontario becoming the most indebted sub-nation in the world.⁵⁰ The public debt burden becomes even more sizeable once Ontario's portion of the federal debt is factored in, an estimated \$300 billion out of a total of \$779 billion.⁵¹ Interest on the provincial debt is expected to reach \$12.5 billion in the current year making it the fourth largest line item on the government's expense statement. With interest rates forecasted to continue an upward trajectory, the cost to service the debt will only increase, thereby diverting funds from essential services such as housing, education, and healthcare. The provincial government's economic and fiscal review released in November 2018 indicates that the government is keenly aware of the dire situation that Ontario faces fiscally, and it has taken strong steps to tackle out of control spending. It fails, however, to include a concrete plan to tackle the debt and provide a timeline of when the government expects to bring the province back to fiscal balance.

Background

While running deficits in years of sluggish growth or during recessionary periods is considered a reasonable fiscal approach, Ontario's economy has been growing at rates of about 3%+ over the past few years. Although growth rates are forecasted to decrease below 2% over the short term, and well below the levels experienced before the Great Recession of 2008-2009, this only means that Ontario will have to do more with less. The size of Ontario's debt during 2009-10 was \$194 billion or about 32% of GDP.⁵² Since then, \$153 billion more was added reaching a net Debt-to-GDP ratio of almost 41%. This unprecedented level of borrowing took place during a period of positive economic growth, albeit not one as booming as the years prior to the Great Recession. Lower rates of growth have widely been accepted as the new norm in the new economy, but government spending has not adjusted accordingly.

In a recent update released by the IMF in December 2018, the organization warns that another global recession is just around the corner and governments around the world are ill prepared to deal with another downturn. BlackRock, the world's largest money management firm puts the chances of another recession happening in 2021 at 54%.⁵³ Ontario's current financial position has prompted Moody's to recently downgrade the province's credit rating from Aa3 to Aa2,⁵⁴ therefore compromising the province's ability to raise funds in case of a severe downturn.

The Chamber applauds the government's recent efforts to bring accountability back to the province's finances and we're encouraged to see that some of the Chamber's recommendations are being implemented. The Chamber has long advocated for governments to apply more rigour to regularly mandated program reviews across all ministries and departments. The Auditor General's office has also been tirelessly working to untangle the complexity of various government mandated programs, and to bring transparency to the

⁵⁰ Ontario's Economic and Fiscal Outlook Fall 2018

⁵¹ Fraser Institute, Livio Do Matteo, <https://www.fraserinstitute.org/article/the-trudeau-and-ford-governments-two-fiscal-statements-one-debt-problem>

⁵² Fraser Institute, <https://www.fraserinstitute.org/article/brief-history-of-ontario-public-debt>

⁵³ CBC News, Jonathon Gatehouse, The National, <http://www.cbc.ca/amp/1.4939070>

⁵⁴ Financial Post, <https://business.financialpost.com/news/economy/moodys-downgrades-ontarios-credit-rating-from-aa3-to-aa2-citing-deficit>

government's often opaque process of reporting. We are pleased that the government is taking the Auditor General's recommendations to task in its efforts to uncover waste and irregularities.

Current levels of debt and deficit within the province are a threat to Ontario's economic prosperity. With the millennial generation being more mobile than any generation prior to it, Ontario runs the risk of losing much of its top talent if it cannot sustain a reasonably high standard of living. Furthermore, business in Ontario will find it increasingly difficult to attract new talent from other provinces and countries as the provincial debt makes Ontario less and less competitive.

The recent findings that the current deficit had been understated by \$8 billion as a result of the government's borrowing to reduce hydro bills, begs the question of what else might be underreported and what the true size of the deficit is. Furthermore, the current environment of rising interest rates will only make servicing the debt more expensive. And, Canada's shrinking demographic of working age Canadians means that the debt burden will fall on fewer shoulders now, and in the future.

It is, therefore, critical that the government act to immediately put in place a concrete plan that addresses the current deficit, brings the province's finances back to balance, and works towards reducing the provincial debt.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Implement an action plan that sets targets to reduce the debt-to-GDP ratio to 35% over the next five years with a long-term goal of 30%. Although it may seem a lofty goal, we believe the seriousness of Ontario's debt/deficit situation warrants it, and even if the government fails to meet the 30% target, they will ultimately be better served by reaching for a more ambitious goal than for a vague measure of success.
2. While the government has made some progress in this area, we urge that they continue the review of government funded programs, and measure the spending of public dollars against value-added metrics, and/or return on investment.
3. Build upon the progress that has been made to date by continuing to review the Province's handling of surplus properties. Ontario is the second largest property owner in the country, behind only the federal government. According to the Auditor General of Ontario the province owns 4,838 buildings of which 812 are vacant costing the province about \$19 million a year to maintain. During the five year period ending in 2016/17 the government sold properties worth \$229 million.⁵⁵ However, the process of selling surplus properties is slow and behind schedule.
 - a) Funds generated from the sale of assets should go directly toward paying down the debt.
 - b) Revenues generated from repurposing assets should be invested to enhance other economic activities.
4. Expand Alternative Service Delivery (ASD) in areas of government where service quality can be improved. By opening up service delivery to the private and not-for-profit sectors, ASD models take advantage of market incentives to enhance productivity, achieve greater efficiencies, and harness new technology.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

⁵⁵ Office of the Auditor General of Ontario, 2017 Annual Report
http://www.auditor.on.ca/en/content/annualreports/arreports/en17/v1_311en17.pdf

B. Protect Public Sector Services by Monitoring the Public Sector's Total Compensation Premium

Submitted by: Sarnia Lambton Chamber of Commerce, Greater Kitchener Waterloo Chamber of Commerce, Newmarket Chamber of Commerce

Issue

Ontario's public services are under threat as the province struggles to contain deficit spending while also carrying a growing debt burden. One of the major contributors to spending is the total compensation premium paid to public sector workers relative to those in the private sector. Intelligent and targeted policies aimed at understanding the fiscal and economic impact of this premium will bring fairness to employment across Ontario, increase competitiveness, and enable long-term sustainability of essential public services.

Background

Recent research has demonstrated a significant wage gap between Ontario's public and private sectors. The Ontario public sector wage premium (the degree in which public employees earn more than private sector employees) is estimated to be 10.3 percent, after controlling for such factors as gender, age, type of job and industry.⁵⁶ The rate is 7.3 percent after factoring in unionization. Non-wage benefits are also elevated: 82.7 percent of public sector workers were covered by a registered pension compared to 24.6 percent of private sector workers; nearly all were covered by a defined benefit pension (compared to only 39.8 for private sector works); they retired on average 2 years earlier and were substantially less likely to lose their job.

When 'total compensation' (i.e. wages plus non-wage benefits such as pension, health benefits and vacation time) of government workers, is out of line with the private sector, it places an excessive burden on the provincial budget and on the lower paid private sector workers who effectively subsidize their counterparts in the public sector.

Effective legislation on public pay accountability is possible. Ontario's Pay Equity Act 1990 successfully reduced sex-based wage discrimination. And legislation on public expenses successfully controls the business-related expenses of public sector employees (Public Sector Expenses Review Act 2009, etc.).

The first step is reliable data that include non-pay benefits. This would enable 'total compensation' metric benchmarking. At the moment, such data is not being collected in Canada. Canada should follow the example of the U.S., which collects data on 'total compensation' in the private sector as well as at the municipal, state and federal levels. The Ontario government should press the Federal Government to mandate this data collection by Statistics Canada.

Data should also control for factors such as occupations that don't significantly compete with the private sector, (e.g. teachers) and gender and other anti-discriminatory wage-parity measures.

Thereafter the goal should be to bring 'total compensation' in the public sector in line with that in the private sector.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Collect data for 'total compensation' metric benchmarking to bring total compensation in the public sector in line with that in the private sector.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

⁵⁶ Palacios, et al. 2019. Comparing Government and Private Sector Compensation in Ontario. Fraser Institute.

C. Achieving Property Tax Fairness Across Ontario

Submitted by: Sault Ste. Marie Chamber of Commerce and Burlington Chamber of Commerce, Co-sponsored by the Mississauga Board of Trade, Thunder Bay Chamber of Commerce, Milton Chamber of Commerce, and Timmins Chamber of Commerce

Issue

Commercial and industrial payers contribute significantly to Ontario's property tax base, which is the primary source of revenue for municipal government. However, real concerns about the benefits received by businesses versus residential taxpayers, and the rationale for the notable disparity in tax treatment between residential and non-residential ratepayers, continue to persist. Put plainly, the proportion of property value and the resulting tax contributions made by these two distinct groups of property owners relative to the overall tax revenue collected by municipalities for the services they consume are vastly different and inequitable. This trend affects commercial and industrial enterprises of all sizes and across all sectors and is pervasive in communities across the province.

Background

Ontario's Property Tax system has not been fully reviewed since the new Ontario Fair Assessment System (OFAS) was first introduced by the former Harris government approximately 25 years ago.

Since that time, significant changes have occurred across Ontario's economic landscape influencing global and local competitiveness and fundamentally altering traditional economic paradigms. This trend has been further compounded by increasing demands placed on municipalities as they are confronted with new and evolving challenges, such as: social housing, the opioid crisis, climate change, rapidly evolving technology, and the growing infrastructure deficit. This list goes on.

While municipalities are alive to such concerns, as pressure on the property tax increases, the municipality community is faced with the daunting task of attempting to balance their fiscal realities against growing and competing demands for local and regional services. This situation is compounded by the limited revenue tools available to municipalities to meet their financial obligations and an antiquated system of property tax mitigation programs and relief mechanisms to achieve locally sensitive tax policy priorities that have not been comprehensively revisited or reformed since the mid-1990's.

It is also important to note that property tax bills in Ontario include a substantial portion of the total levy that is directed to the Province to fund our education system. In many cases, this share of the property tax bill (known as the provincial education tax) exceeds the amount collected for municipal purposes. The disparity in terms of tax rate treatment between non-residential and residential property owners for municipal purposes is even more extreme when the education tax rate is considered, further exacerbating the disproportionate property tax burden shouldered by commercial and industrial property owners and their tenants.

When property tax is unfavourably biased against the business community, the province's economic competitiveness, its ability to attract and retain talent and investment, create jobs, and to position Ontario for growth and prosperity are undermined.

In acknowledging the shortcomings of Ontario's current property tax system, the Province made a promise in its 2019 Spring Budget to develop an action plan *to Respect Ontario Property Taxpayers* underpinned by a comprehensive review to explore opportunities to:

- Enhance the accuracy and stability of property assessments;
- Support a competitive business environment;
- Provide relief to residents; and

- Strengthen the governance and accountability of the Municipal Property Assessment Corporation (MPAC) to ensure better representation for Ontario property taxpayers.

To support a meaningful and informed review process, the government committed to seeking input on these issues through consultation with residents, businesses, municipalities and other stakeholders.

Thus far, no plan has been revealed to fulfil this promise. However, recognizing that 2020 is the year in which MPAC will undertake a comprehensive province-wide reassessment (revaluation) of all property to provide the basis for property taxation in 2021 through 2024, the timing of a thorough and thoughtful review of Ontario's property tax system, with a focus on modernization to ensure competitiveness, is crucial to inform transparent, stable and equitable property tax treatment into the future.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Honour its 2019 Budget Commitment to ensure a modern and competitive property tax system and to develop an action plan to respect Ontario's property taxpayers based on meaningful and thoughtful consultation and collaboration with affected stakeholders including: residents, business, industry, municipalities, and subject matter experts.
2. Consider providing new revenue and/or property tax mitigation tools and flexibility to municipalities in order to manage property tax burdens in a fair and equitable manner, address new economic paradigms, and to target relief to business property owners/tenants in response to local tax policy priorities and objectives.
3. Address the significant disparity between residential and non-residential tax rates for education tax purposes.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

D. Regional Approach to Provincial Procurement Reform

Submitted by: Thunder Bay Chamber of Commerce. Co-Sponsored by: Greater Niagara Chamber of Commerce, Greater Peterborough Chamber of Commerce, North Bay & District Chamber of Commerce, Sarnia Lambton Chamber of Commerce, Sault Ste Marie Chamber of Commerce, and Timmins Chamber of Commerce

Issue

The Government of Ontario is moving forward with a centralized procurement model across the Ontario Public Service and the broader public sector which may adversely impact small- and medium-sized businesses and regional economic development across the province.

Background

On March 28, 2019, the Treasury Board of Ontario announced that it would be leading an initiative to transform how goods and services are purchased by the Ontario Public Service and the broader public sector.⁵⁷ The initiative will leverage the government's buying power to develop economies of scale and centralize all provincial procurement in Queen's Park. While the Treasury Board develops this new procurement model, it has restricted long-term procurement contracts by the province's various departments. This initiative by the Treasury Board is projected to save the province \$1 billion per year.

The government's goal of creating efficiencies through centralized procurement is well-intentioned, but it risks leaving small- and medium-sized businesses unable to successfully bid on provincial contracts. Large provincial contracts cannot effectively be fulfilled by regional suppliers, which could result in large contract awards being made only to national or multinational distributors, thereby damaging regional suppliers & economic development. A centralized buying model puts businesses outside of the GTA at a disadvantage, and impedes the ability to build capacity throughout the province.

Rather than focusing on centralization at Queen's Park, regional hubs offer an alternate approach that concentrates on deriving the greatest total value and achieving savings objectives while also supporting regional economic development. Provincial initiatives to centralize procurement would be administered by regional hubs and through regionally awarded contracts with support by provincial/national agreements for commodities which are not tied to a regional supplier base. The procurement hubs would be established and administered within the regions they represent, enabling effective supplier/buyer relationship development to occur.

The government would mandate public buyers to use a blended portfolio of national, provincial, and regional suppliers to select a contract which derives the greatest "total value" for that agency where total value is defined as the balanced consideration of price, regional economic impact, and other important factors including but not limited to sustainability and cultural inclusion.

Positive models of this approach are demonstrated by the Lakehead Purchasing Consortium and other successful regional broader public service cooperatives and provide proof that regional contract awards are as, or in some cases more effective than, singular large provincial agreements. As an example of the strength of regionalized procurement, the City of Thunder Bay recently closed a procurement for confidential waste paper shredding services where a local company provided a price lower than a provincial agreement. Bigger is not always better!

⁵⁷ <https://news.ontario.ca/tbs/en/2019/03/creating-efficiencies-across-government.html>

Investing in regional procurement hubs can also support investments in Indigenous businesses, which have long been neglected in Canada's economy. The Ontario Chamber of Commerce's report on regional economic development, *The Great Mosaic*, recommends that the provincial government prioritize economic reconciliation with Indigenous communities. Part of the solution is to encourage more Indigenous involvement in provincial supply chains, either by incentivizing those with government contracts to include more Indigenous suppliers in their own supply chains, or by including Indigenous suppliers in those contracts directly.⁵⁸

Implementing a regional approach to procurement centralization with a focus on achieving the greatest total value provides opportunity for small- and medium-business, Indigenous suppliers, and regional economic development.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Implement regional procurement hubs that mandate public buyers to use a blended portfolio of national, provincial, and regional suppliers to derive the greatest total value for purchases; and,
2. Define total value as the balanced consideration of price, regional economic impact, and other important factors including but not limited to sustainability and cultural inclusion.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

⁵⁸ "The Great Mosaic," Ontario Chamber of Commerce, 2019, pg. 21.

E. Increasing Mine Stimulus Through the Ontario Flow-Through Share Tax

Submitted by: Timmins Chamber of Commerce

Issue

Mining is fundamental to northern Ontario's economic and social health. The industry provides jobs that anchor Northern Ontario communities. Maintaining the health of the mining industry requires mineral exploration. Lack of exploration for new and expanded resources limits or eliminates future mine development.

Background

Programs that encourage mineral exploration are paramount to the economic wellbeing of our province and mining communities. The mining industry has played an essential role in the economic growth and sustainability of many communities. Ontario is one of the largest mining regions globally, producing more than 25 different minerals and metals and directly employs 480 people, creates more than 1,100 indirect jobs in the supply and service sector and about 700 induced jobs in the retail industry for a total of 2,280 jobs.⁵⁹ This industry provides some of the highest weekly earnings in the economy, and exports of minerals and mineral-based products contribute close to \$12 billion a year to the provincial gross domestic product.⁶⁰

The Ontario Focused Flow-Through Share (OFFTS) Tax Credit is intended to stimulate mineral exploration in Ontario and improve access to capital for small mining exploration companies. Currently, the OFFTS for shareholders is 5 percent, which is the lowest in Canada.⁶¹ In comparison, the British Columbia Mining Flow-Through Share Tax Credit is 20 percent, the Saskatchewan Mineral Exploration Tax Credit is 10 percent, and the Manitoba Mineral Exploration Tax Credit is 30 percent.⁶² On average, 68 percent of the funds for exploration in Canada on the Toronto Stock Exchange were raised through flow-through share financing. Currently, public offerings on Canadian exchanges are deteriorating. There was a 23 percent decline in 2018 and a 10 percent decline in 2017.⁶³ Public offerings have presently hit a decade low, while the proportion of private transactions reached a high in 2018.

Flow-through share agreements help raise equity by enabling mining corporations to issue shares with particular tax benefits favouring their subscribers at a premium. In a flow-through share agreement, the issuing corporation agrees to incur certain expenses eligible for tax breaks, such as those mentioned above, in an amount equal to the consideration received and to renounce to those same eligible expenses in favour of their subscribers. This renunciation is most alluring to investors since it allows eligible expenses to be deemed, for income tax purposes, the investor's expenses, not those of the mining corporation. As a result, investors pay a higher price for flow-through shares than would have been otherwise willing to pay for ordinary, non-flow-through common shares. Depending on the general market and the miner's prestige, flow-through share

⁵⁹ Dungan, Peter and Murphy, Steve. Ontario Mining: A partner in Prosperity Building, The Economic Impacts of a 'Representative Mine' in Ontario. Institute for Policy Analysis, University of Toronto, 2007.

<https://www.oma.on.ca/en/ontariominining/resources/RepMineFinalReportDec07.pdf>

⁶⁰ Economic Contribution <https://www.oma.on.ca/en/ontariominining/EconomicContribution.asp>

⁶¹ Flow-through Shares <https://www.miningtaxcanada.com/flow-through-shares/>

⁶² Ibid.

⁶³ Lortie, Pierre. Entrepreneurial Finance and Economic Growth: A Canadian Overview. C. D. Howe Institute, Commentary No. 536, 2019.

offerings can be priced at a considerable premium to the corporation's ordinary non-flow-through common share price.⁶⁴

But let's focus on Quebec and the principal tax incentive schemes available to mineral exploration activities in the province, as well as the costs and intricacies associated with flow-through share financing by operating mining corporations. To help mining corporations jumpstart their often risky operations, the federal and Quebec governments have set out tax incentives for mineral exploration and mine development. However, we will limit our comments to those available with respect to Canadian exploration expenses (CEE) incurred by mining corporations.

Similarly, the extension of the spending timelines for the British Columbia Mine Flow-Through Shares tax credit aligns with the proposed temporary federal timelines extension to incur expenses for flow-through shares.⁶⁵ Flow-through shares provide an attractive mechanism for mining companies to raise funds for their projects.⁶⁶

Quebec and British Columbia have successfully created jobs in the mining sector by providing tax incentives that work, are successful, and verifiable.⁶⁷ In Quebec's case, fully refundable tax credits of 38.75 percent are provided, and British Columbia provides a fully refundable credit of 30 percent. Otherwise stated, if a mining exploration company spends \$1 million in exploration, these governments will reimburse the company \$387,500 and \$300,000, respectively.⁶⁸ The refund must be reinvested in exploration activities, creating additional jobs, as exploration activities are primarily labour expenses. As an alternative, Quebec and British Columbia mining exploration companies can issue flow-through shares under the Income Tax Act, in which case individual investors access both federal and provincial tax credits. In Quebec's case, the net investor incentive is about 38.75 percent, and in British Columbia, it is 20 percent and is considering an increase to this credit.

However, at this juncture, we are not recommending incentives that are fully refundable even though Natural Resources Canada (NRCan) has proven that there are three dollars of taxable activity in the North for every dollar of tax expenditure.⁶⁹

Increasing the Ontario Flow-Through Tax Credit from 5 percent to 25 percent would allow for additional credit to the flow-through regime in which private individuals fund exploration activities. It is recommended that a pilot project on flow-through financings be undertaken. If tracked, this government can be assured that exploration tax credits are a net tax gain to the Treasury while creating jobs in the North while using this data to determine whether additional credits are warranted to accelerate mining exploration and development further.

⁶⁴ <https://www.northernminer.com/regulatory-issues/commentary-deciding-whether-or-not-to-use-flow-through-shares-in-quebec/1003768265/>

⁶⁵ <https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/mining-flow-through>

⁶⁶ The Use of Flow-through Shares in the Canadian Mining Sector Amidst Covid-19 www.airdberlis.com - <https://www.airdberlis.com/insights/publications/publication/the-use-of-flow-through-shares-in-the-canadian-mining-sector-amidst-covid-19>

Ontario communities are consistently competing against other global jurisdictions for mineral exploration investment, and in the global marketplace, it is imperative to have an edge.⁷⁰ With mineral reserves reaching an all-time low, it is critical for the survival of many communities that an abundance of exploration activity takes place now to be able to find and mine viable deposits.⁷¹ It is vital to keep the momentum going while investors are supporting this cyclical industry. On average, it takes eight to fifteen years of work to bring a new mine into production; therefore, we need to encourage as much exploration as possible during this upswing. We need a continuum in the mining industry to further bring economic prosperity to communities that rely on this means for developmental sustenance. What Ontario, especially Northern Ontario, needs now is an increase to the Flow-Through Tax Credit.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. To accelerate mining exploration and development further, immediately increase the Ontario Flow-Through Tax Credit from 5 percent to 25 percent.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

⁷⁰ The Canadian Minerals and Metals Plan: Proposed Government Actions to Address Canada's Declining Mineral Industry Competitiveness A brief to the 76th Energy and Mines Ministers' Conference Cranbrook, British Columbia, July 2019

⁷¹ Burkhardt, Rike, Rosenbluth, Peter, Boan, Julee. Mining in Ontario: A Deeper Look, 2017.
<https://ontarionature.org/wp-content/uploads/2017/10/mining-in-ontario-web.pdf>

F. Raise tax credits for Ontario charities to a competitive level

Submitted by: Greater Niagara Chamber of Commerce

Issue

Ontario relies heavily on its charitable sector for a vast array of social services, yet the province supports its charities through tax incentives at the lowest level of any province in Canada, which inhibits their ability to deliver those services in the quantities and of the quality that the province requires. The tax credits for charitable contributions in Ontario should be raised to a level at least comparable with other Canadian provinces.

Background

Charities in Ontario provide many indispensable social goods and services. Charities and qualified donees able to issue tax receipts for gifts received from individuals and corporations include universities, food banks, journalism organizations, amateur athletic associations, museums and art galleries, theatres, immigrant services, women's shelters, mental health services, low-cost housing corporations, municipal bodies, community health services, researchers, and many others. Ontario's non-profits and charities employ over a million workers and contribute \$50 billion in economic impact.⁷²

Unfortunately, like many economic sectors, charities have been devastated by the COVID-19 pandemic. The Ontario Nonprofit Network estimates the sector's losses in the first three months since emergency closures took effect to be in the range of \$1.8 billion.⁷³ Even before the pandemic, the percentage of Canadians giving to charity, and the size of their gifts, were in decline. Between 2007 and 2017, the percentage of tax filers making a charitable contribution fell from 23.8% to 19.9%, while the amount of aggregate income donated to charity fell from 0.75% to 0.54% (it should be noted that the 2008-2009 recession did not have a large impact on these rates, which continued to fall afterwards). For comparison, 24.9% of American tax filers gave to charity in 2017, and they donated 1.52% of their aggregate income. Larger American tax credits may be at least a partial explanation for the greater generosity of Americans.

Ontario has the lowest donation tax credit rate in the country. At 5.05% for the first \$200, Ontario grants the lowest credit rate of any Canadian jurisdiction barring Nunavut (although this comparison is unfair to Nunavut, as rates in the territories are lower than in the provinces due to other tax incentives offered to residents and government supports given to service providers in those regions); at 11.16% for amounts over \$200, it is the lowest in the country, bar none. The provincial tax credit in Ontario for a gift of \$1,000 would be \$99.38, compared to \$160.80 in Manitoba, \$188 in Alberta, and \$232 in Quebec.

To encourage more charitable giving and to revitalize the charitable sector on which Ontario depends, we propose that the tax credit rates in Ontario be raised to the same level as that granted in Alberta, i.e. 10% on the first \$200 and 21% on amounts over \$200.

⁷² Ontario Nonprofit Network, *About the Sector* (<https://theonnn.ca/about-the-sector/>) (retrieved on 2021/02/08)

⁷³ Ontario Nonprofit Network, *Stabilize the nonprofit sector to rebuild Ontario* (<https://theonnn.ca/our-work/covid-19-stabilization/>) (retrieved on 2021/02/08)

	First \$200	Amount over \$200	Highest Tax Credit Rate	Tax Credit for donation of \$1,000	Combined Fed/Prov Tax Credit for donation of \$1,000
Federal	15.00%	29.00%	33.00%	\$262.00	n/a
AB	10.00%	21.00%	n/a	\$188.00	\$450.00
BC	5.06%	16.80%	n/a	\$144.52	\$406.52
MB	10.80%	17.40%	n/a	\$160.80	\$422.80
NB	9.68%	17.95%	n/a	\$162.96	\$424.96
NL	8.70%	18.30%	n/a	\$163.80	\$425.80
NS	8.79%	21.00%	n/a	\$185.58	\$447.58
NT	5.90%	14.05%	n/a	\$124.20	\$386.20
NU	4.00%	11.50%	n/a	\$100.00	\$362.00
ON	5.05%	11.16%	n/a	\$99.38	\$361.38
PE	9.80%	16.70%	n/a	\$153.20	\$415.20
QC	20.00%	24.00%	25.75%	\$232.00	\$494.00
SK	10.50%	14.50%	n/a	\$137.00	\$399.00
YT	6.40%	12.80%	n/a	\$115.20	\$377.20

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Raise the provincial donation tax credit rate to 10% of the first \$200 donated and 21% thereafter.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

G. Review transfers of responsibilities between the provincial and municipal governments to improve efficiency, service delivery, and cost

Submitted by: Greater Niagara Chamber of Commerce

Issue

The downloading of provincial government services and costs onto municipal governments has resulted in a multi-billion-dollar funding gap as revenue streams were not downloaded to match. This has resulted in many programs being severely underfunded as municipal governments cannot effectively finance them. Those that are still running are often run inefficiently as municipal governments lack the human capital, economies of scale, experience, or market power to run them as cost-effectively as the provincial government. Although downloading has saved money for the provincial government, the net effect to the taxpayer has been higher costs and cuts to services.

Background

To balance the provincial budget, the Ontario government began a program of “downloading” its responsibilities onto municipalities in 1995, including programs such as child care, transit, housing, public health, and the Ontario Disability Support Program (ODSP). Even municipal total revenue growth of 1.6 per cent above nominal GDP has not been enough to prevent the appearance of a \$3.3 billion funding gap.^{74 75}

The Province did not give municipalities any additional tools for revenue generation.⁷⁶ The Provincial-Municipal Fiscal and Service Delivery Review resulted in \$1.9 billion being re-uploaded, but this has narrowed the gap, rather than closing it.⁷⁷ While ODSP has been re-uploaded, for instance, municipal governments still fund transit services that used to be provincial, and Ontario is still the only province in Canada where property taxes fund provincial income redistribution programs such as Ontario Works.

Collecting only 7-8 cents of every Ontario tax dollar, municipalities are simply unable to fund these programs adequately.⁷⁸ Factoring in education costs, 50 cents of every 2016 property tax dollar went to running provincial programs.⁷⁹

The necessity of spending such a huge amount of municipal tax revenue on provincial programs is that spending in other areas, such as infrastructure, has not kept up. In 2012, the infrastructure backlog alone had reached over \$60 billion.⁸⁰

The level of government at which taxes are paid is immaterial for Ontario’s businesses. Transfers of responsibilities should aim at efficient service delivery, not at saving one level of government’s budget at the expense of another’s.

⁷⁴ Pat Vanini, Association of Municipalities of Ontario Executive Director, quoted in “The property tax crunch,” Brodie Fenlon (*The Globe and Mail*, March 27, 2017) (retrieved from <https://www.theglobeandmail.com/incoming/the-property-tax-crunch/article1083881/> on January 26, 2018)

⁷⁵ Livio Di Matteo, “Beware of Ontario municipalities asking for ‘revenue tools’” (Vancouver: Fraser Institute, August 18, 2016) (retrieved from <https://www.fraserinstitute.org/blogs/beware-of-ontario-municipalities-asking-for-revenue-tools> on January 26, 2018)

⁷⁶ The City of Toronto has been granted special taxing powers and the 2017 Budget allowed municipalities to levy a per-room hotel tax, which cannot help municipalities which are not tourist hotspots outside Toronto

⁷⁷ Ontario Ministry of Municipal Affairs & Ontario Ministry of Housing, *Provincial Uploads*

⁷⁸ Pat Vanini, *ibid.*

⁷⁹ *Ibid.*

⁸⁰ Association of Municipalities of Ontario, *Towards a New Federal Long-Term Infrastructure Plan, AMO’s Submission to Infrastructure Canada* (Toronto: AMO, 2012)

This is a sunseting resolution. The submitting chamber believes that this issue has not been addressed and will continue to be relevant until a solution is enshrined in law.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Commission an independent review of all transfers of responsibilities since 1995 to assess, in terms of absolute cost and service delivery, whether residents and taxpayers are better served by said responsibilities residing with the provincial or municipal governments. This review should be completed by the end of 2025.
2. Accompany all transfers of responsibilities with sufficient and sustained funding adequate to service delivery.
3. Consult with municipal governments before embarking on provincial services reviews or cuts that would impact municipal government services.
4. Ensure representation from the Ontario business sector on the review panel.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

INFRASTRUCTURE/TRANSPORTATION

A. Encouraging Municipal Government Collaboration to Address Transit Needs and Gaps

Submitted by: The Halton Hills Chamber of Commerce. Co-sponsored by Milton Chamber of Commerce

Issue

The lack of adequate or any transit options in small and rural communities impacts business competitiveness and the mobility of residents. Greater collaboration between adjacent municipalities with and without adequate transit solutions could help address transit gaps by extending or building on existing transit systems.

Background

Public transit in small towns and rural communities is often either insufficient or non-existent. Limited mobility negatively impacts business productivity by hindering its talent pool and potential for growth. Limited and/or insufficient transit puts communities at a disadvantage when it comes to attracting and retaining industry and investment. Access to affordable, public transit would allow local businesses to remain competitive, and residents to maintain independence with access to healthcare providers, employment and community hubs.

For example, Toronto Premium Outlets, located in Halton Hills, is a very popular shopping destination, attracting tourists from around the world. Located directly off of Highway 401, they employ over 900 full-time workers. During peak seasons, Toronto Premium Outlets employs over 2000 workers, the majority of which reside in the neighbouring municipalities of Brampton, Milton and Mississauga. At any given time, as many as 50% of all employees at the mall are part-time workers, many of whom are students. Transit from both Brampton and Milton terminate approximately five kilometers from Toronto Premium Outlets. Consequently, workers must drive to work, be dropped off, take a taxi or a ride hailing service like Uber, which is costly and contributes to congestion on the 401, Steeles Avenue, and the Trafalgar Road.

Since it is not feasible for every municipality, especially more rural and/or remote communities to invest in community-wide public transit nor for the province to directly subsidize every municipality's transit needs, the Government of Ontario is encouraged to put in place the necessary policies, infrastructure and/or funding to make it feasible for neighbouring municipalities to develop and implement innovative solutions that address transit challenges and gaps that exist across municipal boundaries.

Encouraging or building on existing cross-municipal collaboration adjacent municipalities may opt to extend existing transit systems to service a wider geographic region, specifically into regions that lack transit options and service key employment zones. Addressing cross-municipal transit needs has spillover benefits for surrounding municipalities and economies as workers, commuters, and residents of both, can travel more seamlessly between regions and be significantly better connected.

Municipal government collaboration on current transit gaps in regions lacking transit options, would address the last-mile problem facing residents and commuters, and provide a more cost-effective alternative to owning a personal vehicle.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Put in place the necessary policies to encourage and streamline transit project collaborations between municipalities and regions. Example: Work with insurance companies to understand and support extensions of transit service into adjacent municipalities.

2. Put in place the necessary infrastructure and/or funding that make it feasible for municipalities and/or regions to identify transit gaps and build on or extend existing transit service across municipal boundaries into adjacent municipalities that lack adequate transit options.
3. Urge the federal government to invest in transportation plans, including multi-municipality or regional plans.
4. Expand the Community Transportation Grant Program (announced January 25, 2019) to encourage and specifically support this kind of municipal collaboration.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

B. Enhancing Highway Connectivity

Submitted by: The Greater Barrie Chamber of Commerce, Sault Ste. Marie Chamber of Commerce, Orillia Chamber of Commerce, Oro-Medonte Chamber of Commerce, Whitby Chamber of Commerce

Issue

Connecting Highways 400 and 404 is critical to supporting economic development in Ontario.

Background

Highways 400 and 404 serve as backbones of Ontario's economy, together carrying all North/South traffic across the province.

The current lack of connectivity between these two highways is limiting Ontario's economic productivity. Whenever there is an accident that closes down the 400, all North/South movement of goods and people is disrupted for several hours.⁸¹

Congestion along Highway 400 is likely to increase considerably by 2041 as Simcoe and York regions experience explosive population and employment growth.⁸² Appropriate transportation infrastructure is needed to support regional economic growth.

The Highway 400-404 Connecting Link is a proposed 16.2 kilometre, four-lane highway extension.⁸³ The project would result in a significant economic impact through reduced traffic congestion, more efficient transport of goods and services, faster access to airports, back-up options for emergency shut downs, and new employment and investment opportunities.

The reduction in delay costs associated with accidents alone would be significant, with each hour of delay costing an estimated \$25 per car and hundreds of accidents occurring along the 400 each year.⁸⁴

The Connecting Link has passed Ontario's Environmental Assessment process. Prioritizing its completion is fundamental to Ontario's economic development.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Complete the extension of Highway 404 to intersect with Highway 400 in Simcoe County by 2022.
2. The extension of Highway 404 should not be tolled.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

⁸¹ Freeman, J., 2017, "Frustrated drivers trapped for hours after Hwy. 400 shut down for chemical spill," <https://www.cp24.com/news/frustrated-drivers-trapped-for-hours-after-hwy-400-shut-down-for-chemical-spill-1.3511876>.

⁸² "Highway 400-404 Connecting Link," http://www.eastwillimbury.ca/Government/Highway_400-404_Connecting_Link.htm.

⁸³ Ibid.

⁸⁴ Huen, K., Tighe, S., and McCabe, B, 2005, "Incorporating User Delay Cost in Project Selection: A Canadian Case Study," <http://www.civil.uwaterloo.ca/cpatt/AISIM/PAPERS/Paper%20-%20Huen,%20Ken.pdf>.

C. Improve Ontario's Transportation System with Better Quality Roadways

Submitted by: The Sarnia Lambton Chamber of Commerce

Issue

Premature and repetitive road maintenance creates traffic congestion, increased truck fleet maintenance and repair costs, as well as increased carbon emissions. By improving and enforcing standards for quality asphalt, these economic and environmental costs can be reduced.

Background

According to the 2016 Annual Report of the Office of the Auditor General of Ontario, an audit conducted by the Ministry of Transportation in 2000 found “significant problems throughout the province with pavement cracking years before it was expected to, resulting in increased cost to taxpayers for highways having to be repaired or repaved sooner than expected, and increased inconveniences and time lost for drivers due to more frequent road work.”⁸⁵ Poor quality asphalt that cannot withstand Ontario’s winter conditions was found to be the cause. Since 2007, the Ministry has “in essence, allowed the Ministry’s suppliers to determine the quality of materials that they would supply, even though premature cracking would result in additional revenue for the industry as a whole and incur additional costs for taxpayers.”⁸⁶

As noted by the Auditor General, poor-quality asphalt contributes to additional costs to taxpayers. Repairing cracked pavements alone has almost tripled the Ministry of Transportation’s budget since 2007 from \$45 million to \$125 million per year. Damaged asphalt costs the transportation industry as well. It can cause increased roll resistance, adding to fuel costs, and premature deterioration of vehicles, which increases repair and maintenance costs. Traffic congestion is worsened due to continuous road repairs and resulting traffic delays, which impacts the ability and increases cost of companies offering “Just in Time Delivery”. Overall highway safety and efficiency is degraded.

Higher asphalt standards and quality testing are needed. The Ministry of Transportation plans and budgets for paving of highways every 15 to 20 years, but the Auditor General reports there are numerous instances of Ontario highways being replaced in five to eight years and premature cracks being found as early in the first year. This was tracked by Ministry staff in its Central Region, however typically the Ministry does not measure the performance of asphalt. Its Pavement Condition Index measures only current conditions, not how often it cracks or is in need of repair. Since 2007, the Extended Aging test was recommended for implementation, but only started being phased in in 2015, giving the construction industry time to adapt.

The Government of Ontario could save money, improve highway safety, reduce congestion and support transportation efficiency by establishing and enforcing minimum asphalt standards and measuring asphalt performance.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Encourage the Ministry of Transport to work with the transport industry to improve the quality of roadways in Ontario.
2. Improve and enforce minimum asphalt standards for all paving contracts taking into consideration the impacts of weather conditions for each region.

⁸⁵ 2016 Annual Report of the Office of the Auditor General of Ontario, Chapters 3 and 4.
http://www.auditor.on.ca/en/content/annualreports/arreports/en16/v1_310en16.pdf.

⁸⁶ Ibid.

3. Work with industry to review and update the Pavement Condition Index to include lifetime performance metrics.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

D. Investing in Northern Ontario's Highway Infrastructure

Submitted by: The Greater Sudbury Chamber of Commerce, Co-sponsored by Sault Ste. Marie Chamber of Commerce, Brantford Brant Chamber of Commerce, and Greater Barrie Chamber of Commerce

Issue

Northern Ontario suffers from an infrastructure deficit. Continuing investment to complete the four-laning of Highway 69 (Highway 400 North) should be the first step to rectifying a critical infrastructure shortage that has limited Ontario's economic potential, ability to attract and retain workers, and connectivity both within the province and across Canada.

Background

Highway 69 is the main connective road between Northern and Southern Ontario. It connects Highway 400 North with the City of Greater Sudbury (the largest municipality in Northern Ontario), where it meets Highway 17 West headed toward Sault Ste. Marie and further on to Western Canada. It acts as the funnel for Southern Ontario people, businesses, and tourists heading North and vice versa. Moreover, it is an integral link in the Trans-Canada Highway, connecting the Greater Toronto Area and Northern Ontario to Western Canada.

Despite its importance, the Highway still suffers from a lack of necessary investment to realize its full economic potential. The Highway, between Highway 559 north of Parry Sound to Highway 607 south of Sudbury, is an 81 km stretch of narrow, hilly, winding two-lane road that offers little maneuverability. In recent years, work commenced on the four-laning of a 14 km stretch of Highway 69 from Highway 607 to Highway 522, and it is expected to be completed by 2020. Plans to expand Highway 69 were originally announced in 1991, however, since that point, the project has been paused, modified and forgotten by successive provincial governments.

The provincial government should commit to completing the four-laning of Highway 69 to:

- first and foremost, unlock Ontario's economic potential;
- reduce highway closures due to accidents (often with fatalities) and inclement weather;
- help businesses who depend on this highway get their goods to market;
- improve Ontario's inter- and intra-provincial connectivity; and
- reverse Northern Ontario's declining population trends.

Unlocking Ontario's Economic Potential:

Investment in highway infrastructure has long been recognized as a viable method of creating good-paying, middle class jobs. Investing in Northern Ontario's highway infrastructure would create well-paying jobs that would contribute not just to local communities, but to the province's economy as a whole, during the project and for many decades after. A 2011 study by the U.S. Council of Economic Advisers found that every \$1 billion in highway investment could support 13,000 direct, indirect, and induced jobs.⁸⁷

Even while Ontario's economy has improved significantly over the past few decades, most of those gains have remained contained in Southern Ontario and have not been realized in the North. In 2016, the Northern Policy Institute estimated that Northern Ontario has seen six years of negative GDP growth since

⁸⁷ <https://www.fhwa.dot.gov/policy/otps/pubs/impacts/>

2000, while Southern Ontario only saw two.⁸⁸ Investing in Northern Ontario's highway infrastructure can help revitalize regional economies, which in turn can help unlock Ontario's economic potential.

Whether due to weather conditions or fatal collisions on the narrow, undivided road, Highway 69 is often closed for extended periods of time, adding hours to commutes and disrupting reliable access to and from Northern Ontario for businesses, residents, and tourists.⁸⁹ A safer and more reliable Highway 69 would have a positive impact on regional and provincial productivity by improving ease of access and mobility and reducing the time it takes to transport materials or finished goods, especially for businesses reliant on "just in time" delivery to achieve maximum productivity efficiencies. Four-laning Highway 69 would have a positive cascading effect on not just the economies around the Highway, but all of Ontario.

Improving Ontario's Inter- and Intra-Provincial Connectivity:

Successful inter- and intra-provincial trade is foremost dependent on the existence of a safe, reliable, and convenient highway network that allows passengers, heavy transports, and tourists to travel across the province and country. The Highway was originally designed at a time when the majority of freight traffic was still being transported by railway, and the two-lane highway cannot accommodate the increased heavy transport traffic. Frequent highway closures due to accidents, which often result in fatalities, can have a significant adverse impact on commercial activity, act as an economic and tourist deterrent, and are unsafe for drivers. Completing the four-laning of Highway 69 will help improve traffic flow, safety, and reliability for drivers and improve access for passengers driving on the highway. In its current two-lane state, the Highway negatively impacts residents, businesses, and the supply chain of the entire province.

Reversing Northern Ontario's Declining Population Trends:

A 2018 study commissioned by the City of Greater Sudbury estimated that Greater Sudbury is the only major urban centre in Northern Ontario expected to grow its population by 2046; every other Northern Ontario city of comparable size has been experiencing either declining or stagnant population growth since 2001.⁹⁰ It is difficult to attract and retain people and investment to Northern Ontario when safe and convenient transportation to Southern Ontario and other parts of Canada is inadequate. With the federal government's changes to aviation regulations risking reduced flight service in Northern Ontario, and little to no passenger rail service, building a robust highway connecting Northern and Southern Ontario is not only critical to the region's economy but to the sustainability of Northern Ontario's communities as well. The province cannot afford to neglect such alarming trends in Northern communities, as they are critical to Ontario's economy.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Commit to investing in Northern Ontario's transportation infrastructure, namely by announcing an expeditious completion timeline for the four-laning of Highway 69;

⁸⁸ <https://www.northernpolicy.ca/article/getting-the-small-things-right-how-data-suppression-distorts-northern-realities-9167.asp>

⁸⁹ <https://bmcpublihealth.biomedcentral.com/track/pdf/10.1186/1471-2458-12-1125>

⁹⁰ https://vmcdn.ca/files/sudbury/pdfs-for-web/planningcommittee_agenda_180409_16_full_report.pdf

2. Adopt the recommendations of the Northern Ontario Multimodal Transportation Strategy, which include the need for connected, safe and reliable transportation systems in the region; and
3. Consider traffic volumes in relation to the rate of accidents, injury, deaths, economic advantage, and regional and northern development, as well as the potential for increased traffic volumes and economic benefits of increased volumes, when highway upgrades and improvements are studied.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

E. Empower all Municipalities to Build and Maintain Essential Infrastructure

Submitted by: The Sarnia Lambton Chamber of Commerce

Issue

Ontario municipalities are faced with a growing infrastructure deficit. Although the Province provides relief through a number of programs, the administrative burden to apply and subsequently report is cumbersome and the funding is inadequate in relation to the demand of a municipality's ability to pay.

Background

Nearly 50% of Ontario's core infrastructure, such as bridges, roads, water systems and public transit systems, is owned by municipal governments.⁹¹ They are essential support systems for our quality of life and research shows that modern, safe and efficient infrastructure increases productivity and competitiveness.

Most of Ontario's infrastructure was built in the 1950s and 1960s with modest investments and repairs in the 1980s and 1990s. By 2007 the average age of all public infrastructure in Ontario was 15.4 years,⁹² and the municipal infrastructure deficit was an estimated \$60 billion.⁹³

Roads, buildings and sewers built more than 50 years ago will not be capable of withstanding the increasing frequency of weather events caused by climate change. For example, water damage is now the number one cause of home insurance losses because aging sewers are incapable of handling the new, higher levels of participation.⁹⁴

Municipalities have been unable to maintain adequate infrastructure for many reasons including downloading of responsibilities onto lower tier governments in tandem with reduced transfer payments from the Province, increasing costs and a limited number of revenue tools. Needs vary depending on the size of a municipality as well. Yet, investment in infrastructure would help grow local economies. Research shows that every \$1 billion invested in infrastructure creates 16,700 jobs and boosts GDP by \$1.14 billion.⁹⁵

The Government of Ontario provides communities with access to predictable, formula based funding through the Ontario Community Infrastructure Fund (OCIF), Ontario Municipal Partnership Fund (OMPF), and the Gas Tax for Transit, as well as application-based funding through Connecting Links. In 2020 these programs will direct less than \$1 billion towards closing the \$60 billion infrastructure gap. For some municipalities, this assortment of programs is inequitable and inadequate. The administrative burden is high, meaning that additional funds must be spent on operational costs; allocation formulas change; and because communities must compete via resource-intensive application processes, there is little correlation between need and the provision of funding.

⁹¹ Ontario Road Builders' Association. 2016. "Municipal Infrastructure Deficits." <https://orba.org/municipal-infrastructure-deficits/>.

⁹² Mychèle Gagnon, Valérie Gaudreault and Donald Overton. 2007. *Age of Public Infrastructure: A Provincial Perspective*. <https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2008067-eng.htm>.

⁹³ Rural Ontario Municipal Association. 2017. "Municipal Infrastructure." <https://roma.on.ca/ROMA-Content/Backgrounders/2017/MunicipalInfrastructure.aspx>.

⁹⁴ Insurance Board of Canada. 2012. *Telling the Weather Story*. http://assets.ibc.ca/Documents/Studies/McBean_Report.pdf.

⁹⁵ John Brodhead, Jesse Darling and Sean Mullin. 2014. *Crisis and Opportunity: Time for a National Infrastructure Plan for Canada*. Canada 2020. http://canada2020.ca/crisis-opportunity-time-national-infrastructure-plan-canada/#note_0.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Consult municipalities on opportunities to reduce the administrative burden associated with infrastructure programs and improve the predictability of long-term funding.
2. Link funding to asset management plans to encourage strategic planning and economic development.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

F. Regional Transportation Fare Integration

Submitted by: Ajax-Pickering Board of Trade, Toronto Region Board of Trade and Vaughan Chamber of Commerce; Co-sponsored by the Newmarket Chamber of Commerce and Mississauga Board of Trade

Issue

Connectivity in modes of transit is essential to the success of the Greater Toronto and Hamilton Area Regional Transit Plan. A crucial element of this connectivity is a one-card fare integration system for the Greater Toronto and Hamilton Area.

Although progress has been made in the process of fare integration, there is still more that must be done. To ensure a seamless transportation network, and to build further momentum across the wider region for fare integration, GO Transit needs to be integrated with the Toronto Transit Commission, Durham Region Transit, and other municipal transportation services. This issue must be addressed as soon as possible, to keep up with the needs of the growing population and visitors to the Greater Toronto and Hamilton Area (GTHA).

Background

We applaud the federal, provincial and municipal governments for making their largest-ever investments to help fund transit infrastructure within the GTHA. The present transportation system is widely viewed as inadequate and traffic congestion is now a cross-regional issue that affects all municipalities and residents in the GTHA and beyond. The ability of businesses to move people and goods, of commuters to get to work and home, of visitors to travel in and through the GTHA, and the vitality of the regional economy are dependent upon an efficient regional transportation network. This is important to both the region and the province: GO Transit and the municipal transit agencies that connect to it serve two-thirds of Ontario's population (approximately 10 million people).

Network connectivity needs to be the backbone of the regional transportation plan; transfers between municipal transit systems should be easy and efficient. Connectivity must not stop at any particular municipal boundary; rather it should be continuous throughout the GTHA and be based on an integrated fare system which incorporates "smart" card technology.

GO Transit and the nine municipal transportation agencies in the GTHA have already made progress on fare integration. Currently, GO Transit has signed co-fare agreements (allowing for discounting of fares when transferring from one transit agency to another) with eight municipal agencies. The PRESTO fare card allows users of more than one transit agency to get an immediate discount when they transfer between GO and one of the participating agencies. In addition, all the 905 transit operators (except Milton) have agreed to accept each other's transfers without additional fares.

While the TTC currently offers a co-fare, that discounted rate for PRESTO users will expire on March 31, 2020. This will once again increase costs for commuters and create incentives for people to drive and increase the wider region's traffic problems.

To illustrate the cost implications to commuters: a person commuting from their home, to the Ajax GO Station and on to York University would have to pay Durham Region Transit (DRT) a cash fare of \$3.75, GO Transit \$9.65, and then pay the TTC \$3.25, for a total of \$16.65 /per trip, an increase of 73% over what they would pay were the cost integrated into a single GO Transit fare. Alternatively, they could use a PRESTO card to pay DRT a co-fare of \$0.80, GO Transit \$8.12 and then tap their PRESTO card again at the TTC to pay \$1.60, for a total of \$10.52/per trip, an increase of 30% over what they would pay for a fare integrated into the GO Transit fare.

The implementation of a regional fare integration system is integral to the creation of a sustainable, attractive and efficient transportation network. The benefits of the move to a smart card system will support the development of further infrastructure and will make the regional transportation network more customer-friendly, leading to greater use of the network and ultimately assisting in the alleviation of regional congestion and gridlock.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Through Metrolinx, implement a fully integrated fare system at the earliest possible opportunity for the GTHA regional transportation system including GO Transit and all municipal agencies, which will make for a more customer-friendly, seamless, and affordable transit network, and help alleviate wider-region traffic congestion and gridlock.
2. Facilitate the equitable distribution of fare dollars collected by an integrated fare system among the participating regional transit operators and Metrolinx.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

G. Support for Metrolinx Big Move and ‘Next Wave’ Priority Projects

Submitted by: Richmond Hill Board of Trade. Co-sponsored by Vaughan Chamber of Commerce and Newmarket Chamber of Commerce.

Issue

Over the past 20 years, there has been tremendous population and business growth throughout the Greater Toronto – Hamilton Area (GTHA), particularly in the 905. In fact, York Region is now one of Canada’s fastest-growing large urban municipalities with nearly 1.2 million people and approximately 25,000 new residents moving there every year. Notwithstanding the many positives that result from urban intensification, increased traffic congestion typically accompanies population growth if infrastructure investments do not keep pace, as they have failed to do in the GTHA and beyond. The average round-trip commuting time in the GTHA is now 84 minutes and many residents grapple with far longer travel times to work as a red-hot housing market necessitates more first-time home-buyers to look beyond local markets. In fact, traffic congestion is estimated to cost the economy in the range of \$7.5 Billion to \$11 Billion per year, according to a study by the C.D. Howe Institute.

This level of traffic congestion, and lack of alternative transportation infrastructure, impacts not simply those directly commuting to and from the GTHA. Lack of public transit options leads to less choice for commuters and ultimately increased vehicular traffic, which results in costs to business supply chains such as movement of goods delays.

Failure of our transportation infrastructure to keep pace in the face of unprecedented growth also affects tourists and visitors to the wider-region and contributes to air pollution and carbon emissions. Recent investments by all levels of government in public transit, including the extension of the Toronto-York Spadina Subway Extension to Vaughan and construction of VIVA-YRT bus rapidways are welcome additions to the transportation network in York Region. It is clear that to maximize these investments in public transit infrastructure, support must be given for the Metrolinx Big Move transportation plan and ‘Next Wave’ priority projects including the Yonge North Subway Extension and the Relief Line in the context of the regional transit network.

Background

Transportation and transit infrastructure is critical to the success of our region, our province and our country. For that reason we must focus on the big picture. Municipal boundaries act as transit boundaries that prevent effective movement of passengers. Transit policies and routes should be planned based upon population growth and need, not on municipal boundaries. The busiest subway in Canada, the Yonge North-South line, has not been expanded since the 1970’s. This despite the fact that York Region is one of the fastest growing areas in Canada contributing to some of the longest commute times in North America. To entice people out of their vehicles and alleviate traffic congestion, the Yonge North Subway Extension has become the top priority of the Regional Municipality of York and each of the nine municipal governments in York Region. In fact, transportation is the top local issue for the vast majority of York Region residents.

The Yonge subway extension and Relief line will complement investments made in our existing transit network and help connect the GTHA by integrating with neighboring transit options. They will also maximize the recent investments in GO Transit, VIVA-YRT, Eglinton Crosstown LRT, UP Express connectivity to Pearson Airport, and the Toronto-York Spadina Subway Extension. They will ensure for greater connectivity with surrounding communities.

Already included in the Metrolinx Big Move and identified as 'Next Wave' Priority Projects, developments of this magnitude will lead to new business and job creation, intensification, and the attraction of more affordable housing as well as significant environmental benefits. In fact, by eliminating the need for 2,500 bus trips that currently service a stretch of Yonge Street each weekday, the Yonge North Subway Extension has significant potential to reduce carbon emissions and eliminate up to 28 tonnes of GHG each workday. Notably, the Yonge North Subway Extension has already received \$55 million from the Province for preliminary engineering and design, a notable investment that should be maximized.

In June 2019, the Ontario government unveiled a new transit plan for the Greater Toronto Area which included a number of new subway projects including the Yonge North Subway Extension. However, this project still requires significant funding from all levels of government to become reality.

As populations continue to grow and densities rise throughout the GTHA and beyond, there is an urgent need to create connected infrastructure for future generations that ensures for the greatest range of mobility options. Projects of this size and scope require the financial support of all levels of government, over an extended duration of time. The longer we wait, the more expensive projects of this magnitude become.

Recommendation

The Ontario Chamber of Commerce urges the Government of Canada, the Government of Ontario, the Regional Municipality of York and the City of Toronto to:

1. Together, commit the dedicated revenue and begin the construction required as soon as is feasible for Metrolinx Big Move and 'Next Wave' Priority Projects, including the Yonge North Subway Extension, given the benefits to the GTHA and wider-region for current and future generations.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

H. An Economic Connection

Submitted by: The Greater Kingston Chamber of Commerce. Co-sponsored by the 1000 Islands Gananoque Chamber of Commerce, The Brockville & District Chamber of Commerce

Issue

The provincial government has pledged to assist in helping to connect all Ontarians online. Underserved areas, particularly in rural communities that harbour large agri-business, the broadband gap is significant. The provincial shortfall hinders young entrepreneurs, home-based business and primarily, the food producers throughout the entire province.

Background

The impacts of the escalating broadband shortage are multi-layered. High speed has been confirmed as a “basic telecom service” by the CRTC. Now, the fast-track must begin, ensuring all Ontarians have access to it. Without it, entrepreneurs who live outside of major centers through choice and circumstance will suffer and our economy will not meet its potential. Allan Thompson, the chairman of the Rural Ontario Municipal Association, said “broadband services should be treated the same as the provision of clean water, electricity, health care, education and postal services”.

Moreover, the agri-food industry is ever more reliant on technology, featuring every facet of its operation including livestock data, commodity pricing, crop research and monitoring devices. It is as hi-tech as any thriving, front-line industry.

As an example, Doug Knox, vice-president of the Guelph-based Agri-tech accelerator Bio enterprise, points to the growth of “precision” agriculture. He says, “farmers can now use sensors to extract information about everything from soil content to the growth stage of their crops, which helps to make data-driven decisions about fertilizing and planting”.

Knox works in precision agriculture and says “access to data can have a big impact on farmers' crop yields. The problem comes in having to download all that data, which could take hours with a bad connection, Knox said. The time lag is so severe that Knox said many farmers simply choose not to implement these technologies, which can affect their farm's output”.

Still, any monetary investment by the government and private sector can be balanced by economic benefits. Many communities need this digital foundation to grow and prosper. Today's technology is essential for communications, employment, education, healthcare, doing business and ensuring critical safety networks. Despite the widespread availability of information, some public services in rural, remote and First Nations communities are unable to provide adequate access due to limited or no broadband availability. Increasing broadband investment will help ensure Ontarians have access to the digital resources no matter where they live.

To close the remote/rural and urban digital divide and in order to meet this objective, existing infrastructure across Canada needs to be upgraded and new infrastructure needs to be built. This will require a great deal of time and money and a collective effort from all levels of government and the industry. The CRTC has established a \$750 million Fund to help provide all Canadians with access to broadband Internet and mobile wireless services: The Broadband Fund.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Support the CRTC determination that broadband is a Basic Telecom Service.
2. Ensure funding for broadband is accessible to both large and small telecom companies. Many smaller providers have the expertise and existing facilities to leverage so that maximum return on investment is achieved.
3. Maximize the potential of the federal Broadband Fund by applying for investment that target the most underserved areas first.
4. Make the CRTC the sole regulator of access to the support structures of provincially regulated utilities.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

I. Provincial Transportation Network Connectedness Enhancement – Ensuring that an alternate highway option is always available from Sudbury to Toronto (Specifically the missing piece between Highway 11 and the Bradford Bypass)

Submitted by: Greater Barrie Chamber of Commerce. Co-sponsored by: Paris & District Chamber of Commerce, Richmond Hill Board of Trade, and Markham Board of Trade

Issue

Major highway transportation between Barrie and the GTA is currently limited to highway 400. From Newmarket South there are several East West connections between Highway 400 and Highway 404 allowing for alternative North/South major highway options. The need for improved North/South transportation flows has already been assessed and deemed important. The Highway 400 - Highway 404 connecting link (also known as the Bradford Bypass) has received environmental assessment approval and has been added to the Greater Golden Horseshoe Growth Plan.⁹⁶ The 400-404 connecting link will provide some relief, specifically to the Bradford and Newmarket areas by adding an additional connection point between highway 400 and highway 404. A significant bottleneck will continue to persist however North of the proposed Bradford Bypass to the Highway 11/400 interchange.

Background

It is estimated that "By 2041, the combined population of York Region and Simcoe County will be approximately 2.6 Million People (equal to the current population of the City of Toronto)"⁹⁷ Simcoe County is expected to reach a population of 796,000 and employ 304,000. To facilitate this forecasted growth to population and business, improved transportation infrastructure must be put in place.

In August of 2016 a letter was sent to the Minister of Municipal Affairs urging the inclusion of the 400-404 Highway Extension in the growth plan. This letter appears to have had influence as the Bradford Bypass is now visible on the growth plan map.⁹⁸ This letter was signed by: Wayne Emmerson, Chairman, The Regional Municipality of York; Virginia Hackson, Mayor, Town of East Gwillimbury; Margaret Quirk, Mayor, Town of Georgina; Tony Van Bynen, Mayor, Town of Newmarket; Gerry Marshall, Warden, County of Simcoe; Terry Dowdall, Deputy Warden, County of Simcoe; Rob Keffer, Mayor, Town of Bradford West Gwillimbury; Gord Wauchope, Mayor, Town of Innisfil.⁹⁹

Estimated Financial Impact to the Province: There will be significant positive financial impact to the Province from this project, including, but not limited to:

- Faster travel times
- Back-up options for emergency shut-downs and logistics
- Increased access to airports, jobs

⁹⁶ A Place to Grow: Growth plan for the Greater Golden Horseshoe (page 92): <https://files.ontario.ca/mmah-greater-golden-horseshoe-place-to-grow-english-15may2019.pdf>

⁹⁷ Highway 400-404 Connecting Link, Making the Connection. County of Simcoe Transportation Engineering document: https://www.simcoe.ca/TransportationEngineering/Documents/400-404%20Quick%20Facts_V4.pdf; <https://www.simcoe.ca/connectinglink>

⁹⁸ A Place to Grow: Growth plan for the Greater Golden Horseshoe (page 92): <https://files.ontario.ca/mmah-greater-golden-horseshoe-place-to-grow-english-15may2019.pdf>

⁹⁹ Letter to Minister Mauro on August 12, 2016 regarding Co-ordinated Land Use Planning Review and the Highway 400-404 Connecting Link <http://www.eastgwillimbury.ca/Assets/5+2015+Government/404+connecting+link/Letter+to+Minister+Mauro.pdf?method=1>

- Efficient transport of goods and services

From the general user perspective, the estimated financial impact to traffic delays is estimated at \$25/car/hour.¹⁰⁰ According to the Ontario Provincial Police, in 2014 there were 882 crashes on Highway 400 between Canal Road and Duckworth Street.¹⁰¹ Each of these incidents would cause delays to drivers, whether they be single lane reductions or full highway closures.

The extension is 47 kms of a 4 lane highway. A four lane highway costs \$6.7M/km¹⁰², therefore the approximate cost of the extension would be in the neighbourhood of \$315M. Even with very conservative estimates, this would be met in user-delays alone in under 4 years, and the benefits would last decades:

103,000 vehicles/day¹⁰³ = 4,292 vehicles/hour

\$25/vehicle/hour * 4,292 vehicles/hour = \$107,300/hour

882 crashes/year, estimating 1 hour delay per crash = \$107,300/hour * 882 = \$94,638,600

The estimated economic benefit to Ontario of improved transportation accessibility has not been measured but is likely in the Billions, as unexpected shipping delays can not only lose customers, but longer supply chains also increase inventory levels and carrying costs related to financing and warehousing¹⁰⁴. Adding the 400-404 Highway Extension will give Ontario manufacturers a means of remaining competitive in the current economy.

Without a solution to the single highway access to this part of the province, the number of vehicles per hour will go up proportionally as population density increases in this region, resulting in more lost productivity from every incident, and perhaps a stall in the current growth in the region's manufacturing segment due to the economic cost of delays.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Link the Bradford Bypass (Highway 400 - Highway 404 connecting link) to Highway 11 on the West side of Lake Simcoe parallel to Highway 400.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

¹⁰⁰ *Incorporating User Delay Cost in Project Selection: A Canadian Case Study* by Ken Huen, M.A.Sc. Candidate (now P.Eng); Susan Tighe, Ph.D., P.Eng; and Brenda McCabe, Ph.D., P.Eng (page 7):

<https://pdfs.semanticscholar.org/bd21/6069cbd83e450391311ddf691d5ace02bc20.pdf>

¹⁰¹ *Hwy. 400 crash stats in line with average*, article in The Barrie Advance by Janis Ramsay <https://www.simcoe.com/news-story/4445261-hwy-400-crash-stats-in-line-with-average/>

¹⁰² Parametric estimating guide, 2011 by Statulevicius, Kai; Sosney, Paul; Wood, Kathy (page 18):

<https://www.library.mto.gov.on.ca/SydneyPLUS/Sydney/Portal/default.aspx?component=AAAAIY&record=34bc157f-2277-4728-90f0-abb32b51dfe8>

¹⁰³ Provincial Highways Traffic Volumes 2016 | King's Highways / Secondary Highways / Tertiary Roads; (page 32): [http://www.raqs.mto.gov.on.ca/techpubs/TrafficVolumes.nsf/fa027808647879788525708a004b5df8/f51986ea499a13b08525745f006dd30b/\\$FILE/Provincial%20Highways%20Traffic%20Volumes%202016%20AADT%20Only.pdf](http://www.raqs.mto.gov.on.ca/techpubs/TrafficVolumes.nsf/fa027808647879788525708a004b5df8/f51986ea499a13b08525745f006dd30b/$FILE/Provincial%20Highways%20Traffic%20Volumes%202016%20AADT%20Only.pdf)

¹⁰⁴ *Is Your Supply Chain Ready for the Congestion Crisis?* by George Stalk and Jr.Petros Paranikas <https://hbr.org/2015/06/is-your-supply-chain-ready-for-the-congestion-crisis>

J. Reducing Traffic Congestion on Ontario Highways Due to Vehicular Accidents

Submitted by: Tillsonburg District Chamber of Commerce. Co-Sponsored by: Chatham-Kent Chamber of Commerce, Woodstock District Chamber of Commerce

Issue

Traffic congestion negatively affects the economy in numerous ways. People are frequently late to work when they are stuck in traffic, resulting in lost productivity and stress. It prevents deliveries from arriving on time, which can delay production, and congestion wastes fuel and causes vehicle emissions, thus increasing the cost of transporting goods and overall pollution levels.

Background

While vehicular accidents occur everywhere, they cause less traffic delays and highway closures in some jurisdictions than others based on the response systems that governments have in place. The state of Georgia's Department of Transportation (GDOT) has implemented measures to minimize closures and delays on metro Atlanta highways. For more than 10 years, GDOT has paid private wreckage companies in metro Atlanta a \$3,500 bonus to clear truck accidents in 90 minutes or less. Since the Towing, Recovery and Incentive Program (TRIP) was launched, the average time to clear an accident plummeted from 4.5 hours to less than two, prompting GDOT to consider expanding the program across the state of Georgia.¹⁰⁵

The agency also works to keep traffic moving by using cameras to monitor highway conditions, and dispatches Highway Emergency Response Operators (HERO) units to help drivers, clear debris, and direct traffic after accidents occur. These efforts have a measurable impact because a least 50 percent of traffic congestion in the Atlanta region is caused by accidents.¹⁰⁶

Florida has similar programs in place under its Open Roads Policy, which sets the goal of clearing major highway incidents and truck crashes across the state in 90 minutes or less. The Rapid Scene Clearance (RISC) is a program put in place under this policy which, like Georgia's, provides financial incentives to qualified and participating heavy duty towing service providers. In addition to financial incentives of a \$600 to \$3500 bonus for meeting response and clearance deadlines, the program is successful because its tow operators must meet equipment and training standards to be eligible to participate. This is in contrast to systems in use elsewhere, where heavy-duty tow operators are called without consideration of their capabilities. The operators do not participate in a RISC-type program and so are not contractually obligated to meet training and equipment standards.¹⁰⁷

Such efforts are part of Traffic Incident Management (TIM) quick clearance programs, which is the practice of rapidly and safely removing temporary obstructions from roadways in order to increase the safety of incident responders by minimizing their exposure to adjacent passing traffic, reduce the probability of secondary incidents, and relieve overall congestion. Quick clearance practices can result in many benefits for drivers, responders, and the environment, including decreases in:

- non-recurrent congestion delay;
- secondary incidents, including those involving responders;

¹⁰⁵ David Wickert, 2019, The Atlanta Journal-Constitution, <https://www.ajc.com/news/state--regional-govt--politics/gdot-tackles-truck-accidents-metro-atlanta-highways/ZXuWYCvFpBb9aaJihOixjL/>.

¹⁰⁶ Wickert, 2019.

¹⁰⁷ CAA, 2018; Traffic Incident Management, Florida Department of Transportation, <http://www.floridatim.com/Overview.htm>.

- response time to traffic incidents and other emergencies;
- vehicle fuel consumption;
- vehicle emissions;
- motorist stress levels;
- aggressive driving behavior;
- freight movement impacts in the region;
- regional economy impacts;
- local tourism impacts; and
- future potential land use impacts.¹⁰⁸

While major urban areas in Canada typically have TIM practices in place, such as Ontario's COMPASS Transportation Management Centre, they are often not used to their full potential. A 2018 [CAA report](#) highlights additional solutions for non-recurrent traffic congestion based on examples of TIM programs in other jurisdictions. A key example is:

- **Freeway service patrol**, such as Florida's Road Rangers program and Maryland's Coordinated Highways Action Response Team (CHART). Freeways are routinely patrolled by personnel who are trained and equipped to perform minor repairs, assist motorists, remove debris, provide fuel, provide first aid, push vehicles out of travel lanes and assist emergency services. Such programs reduce incident duration and prevent secondary crashes, thus decreasing congestion. For every dollar spent, freeway patrol systems bring in \$6 to \$28. A similar program, the Highway 407 ETR Highway Safety Patrol, is in place in Ontario on a smaller scale.¹⁰⁹

Ontario could therefore benefit from similar practices given the high traffic volume on its highways, especially in the Oxford County area. Approximately 60,000 trucks pass the 401/403 junction in Woodstock each day. Additionally, Drumbo/Innerkip Exit 250 is among the worst stretches on the 401 for accidents. Inspector Tony Hymers, Oxford OPP Detachment Commander, has articulated a need for an accident reporting centre in Oxford County, similar to those in the City of London, Chatham-Kent, and the Collision Reporting Centres of Toronto, which are used to report property damage-only accidents. This gets cars off the road quickly.¹¹⁰

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Implement a proof of concept vetting program to create a pool of qualified towing companies that can be called to accidents, as well as an incentive program for contractors to clear accidents in 90 minutes or less. Test this program along the 401 from Oxford County to the westerly

¹⁰⁸ Traffic Incident Management Quick Clearance Laws, 2008, US Department of Transportation, https://ops.fhwa.dot.gov/publications/fhwahop09005/role_relevance.htm; Traffic Incident Management. FHWA, https://ops.fhwa.dot.gov/eto_tim_pse/about/tim.htm.

¹⁰⁹ Traffic Incident Management: Volume 1, 2018, CAA, <https://www.caa.ca/wp-content/uploads/2018/07/18-CAA-Infrastructure-Papers-TrafficIncidentMgmt-ENG-pdf>.

¹¹⁰ Traffic Services Collision Reporting Centres, Toronto Police Service, <https://www.torontopolice.on.ca/traffic/crc.php>; Collision Reporting, Chatham-Kent Police Service, <https://ckpolice.com/collision-reporting/>.

termination of the 401 in Windsor for 18 months and report on its effectiveness. If it proves to greatly reduce congestion, implement the program for all 400 series highways.

2. Create a proof of concept accident reporting centre in Oxford County covering the areas in Oxford along the 401 and 403. After 18 months report on its effectiveness. If it proves to be effective, establish reporting centres in jurisdictions along the 400 series highways.
3. Implement a temporary highway patrol service, through which roving vehicles patrol congested and high incident areas and provide direct service to motorists in distress, from Toronto to Waterloo Region along the 401 for 18 months and report on its effectiveness. If it proves to reduce congestion, implement the program permanently.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

K. Developing Infrastructure for the Expansion of Electric Vehicle Market in Ontario

Submitted by: Vaughan Chamber of Commerce and Newmarket Chamber of Commerce

Issue

Ontario's current infrastructure and rate-base classification is ill-equipped to manage the growth of the Electric Vehicle (EV) market. The lack of Local Distribution Company (LDC) involvement in any electrification strategy may cause unintended system consequences and delays in meeting the provinces' electrification goals.

Background

While EVs currently consist of a limited portion of vehicles sold in Ontario, their worldwide share grew by 40% between 2018 and 2020.¹¹¹ The Government of Ontario has already signaled its intentions to support the growing EV market by agreeing to work with the Federal Government to co-fund the production of these vehicles at the Ford and GM plants in Oakville and Oshawa¹¹² respectively.

Ontario will need to increase its public charging network to support the growth of this market. While private charging would be ideal for EV ownership, this is likely more difficult in densely populated areas including the GTHA¹¹³.

Currently, there are just 1300¹¹⁴ publicly available charging stations available across Ontario. Comparatively, BC has almost 1000 charging stations despite purchasing half as many EVs; as demonstrated in figure 1¹¹⁵.

The Government will need to engage electrified infrastructure cost-effectively, reliably, and expediently to support the industry's growth. By allowing LDCs to manage the charging infrastructure, it enables the local grid to be more responsive and nimbler to the significant growth in demand that will undoubtedly result in electrification and an increased uptake of EVs.

Further consideration should be given towards the rate-base classification for charging EVs, with at least one alternative rate needed for EV charging. This is also technical advice that LDCs can provide through an understanding of the kW requirements for different charging classes. Failure to effectively plan for the expanding EV market will result in the Province having to play catch-up, to the detriment of both the Government and customers.



Fig 1: Canadian EV sales

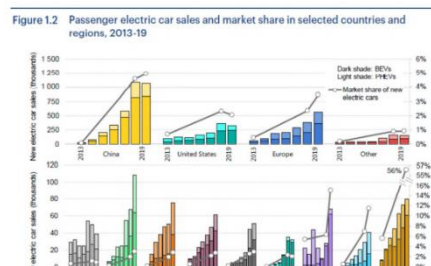


Fig 2: Global Sales of EV

¹¹¹ International Energy Agency Global EV Outlook 2020 - <https://www.iea.org/reports/global-ev-outlook-2020>

¹¹² <https://news.ontario.ca/en/release/58736/historic-ford-canada-investment-transforming-ontario-into-global-electric-vehicle-manufacturing-hub>

¹¹³ <file:///C:/Users/adamsoppelsa/Downloads/EV-Charging-Infrastructure-Guidelines-for-Cities.pdf>

¹¹⁴ <https://www.nrcan.gc.ca/energy-efficiency/energy-efficiency-transportation-and-alternative-fuels/electric-charging-alternative-fuelling-stationslocator-map/20487#/find/nearest?country=CA&fuel=ELEC>

¹¹⁵ file:///C:/Users/adamsoppelsa/Downloads/Charging%20Ahead_%20EDA%20Position%20Paper%20on%20Electrified%20Transportation.pdf

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Enable and encourage LDCs to support electrified transportation through infrastructure developments. While the contracts for these individual stations can be optioned out to private companies, LDCs should be consulted regarding the locations of these proposed EV charging stations to ensure they are compatible with the current grid.
2. Give LDCs the ability to rate-base strategic investments in electrification technologies, such as EV and transit-oriented charging stations, where the LDC business case balances customers' needs, government policy objectives, and supports the Province's robust electricity systems.
3. In coordination with the OEB, allow LDCs to review existing customer rate classes and establish a specific rate class for public fast charging.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

L. Enbridge Line 5 and Ontario Energy Supplies

Submitted by: Greater Kitchener Waterloo Chamber of Commerce. Co-sponsored by: Chatham-Kent Chamber of Commerce, Leamington District Chamber of Commerce, London Chamber of Commerce, Sarnia Lambton Chamber of Commerce, St. Thomas & District Chamber of Commerce, and Windsor-Essex Regional Chamber of Commerce

Issue

Interventions by the Governor of Michigan are seriously threatening energy supplies and economic activity across Ontario.

Background

Enbridge Line 5 transports western Canada oil and natural gas liquids from Superior, Wisconsin through Michigan into Sarnia.

In November of 2020 Michigan Governor Gretchen Whitmer (D) commenced proceedings to revoke a 1953 permit that allows a crossing under the Straits of Mackinac, providing notice to Enbridge for terminating Line 5 by May 2021. Enbridge has challenged that order and indicated they will continue with current operations while seeking permits and approvals to replace the crossing with a tunnel at a cost of approximately \$500 million.

Opposition to Michigan's intervention is relatively extensive across Canada however is heavily focused in Sarnia and Lambton County, the location for three of Ontario's four major refineries as well as several chemical plants. Farmers across southwestern Ontario have cited significant concerns with the impact of a pipeline shutdown on local propane supplies manufactured from feedstock transported through Line 5.

Many farmers and agricultural-related business operations cannot access alternatives such as natural gas. Another major component of the current frustration was the impact of a CN Rail strike in November 2019 on provincial propane supplies. The Michigan Line 5 decision and a subsequent closure will be exponentially worse.

Plains Midstream Canada indicates Line 5 supplies all the feedstock for its plant in Sarnia, which produces about 1,200-million gallons of propane and butane annually with approximately 200-million gallons shipped to Michigan. The company has warned Governor Whitmer that closing the pipeline will terminate all Sarnia operations.

Conservative Party of Canada Leader Erin O'Toole has asked Prime Minister Justin Trudeau to attempt some form of resolution with President Biden. O'Toole has claimed that Line 5 is the safest option for meeting energy requirements on both sides of the border. The Canadian Chamber of Commerce has warned there will be significant disruption to fuel supplies across Ontario and Quebec if Line 5 shuts down.

Ontario Premier Doug Ford has written to Governor Whitmer indicating the potential disruption will threaten 1,000 unionized jobs in the United States and will result in a major fuel shortage, along with nearly 5,000 direct jobs at risk in Sarnia-Lambton. Ontario Energy Minister Greg Rickford has indicated Line 5 is a key artery supplying the province with oil and warned of the economic disaster that will result if the system is turned off.

The State of Michigan has approved Enbridge's application for permits to build a tunnel under the Straits of Mackinac. A review concluded the proposed construction can be completed in compliance with state environmental laws and regulations.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

2. Continue constructive advocacy through all relevant channels including:
 - a) to the State of Michigan for ensuring Enbridge Line 5 continues to operate without interruption; and
 - b) to the Government of Canada for ensuring Line 5 is resolved as a top Canada/United States priority for Prime Minister Trudeau and President Biden.
3. Maintain current stated position, supported by the Ontario Chamber of Commerce and other stakeholders across Canada, to protect jobs and Canadian energy supplies.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

M. Leveraging digital infrastructure to spur economic recovery

Submitted by: Oakville Chamber of Commerce and co-sponsored by Burlington Chamber of Commerce

Issue

As part of the plan for recovery, the Oakville Chamber believes that governments at all levels will need to enhance digital connections and e-services amongst business, employees, citizens and government to create an attractive climate for business investment and job creation for economic growth. The ability for us to adapt so quickly under these unprecedented conditions only underscores the critical need for governments to continue to invest in digital technology, robust, high-speed communication networks, innovation, and a connected infrastructure.

Background

For the better part of a decade, Digital Transformation has been the core driver of organizational change. The transition from legacy IT to cloud computing; the expansion of retail and banking into the mobile space; the rise of machine learning, artificial intelligence, and smart automation; improving safety and reliability of public transit through predictive maintenance; and the growth of the Internet of Things (IoT) were, among other massively transformative technologies, at the heart of a generational forward evolutionary leap. And it is therefore not surprising that these very technologies have enabled businesses, governments, healthcare systems, tech companies, students, and workers to adapt to the turmoil of disruption caused by the pandemic.¹¹⁶

Digital and Data Infrastructure are an important pillar to create an engine of innovation and wealth creation. COVID19 has accelerated the transformation to Digitalization and highlighted the many benefits in a short period.

To build a stronger position in the near term, we can build on the COVID lessons turning around the negative impacts from the pandemic to fast track the use of technology and communication networks. We have seen how fast people can adapt and how productive hundreds of millions of people ramped up the use of digital tools to remain connected, productive and healthy.

Digital infrastructure allows us to connect people and places, improve productivity, increase economic growth, create healthy and safer communities through valuable insights gained from data analytics and new technologies.

This will result in our ability to solve complex problems, improve the sustainability of our cities, build new businesses create new jobs and create a step-change for competitiveness for our region.

An increasingly digital economy will require major investments in sophisticated networks, cybersecurity and electronics. It will also force business to adopt new technologies and business models to interact with customers, clients and employees.

About 2.5 billion people are connected to the internet today, a third of the world's population; there are projected to be about 4 billion users by 2020, or more than half the global population.

Continuous access to information, commerce and communication has become a daily fact of life for billions and will soon become a reality for billions more. As the internet makes its full weight felt in more high-impact

¹¹⁶ World Economic Forum

areas such as healthcare, education and government services, access to digital services will only become more essential for everyone in the years to come.

The digital economy is growing at more than 10% a year, significantly faster than the economy as a whole. In emerging markets, the internet economy is growing at 12-25% per year, and it is having a far-reaching social and political, as well as economic, impact. Around the world, it is an increasingly important source of growth and, frequently, jobs.¹¹⁷

Governments, businesses, and other stakeholders including post secondary institutions should commit to near, mid and long-term actions that promote growth of digital services and the digital economy.

All stakeholders can establish comprehensive, aspirational plans that lay out a path to broadband connectivity for all. Making expanded connectivity a reality requires a continuing commitment to investment and innovation by the private and public sectors – and an understanding of the importance of keeping digital traffic flowing. Governments in particular need to recognize the broader role that digital services can play in economic development and growth; the digital economy is much more than a potential source of tax revenues.¹¹⁸

The COVID19 Pandemic has also accelerated businesses' digital transformation. It also showed us how quickly work itself can change. Adaptability, flexibility, and a commitment to lifelong learning will be vital, especially as companies and entire industries reposition themselves in a highly digital, data-driven world and search for the talent that will help them succeed.

For business and government, the way to remain competitive lies in upskilling to enable them building a future-ready workforce; for individuals, it's a way to keep their skills relevant and stay future-ready. Making deliberate, significant investments in learning will ensure organizations and employees alike have the knowledge, skills, and capabilities needed to work effectively in a digitized, automated world.¹¹⁹

Oakville's Sheridan College's Centre for Mobile Innovation (CMI) is a technology research, commercialization, and knowledge dissemination hub focussed on mobile computing, with a strong emphasis on mobile health (mHealth). CMI was established to respond to industry and community needs, while fostering technical and entrepreneurial training of the next generation.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Provide targeted support to help businesses become more adaptable, productive and responsive through the increased use of digital technologies.
2. Commit to actions that promote the long-term growth of the digital economy including removing impediments to the expansion of digital infrastructure and modernize policies to encourage investment and innovation throughout the internet ecosystem.
3. Encourage municipalities to use stimulus funds for digitization efforts in line with the digital needs of their communities.
4. Create funding mechanisms for public post secondary institutions to establish digital literacy programs to ensure workforce is future ready, as well as investing in research and digital skills training to meet the future labour demands.

¹¹⁷ [World Economic Forum](#)

¹¹⁸ [World Economic Forum](#)

¹¹⁹ [COVID-19 The upskilling imperative - Building a Future Ready Workforce for the AI Age](#)

Effective Date: May 5, 2021
Sunset Date: May 5, 2024

N. Lowering our Carbon Footprint through Energy-Smart Building

Submitted by: Guelph Chamber of Commerce Co-sponsored by: Greater Barrie Chamber of Commerce, Brantford-Brant Chamber of Commerce, and London Chambers of Commerce

Issue

Ontario homebuilders face barriers leveraging their innovative capacity to maximize their business and economic output towards a reduced carbon footprint.

While opportunities to mitigate the costs of energy efficient programs for retrofits exists, there is no comprehensive approach for new builds. A new build is far more likely to achieve 'Net-Zero' status if it starts out that way and will be far less expensive to achieve as an afterthought. A retrofit is nearly impossible to achieve that 'Net-Zero' status without spending a large fortune to do so, and yet, it is here that Ontario has decided to focus its energy efficiency program spending.

Given the massive number of new built homes we have seen constructed and planned for in communities across the province, Ontario is missing a huge opportunity to reduce our carbon footprint.

Background

There exists considerable debate about the term Net-Zero and the feasibility of achieving it. Commonly used by governments and the private sector alike, the term Net-Zero does present problems. Prevailing wisdom defines a net-zero energy home as one that produces as much energy as it uses on an annual basis. However, there are numerous variables depending on the occupants' behavior and issues like orientation of house (south facing roof, ensuring the property next door (or trees) don't shade the roof), having 4 exterior walls rather than 2 or 3, the fact that the average home's roof top is likely not big enough/strong enough for all the solar panels, etcetera. These considerations are above and beyond the work that is done with the house construction to make it more "energy" tight.

In terms of technology, materials and efficiency standards, net-zero homes are built at least a decade ahead of where the building industry is today. They include features such as advanced heating, cooling, ventilation, high-efficiency windows, superior levels of insulation and air tightness and solar panels that should feed the electrical grid. Net-zero homes have been around for many years, but they have typically been custom-built and at an enormously higher expense than regular homes.

The build expense impacts the price of net-zero homes and they are therefore not affordable options for most Ontarians. Furthermore, most Ontarians are not familiar with the benefits (long-term savings) of purchasing net-zero homes.

Net-zero homes offer the potential to save money on energy costs year-round as well as protect homeowners from future energy price increases. Most importantly, they lower greenhouse gas emissions, conserve resources, reduce pollution, and minimize the household's ecological footprint.

With well over 100,000 new home starts in Ontario in recent years, it makes it increasingly crucial that builders of net-zero homes receive the support needed to build these homes on a larger scale in a cost-effective manner.

For its part Canada's Climate Plan (the CCP) has very little to offer by way of help for the construction of new Net-Zero home builds:

"Accelerating action on home retrofits will create new demand for jobs". Provides \$2.6 billion over 7 years for homeowners. Provides \$700,000 in grants of up to \$5,000 to help homeowners make energy efficient improvements to their homes. And

working with provinces and territories on low income retrofit programs to increase the number of low-income households that benefit from energy retrofits. (CCP - Page 11 Home Retrofits).

The CCP never mentions how to address supporting builders of new homes.

To have a meaningful impact in reducing our carbon footprint, Ontario needs a critical mass to make Net-Zero work. Presently, the market does not have that mass as it is just too expensive to get there. The province requires a comprehensive a something far less daunting and more likely to succeed over the short to medium term.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Incentivize homebuilders to use energy efficient technology and materials for the first 3-5 years, gradually reducing those incentives until they terminate in 2030. This allows time for builders to adjust their business plans while at the same time incrementally improving our carbon footprint. Incentives can take the form of, but not limited to, grants, subsidies, tax breaks or a reduction in municipal DCs (development charges).
2. Increase the HST rebates for primary residence purchasers of homes greater than \$450,000 (current only applies for homes less than this figure) – if homes can meet certain criteria for sustainability in the OBC and be verified by a simple checklist from existing inspection program (minimizing increase in red tape). The onus is placed on the developer to demonstrate compliance, and the margins remain the same for the developer.
3. The Province should encourage municipalities to encourage net-zero home building by offering PACE (Property Assessed Clean Energy) financing that are connected to the units built not the homeowner.
4. Develop Energy Smart Building education campaigns/programs for builders (trades), and buyers using local distribution companies and organizations like IESO (Independent Electricity System Operator) and CHPA (Corporate Housing Providers Association) to disseminate and distribute materials.
5. To further reduce Ontario's carbon footprint, establish regional pilot programs where a district-based energy system is established as the central plant for a specific building or an entire subdivision such as the Telus Tower in Toronto.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

HOUSING

A. Taking a Principled Approach to Growth and the Planning Process

Submitted by: The Oakville Chamber of Commerce

Issue

Growth presents a tremendous opportunity for Ontario, however this growth will require navigating complex planning challenges. The Province must take this opportunity to create a streamlined and integrated planning framework to accommodate this growth and maximize the economic growth potential of this province. Impacts on the business community must be considered.

Background

In recent advocacy surveys, Oakville Chamber members have identified four pillars of policy priorities, Business Competitiveness, Transportation, Recruiting and Retaining Talent and Innovation.

Taxation, and red tape remain barriers to business success and the cost of housing and getting employees to and from work have been cited by Chamber members as challenges to attracting and retaining talent.

Growth and the planning process are integral to each of these four pillar priorities. The Ontario government is currently conducting a review of the Places to Grow Plan, the Planning Act, the Provincial Policy Statement as well as the Local Planning Appeal Tribunal (LPAT).

These reviews must ensure that the impacts on population growth, housing affordability, infrastructure productivity, the labour market and the regional economy are directly considered in growth management and are fostered and supported in the planning of our communities. A new innovative business friendly approach must be encouraged and facilitated by all levels of government to ensure the success of our business communities.

Over the next few decades, the Greater Golden Horseshoe (GGH) is expected to experience incredible growth. Ontario has been, and continue to be, one of the fastest growing jurisdictions in North America. By 2041, the population is projected to grow by 50 percent, to 13.5 million, in the GGH alone.¹²⁰ Similarly, the number of jobs in the region is expected to grow from 4.5 million to 6.3 million.

The Residential and Civil Construction Alliance of Ontario (RCCAO) released a benchmarking report examining the implications of the new LPAT on housing and growth targets for Ontario.

According to the report released by RCCAO (December 2018), The Greater Toronto and Hamilton Area (GTHA) is at risk of missing provincial population targets. This would potentially result in 7,200 fewer new homes being built each year until 2041.

If current rates of construction continue, up to 165,600 homes are at risk of not being built over the next 23 years. That's equal to an annual loss of \$1.95 billion in GDP from residential construction activity if various constraints continue to inhibit the goals set by the provincial growth plan, Places to Grow.¹²¹

Similarly, infrastructure plays a critical role supporting the economic and demographic growth of a region. Investment in infrastructure assets such as roads, and transit is required to meet the needs of a growing

¹²⁰ Brad Graham and Tom McCormack, "Improving the Growth Plan: A commentary," September 2015 http://ohba.ca/system/documents/documents/340/original/improving_the_Growth_Plan_PDF.pdf?1441817423

¹²¹ The GTHA's Housing Stock: Benchmarking Ontario's New LPAT System, An independent research study prepared for the Residential and Civil Construction Alliance of Ontario (RCCAO) BY: CANCEA – Canadian Centre for Economic Analysis, DECEMBER 2018, http://rccao.com/research/files/RCCAO_LPAT_REPORT_2018.pdf

population. In addition, infrastructure is crucial to attract and retain industry and employment by providing the ability to move goods and services.

Since 2011, infrastructure investment in Ontario (as a percentage of GDP) has fallen or remained flat. In fact, it was below 3.0% for the 2015 – 2017 period, falling below 2.5% in 2016. It remains considerably below the target of 5.1% of GDP identified in the 2011 report. The lower levels of infrastructure investment are making it harder to achieve greater GDP growth in the long-term. To achieve maximum growth over the next 50 years, the average level of infrastructure investment will now have to increase to 5.4% of GDP.¹²²

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Continue to undertake significant reviews of the Places to Grow Plan, the Planning Act, the Provincial Policy Statement as well as the Local Planning Appeal Tribunal, with a view to further reducing red tape and ensuring the tools are in place to facilitate economic growth and support all our communities.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

¹²² Infrastructure Update 2018: Ontario Infrastructure Investment – Federal and Provincial Risks & Rewards
http://rccao.com/news/files/RCCAO_Infrastructure-Update-2018.pdf

B. Ontario's Residential Tenancies Act

Submitted by: Tillsonburg District Chamber of Commerce. Co-Sponsored by: Quinte West Chamber of Commerce

Issue

Ontario's provincial government regulations within the Residential Tenancies Act (RTA) enable tenants to take unfair advantage of the system. Other provincial residential or landlord tenant acts are more equitable, thereby making it more attractive for investment in that province.

Background

It is our view that Ontario's Residential Tenancies Act (RTA) should be changed to make it more equitable for landlords and property managers. The existing Act does not hold tenants accountable to their rental responsibilities; instead it places unnecessary financial burdens and excessive delays on landlords and property managers, and on our municipal court system. The processes in Ontario's RTA we would like to recommend changes to are in the areas of: 1) Reducing Statutory Delays; and 2) Dispute Resolution Officers at Residential Tenant board offices.

Although non-payment occurs in only 3% of cases for Ontario residential rental units the percentage is drastically higher in rental units priced under \$1,000. The current provincial government acknowledges that there is a massive shortage of affordable housing options in Ontario. A major deterrent for Real Estate investors to create affordable rental units is the inequity of the RTA. Making the Act more equitable will go a long way in attracting investment in our province in this sector and will eliminate the need for the government to get into the bricks and mortar business of providing affordable housing options. Harry Fine, a former adjudicator at Ontario's Landlord and Tenant Board (LTB), who now works as a paralegal, said "once problem tenants get their hands on the keys, it's easy for them to exploit the system and drag out the eviction process. The legislation has to change. Many landlords criticize the board, but the problem is Ontario's rental regulations. The biggest problem with it is the amount of time it takes to get an eviction and how easy it is to create delays."¹²³

Reducing Statutory Delays

Currently in Ontario if a tenant has not paid their rent, it is the landlord's responsibility to pay a \$170 filing fee and schedule a hearing after waiting 14 days before being able to file with the board. In British Columbia, if the rent is not paid, the onus is on the tenant to pay a \$50 filing fee to dispute an eviction. It is our opinion that British Columbia's Act places the responsibility in the right place: by making the tenant accountable for the expenses incurred to schedule a hearing when it is THEIR rent that has not been paid. Ontario's current process places unnecessary financial burdens on landlords and wastes valuable administrative time and associated costs: a tenant often does not attend a hearing nor are they likely to have a receipt proving their rent was paid when it wasn't. Currently a landlord needs to wait 14 days to file with the board, 30 days to get a hearing date, 3 days after the hearing to get the order, 11 days before filing with the sheriff and 3 days before the sheriff evicts the tenant. This amounts to 61 days to evict a tenant and the landlord losing 1 to 2 months of rent assuming the tenant paid a last month's rent deposit.

According to a January 9, 2020 press release, "Ombudsman Dubé announced a systemic investigation into serious delays at the Landlord and Tenant Board (LTB), the administrative tribunal that resolves residential

¹²³ CBC News September 24, 2016 Ontario Landlord Tenant Board needs new rules to evict problem tenants faster, John Rieti <http://www.cbc.ca/beta/news/canada/toronto/ontario-landlord-rules-1.3777339>

tenancy disputes. The investigation will focus on whether the government is taking adequate steps to address delayed hearings and decisions.”¹²⁴

Dispute Resolution Officers at Residential Tenant Board offices

In Ontario the Dispute Resolution Officers are at the Courthouse the day of a scheduled hearing to assist with settling an issue before it is heard by a judge. However, in British Columbia, evidence can be presented by both the tenant and landlord to a Dispute Resolution Officer, and a binding ruling can be made by the Officer. This presentation can be done at a government office or by telephone conference call. This BC process avoids scheduling a hearing and using up unnecessary, valuable court time and tax dollars.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Amend the RTA to reduce statutory delays by the following ways:
 - a. Amend section 59. (1)(b) of the RTA to allow the landlord to give the tenant a notice of termination (i.e. issue and L1) within 5 days effective on the fifth day of termination, rather than the 14th day.
 - b. Provide the Landlord Tenant Board with the one-time financial resources necessary to reduce the average hearing wait time from one month to one week and the necessary performance structure be put in place to ensure its success.
 - c. Amend the RTA to return to the previous practice of requiring the non-paying tenants to file applications.
 - d. Immediately stop the practice of preventing landlords from filing with the sheriff for 11 days after an order is issued and amend provincial laws (the Courts of Justice Act and the RTA) to explicitly allow private bailiffs to enforce Landlord Tenant Board orders and to require orders that have been previously stayed to be placed in priority sequence.
2. Shorten the dispute process by more effectively using the role of a Dispute Resolution Officer at the Residential Tenant Board office. This will avoid unnecessary court hearings. An order of possession can be obtained from a Dispute Resolution Officer at the Residential Tenant Board office thereby avoiding going to hearing to obtain such.
3. Provide the Landlord Tenant Board with the funding and support needed in order to provide, expand, and expedite virtual dispute resolutions and hearings.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

¹²⁴ “Ontario Ombudsman to Investigate Delays at Landlord and Tenant Board,” Office of the Ombudsman of Ontario, <https://www.ombudsman.on.ca/resources/news/press-releases/2020/ontario-ombudsman-to-investigate-delays-at-landlord-and-tenant-board>.

C. Addressing Housing Shortage by Updating the Approvals Process

Submitted by: The Vaughan Chamber of Commerce and Newmarket Chamber of Commerce

Issue

The current approvals process for housing developments is inefficient and directly contributes to the housing shortage in the province.

Background

Successive governments have underinvested in Ontario's infrastructure, with the expected total investment over the next five years at 2.65% of provincial GDP – less than half the target investment (5.4%) for long-term growth.¹²⁵

The trend of underinvestment in infrastructure has been a consistent trend going back to the 1960s and 1970s, at the same time as Ontario's population had been growing by 1.5 per annum since 1970¹²⁶. Compounding the current housing issues is the fact that Provincial housing developments have stagnated, as demonstrated in chart 2.¹²⁷

This underinvestment has been exacerbated by a slow approvals system, with over 100,000 proposed housing units across Ontario are waiting for development.¹²⁸

Some of the most prominent reasons for this flawed approvals process are:

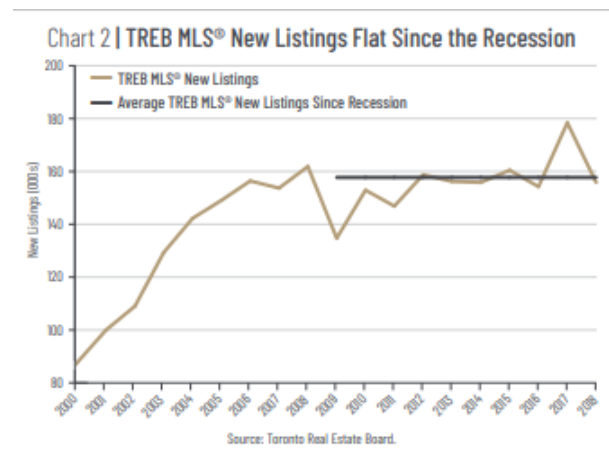
- Outdated processes: Including in areas such as zoning and building and planning permits.
- Poor communication and transparency, specifically pertaining to the relationship between municipalities and the Provincial government.
- No repercussions for municipalities missing targets for updating out of date zoning, resulting in a lack of accountability and no internal direction to solve the issue.

The government has taken steps to resolve these concerns through Bill 108; *The More Homes, More Choices Act 2019*, which includes provisions to develop more housing and mandates a reduction in decision making time. While these steps may address some of the issues, they do not provide the fundamental alterations required to fix the process.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Have the Ministry of Municipal Affairs and Housing conduct a full review of the current process to ascertain which areas can either be removed or streamlined. Specifically identify areas of the process (such as e-permitting) which can be moved to an electronic platform.



¹²⁵ <https://rccao.com/research/files/RCCAO-CANCEA-Infra-Bulletin-May-22-2019.pdf>

¹²⁶ <https://www.fin.gov.on.ca/en/economy/demographics/projections/>

¹²⁷ http://communications3.torontomls.net/auth2/mediafiles/Market-Year-in-Review/pdf/2019-YearInReview_interactive_2Col.pdf

¹²⁸ <https://www.amo.on.ca/AMO-PDFs/Reports/2019/Fixing-Housing-Affordability-Crisis-2019-08-14-RPT.aspx>

2. Develop a shared common data platform that will help the Province to establish a comprehensive e-permitting system where agencies and municipalities can link together. This can be used to streamline the application and approvals process to ensure there is no miscommunication between the Provincial and Municipal governments, while simultaneously allowing all parties to track applications.
3. Promote greater transparency in the process, possibly by legislative means or by commissioning a body in place of the OMB/LPAT. At minimum, there should be the aforementioned web-based system which gives both developers and buyers sufficient information to understand the process.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

D. Addressing the Low-Income Housing Crisis

Submitted by: Greater Kitchener-Waterloo Chamber of Commerce

Issue

The chronic shortage of low-income/community housing is placing an excessive strain on municipal resources and the capacity of councils and staff to address additional issues across their portfolio of responsibilities mandated by the provincial government.

Background

Ontario is the only province in Canada where community housing is a municipal responsibility. Community housing is generally defined as properties owned and operated by non-profit housing corporations, housing cooperatives and municipal governments/District Social Service Administration Boards (DSSABs). Municipalities across Ontario have continually stated this significant responsibility was never intended to be carried by the property tax base.

The crisis in community housing extends across Ontario to include northern, rural and large urban municipalities where there exists an aging, underfunded and inadequate supply of buildings. A sustainable funding model is required for operations and capital repairs beyond the requirement for new units to meet escalating demand.

The Association of Municipalities of Ontario (AMO) has identified five major housing and homeless prevention priorities across Ontario. They include:

- Increasing the supply of affordable housing;
- Creating a financially sustainable model for community housing;
- Expanding affordable housing options;
- Ending homelessness;
- Supporting people with their health care needs for successful tenancies.

An AMO report from August of 2019 proposes 63 recommendations to assist the municipal sector on meeting their housing challenges and are generally reflective of the five aforementioned broadly defined priorities.

The Ontario Community Housing Renewal Strategy from the Ministry of Municipal Affairs and Housing notes that when residents have adequate housing, they gain improved health, education and employment outcomes. When housing is affordable and in areas near transit, schools, and workplaces, people have the opportunity to manage their lives.

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government:

1. Collaborate with the municipal sector to develop policies and work with stakeholders to increase the supply of community housing with an appropriate mix of affordable and market-rate buildings; and
2. Increase the efficiency of the provincial community housing system for long-term sustainability.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

E. Resolving Ontario's Housing Crisis to Support Economic Growth

Submitted by: Greater Kitchener Waterloo Chamber of Commerce, Tillsonburg District Chamber of Commerce, Quinte West Chamber of Commerce, Guelph Chamber of Commerce, Port Hope & District Chamber of Commerce, Trent Hills Chamber of Commerce

Issue

The rising cost of housing is restricting economic growth opportunities across Ontario.

Background

Businesses of all sizes in all sectors across Ontario are increasingly concerned with rising housing prices and the impacts on local business attraction and retention. An affordable housing market generally provides a stable workforce reducing employer costs for turnover and other related issues. Also, home ownership provides security for employees and improved workplace health and wellness.

The rising costs associated with both entry into home ownership and renting can also lead to higher wages which can be difficult to absorb for many Ontario employers. The current inflated market for rentals also impacts employers as employees moving to a new community are likely to initially rent, and a shortage of rental supply and housing prices can restrict the ability for assuming full time employment or home ownership.

Rural areas of Ontario have unique housing challenges, as rent can be lower than urban areas however hydro and other costs are higher. Public transportation is not available which limits the ability of employers to secure employees in lower wage occupations.

The Quinte and District Real Estate Board and Tillsonburg District Real Estate Board both tracked residential price increases of around 10 percent from 2018 to 2019. In Guelph, the average price increased from \$300,000 in 2010 to nearly \$600,000 by January 2020.

The Better Housing Policy Playbook released by the Toronto Region Board of Trade for the 2018 municipal election notes that a critical factor for attracting and maintaining talent and investment is a better supply of housing and housing options. There is a growing consensus the high cost of housing is driven by a growing shortage of supply.

The Association of Municipalities of Ontario (AMO) indicated in an August 2019 report that the housing crisis in Ontario is serious and widespread, cutting across all four corners of the province. The Ontario government's Housing Supply Action Plan also confirms that the province needs more housing and we need it now.

In the Greater Toronto Area (GTA) net migration from other parts of Canada, natural population growth and immigration all add up to an average additional 115,000 residents annually.

The construction of new homes and apartments has fallen behind population growth, leading to an annual shortfall of about 10,000 units every year. The net result is high housing costs, renters unable to buy into the housing market, and decreasing vacancy rates.

According to BILD (Building Industry and Land Development Association), past efforts to balance the market such as a mortgage stress test and the GTA foreign buyer tax have attempted to slow demand. While demand-side policies marginally produce short-term results, the fundamental problems related to basic affordability remain unresolved.

Addressing the long-term challenge of housing in the GTA requires increasing the supply of new homes to meet demand and forcing the market into balance.

The key factors identified by BILD that are contributing to the current market are:

- A shortage of land for new development. Vacant land for housing in the GTA is estimated at 4.5 percent of total settlement lands, down from 6 percent in 2017;
- Multiple studies and reports are required to get approval for a new housing project, adding unwarranted costs;
- Excessive government fees including municipal development charges. Taxes and associated charges from all levels of government account for approximately 25 percent of the cost of an average home in the GTA;
- An annual population increase across the GTA at the above-noted 115,000 residents is creating a market where demand exceeds supply by an increasing margin.

Outside of the GTA, the median house price in Prince Edward County has increased from \$205,000 in 2008 to \$395,000 in 2018. In Kingston, the inventory of homes for sale in 2019 was the lowest in 30 years, combined with the lowest rental-vacancy rate in Ontario.¹²⁹

Robert Hogue, senior economist at RBC Capital Markets, indicated a sharp rise in prices is primarily the result of the supply side not adjusting to demand.¹³⁰ David Wilkes, President and CEO of BILD, noted that housing supply issues extend back over a decade due to under built housing, neglected new infrastructure projects, and inattention to existing infrastructure.

In June of 2019, the Ontario Legislature passed Bill 108, The More Homes, More Choice Act. The legislation provides changes to a series of existing statutes to address and resolve the current provincial housing crisis. Municipalities and developers both expressed concerns around the province's inability to finalize regulations related to new provisions under Bill 108 and the impact on a volatile housing market.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Work with private developers and municipalities to ensure appropriate, 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;
3. Ensure the housing supply matches market demands; and
4. Complete the introduction of new regulations under Bill 108 to eliminate uncertainty at the municipal level of government and within the development sector.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

¹²⁹ Home Truths, Part 1. Why affordable housing isn't just a Toronto issue. David Rockne Corrigan. TVO, August 6, 2019.

¹³⁰ Doug Ford's fix for Toronto's housing crisis is easy. Just build more homes. Chris Fournier, Bloomberg News in the Financial Post. January 28, 2019

F. Maximizing Growth in Built Areas

Submitted by: Greater Peterborough Chamber of Commerce. Co-sponsored by: Kawartha Chamber of Commerce and Tourism, Chamber of Commerce Brantford-Brant

Issue

In many Ontario communities, historic downtowns are a source of pride and joy. However, these downtown buildings often leave unused space on the table. This resolution offers a potential solution to help property owners, municipalities, and the province to maximize the use of second story and above spaces in historically commercial and mixed-use areas in Ontario.

Background

There is potential that there will be no complete agreement on how to accomplish this goal as many of the buildings are in private ownership. That said, the ability of the municipality and an owner to understand the full scope of a renovation or upgrading required of a building is imperative as cost, or the potential not to see a return on investment can be high.

In the Places to Grow Act, there is great focus on density requirements. For a downtown such as Peterborough the requirement is 150 residents per hectare. Yet with older, sometimes heritage-designated, buildings in Ontario downtowns there are unique challenges to realizing redevelopment and infill of these spaces.

The Community Improvement Plans provide an incentive framework to address some of these concerns, however in many cases these programs tend to be overextended or see limited uptake because costs of renovations can easily outpace the incentive. Many communities have façade improvement programs, brownfields tax assistance programs, energy efficiency programs and, in Peterborough, there is even a Residential Conversion and Intensification Grant Program that provides property owners with a grant of \$10/square foot renovated as part of a Community Improvement Plan.

These programs do not adequately address the challenges most commonly faced by businesses in these core areas with regulatory requirements that are substantially higher than when the buildings were first constructed. Restoring older buildings to current safety standards by meeting Ontario's Building Code, the Fire Code, the Ministry of the Environment, and the Municipal by-laws can be too expensive for many developers to be able to make the renovation profitable. Knowing how expensive upgrades can be, many businesses fear seeking advice.

Creative approaches require architects, engineers, planners, and municipal officials to work with businesses to derive viable solutions for redevelopment. This is not something that should be done on a piecemeal basis, but as an extensive program that involves systematic analysis of the key challenges and a targeted response from each municipality.

The benefits of upgrading or development of these types of units are numerous, in that, they could be used for commercial space, housing diversity, help infill urban areas and become economic catalysts for continued development. Reuse of existing buildings is also an effective way of fighting climate change. The challenge is encouraging development with an economically feasible mode that results in buildings that are safe and occupied.

In order to strengthen our built areas, there needs to be a good understanding of the current infrastructure needs and capabilities. Ideally, grants for investments like common fire escapes across the rear of multiple

buildings to create an efficient second means of egress would assist developers to make good use of space and finances.

The Government of Ontario has used the Downtown Revitalization Program to strengthen the economic heart of rural communities across the province since 2018. As such, this resolution proposes that the Downtown Revitalization Program be used for a pilot project that allows private building owners and municipal officials to assess, without punitive action, the needs of a building or series of buildings in a downtown core.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Designate the Downtown Revitalization Program be used for a pilot project that allows private building owners and municipal officials to study and assess, using an independent consultant and without punitive action, the needs of a building or series of buildings in a downtown core.
2. Allow for a renovation plan or commitment to be worked out that is agreeable to the property owner and the municipality.
3. Allow for a coordinated approach to intensification and heritage preservation that takes into consideration a community's current building stock and its ability to function in a contemporary economy.
4. Allow for intensification districts just outside the core, but within the designated built-up area that can be developed in tandem with the Urban Growth Area and not impact the current intensification numbers.
5. Study the effect of the Accessibility for Ontarians with Disabilities Act has on the viability of the intensification projects of existing buildings.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

G. Permitting Municipalities to Use Building Permit Reserves to Encourage Affordable Housing Development

Submitted by: Hamilton Chamber of Commerce

Issue

Ontario currently experiences a significant shortage of available affordable housing units, leaving thousands of low-income and vulnerable Ontarians on years-long municipal affordable housing unit wait lists. This requires these populations to live beyond their means, live paycheck-to-paycheck and potentially force them and their families into homelessness. Access to safe, affordable housing is a key social determinant of health that correlates directly to an individual's ability to contribute to their community socially and economically. The provincial government should explore giving municipalities more local authority over incentives for affordable housing development.

To improve the lives of and expand opportunities for thousands of Ontarians while spurring significant development activity and job creation, it is imperative to grow and protect Ontario's affordable housing supply. Changes to the Ontario Building Code Act would allow municipalities to offset the cost of affordable housing development-related Building Permit Fees by using existing municipal Building Permit Reserve funds.

Background

According to the Ontario Building Code Act (BCA), Section 7.1 (c), municipalities are permitted to “requir[e] the payment of fees on applications for and on the issuance of permits, requir[e] the payment of fees for maintenance inspections, and prescribing the amounts of the fees.” These various fees ensure that all direct and indirect costs associated with the Building Permit Application Process are covered. The fees are calculated differently for residential and commercial projects, but essentially rely upon multiplying a fixed rate on a total square footage for residential developments, or total cost of project for commercial developments.

Additionally, under the same section of BCA, municipalities are allowed to establish by-laws such as a Building Permit Reserve where additional funds not utilized in the permitting process can be added to a specifically-created municipal reserve. This reserve fund is intended to ensure that even if building activity in a municipality undergoes a temporary downturn, municipal building department services can continue to be funded without impact on the municipality's finances. Money in the reserve fund can only be used for the costs of delivering services related to the administration and enforcement of the BCA. As a consequence, the reserve fund is not accessible for councils to fund other municipal activities.

Herein lies the opportunity to allow municipalities to utilize these building permit reserve funds that otherwise largely go unused to provide incentives for affordable housing development projects. Similar to the authority Toronto municipal council exercises over exemptions to fees and charges for affordable housing developments as per its *Open Door Affordable Housing Program*,¹³¹ the province ought to allow other municipalities to exercise some, if not all, of the same flexibility. These could include exemptions from Planning Application Fees, Development Charges, Building Permit Fees and/or Parkland Dedication Fees.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

¹³¹ City of Toronto Open Door Affordable Housing Program Guidelines: https://www.toronto.ca/wp-content/uploads/2020/09/97c9-2020_OpenDoorGuidelines_FINAL.pdf

1. Make amendments to the Ontario Building Code Act, Section 7.1, that would allow municipal discretion over the use of existing Building Permit Reserve funds to offset costs associated with future affordable housing developments.
2. Determine province-wide project eligibility criteria by explicitly defining what constitutes an “affordable housing development” under the Act.
3. Establish strict parameters about whether Building Permit Reserve funds will be permissible to offset exclusively Building Permit Fees, or expand to also include incentives towards Planning Application Fees, Development Charges, and Parkland Dedication Fees.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

H. Supporting Ontario's Construction Sector by Streamlining the Approvals Process

Submitted by: Vaughan Chamber of Commerce and Newmarket Chamber of Commerce

Issue

Regional variances throughout Ontario and an outdated paper-based development approvals process are impacting the supply of housing availability throughout the Province.

Background

The Province and municipalities provide a comprehensive development approvals process which requires new developments to comply with technical regulations that manage the built environment while protecting the health and safety of the public. Municipalities have the delegated responsibility for the enforcement of multiple provincial regulations in their jurisdictions. The number of development applications continues to increase to meet housing demands yet limited resources at the municipal approvals level act as a bottleneck in the ability of the private sector to deliver much needed housing. Moreover, historically, municipalities have relied on antiquated paper-based submissions and review, leading to further inefficiencies in the approvals process. This reliance on paper-based submissions in the development and building approvals process has further exacerbated approval timelines as the COVID-19 pandemic has pushed municipal staff to work remotely without the necessary tools in place to do their jobs efficiently. This has led to calls from several organizations in the development industry for a more digital process for development approvals to increase efficiency.

A Fall 2020 Canadian Centre for Economic Analysis (CANCEA) [report](#) commissioned by the Residential Construction Council of Ontario (RESCON) detailed the economic and social benefits to speeding up the development approvals process by adopting a comprehensive and centralized planning and development e-permitting system across Ontario. Specifically, [regions in Ontario](#) could see thousands of additional housing units and attract millions of dollars in additional jobs and investment. The GTA alone could see an additional 100,700 housing units by 2040, and the City of Toronto seeing 21,100 additional units by 2025 if there was a reduction in delays to the approvals process by only six months and a 10-per-cent increase in investment.

While digitization of the approvals process (e-permitting) is occurring in a limited and ad-hoc fashion in various Ontario municipalities, existing programs are siloed, fragmented, and typically only focus on the processes within a municipal building department, rather than a holistic look at the entire depth of other applicable law agencies, provincial ministries, and other commenting authorities. While the efforts of certain municipalities to digitize is a step in the right direction, e-permitting systems within a municipality need to be able to seamlessly interact with all necessary approval agencies and authorities to make the overall approvals process truly more seamless.

One Ontario, an initiative through the AECO Innovation Lab, is a proposal for 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. A fully integrated system proposed by One Ontario would enable data exchange between applicants, municipalities, and provincial applicable law agencies. A fully integrated system would considerably improve workflow efficiencies, increase transparency, and defragment the process and create a secure central source of reliable data for all permitting processes.

The One Ontario proposal has the support of organizations such as (but not limited to): RESCON, RCCAO the Ontario Building Officials Association, the Ontario Professional Planners Institute, Ontario Home Builders' Association, BILD, Ontario General Contractors Association, Association of Consulting Engineering Companies, Ontario Structural Wood Association, Home Construction Regulatory Authority, Taron, Conservation Ontario, City of Toronto, and City of Windsor.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. 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.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

SKILLS

A. Addressing Local Labour Market Needs through the Ontario Immigrant Nominee Program

Submitted by: The Thunder Bay Chamber of Commerce, Co-Sponsored by Greater Sudbury Chamber of Commerce, Timmins Chamber of Commerce, North Bay & District Chamber of Commerce, and Sault Ste. Marie Chamber of Commerce

Issue

Employers across Ontario, but particularly in small cities of under 200,000 population and rural areas, are experiencing a shortage of qualified employees and a shrinking labour market. This challenge will continue to grow as existing workers retire.

Background

Many employers are already facing a shortage of qualified employees and communities are struggling with a shrinking labour market. According to research by the Ontario Chamber of Commerce, finding someone with proper qualifications is the top challenge for businesses looking to recruit new staff.¹³²

One part of the solution to the skills shortage challenge is through progressive immigration policies and processes. The current Ontario Immigrant Nominee Program (OINP) is one area where Ontario's policies put us at a disadvantage in attracting migrants to meet our labour market needs. The list of eligible professions is narrow and does not include many of the professions that are experiencing shortages such as plumbers, chefs, personal support workers, and truck drivers.

To add further challenges, the OINP requires employers to obtain a labour market impact assessment (LMIA) prior to offering a job to a recent migrant. This LMIA uses provincial information in determining whether a job can be offered to an immigrant. 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 the LMIA data shows that sufficient Canadian citizens are available to fill the role but does not consider whether Canadian citizens are willing to relocate to that area.

A third area of concern is that the OINP does not allocate any of its 6,600 nominated spots to support regional immigration. Between 2011 and 2016 more than three-quarters of all immigrants to Ontario (both Federal & OINP) arrived in the Greater Toronto Area. The OINP would be best utilized by supporting the attraction efforts of communities outside of the GTA.

The Manitoba Immigrant Nomination Program demonstrates the efficacy of being flexible. It includes a much broader list of eligible professions, does not require a LMIA, and provides local communities the opportunity to nominate a certain number of migrants to address local labour shortages. This approach has seen positive results. Each year, some 15,000 immigrants arrive in Manitoba. According to provincial data, 90 percent of Manitoba nominees are employed within their first year and over 130,000 Provincial Nominees have landed since 1998 with a 90 percent retention rate.

The expansion of the list of in-demand jobs to include NOC skill level C, the elimination of the need for a labour market impact assessment for small and rural communities, and the allocation of a percentage of nominee spots by region would improve the ability of small and rural communities to address labour shortages through the OINP.

¹³² Ontario Chamber of Commerce. 2017. *Talent in Transition: Addressing the Skills Mismatch in Ontario*. <https://occ.ca/wp-content/uploads/Talent-in-Transition.pdf>.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Implement changes to the Ontario Immigrant Nominee Program by:
 - a. expanding the list of eligible professions to include NOC skill level C positions that are in demand in each community;
 - b. allocating OINP spots on a regional basis to address labour market needs; and
 - c. working with the Federal Government to eliminate the requirement for a labour market impact assessment for OINP participants to be hired in Ontario communities with populations under 200,000.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

B. Address the Growing Labour Force Disconnect by Creating a Stronger Business/Commerce Curriculum

Submitted by: The Greater Kingston Chamber of Commerce and Sarnia Lambton Chamber of Commerce

Issue

The long-term competitiveness and productivity of the Ontario economy will largely depend on the skill level of our workforce. Financial literacy is in high demand by employers, however, the Government of Ontario has yet to introduce and mandate an essential financial literacy course in the secondary school curriculum to prepare students to make informed business decisions in the workforce.

Background

The new Ontario economy requires businesses to embrace innovation and seize opportunity to remain competitive. Innovation involves investing in technology or modifying the work process to do things more efficiently, requiring less labour for the same output. This can make it difficult for local manufacturing companies to compete with the labour rates of emerging economies. While the core business may remain in Ontario, much of the lower level work will be done abroad.

These trends will cause the new Ontario economy to require relatively fewer employees and more business owners. Many citizens, including people with non-traditional business backgrounds such as the trades, will need to run their own business.

Ontario's future economy will also require residents to be better money managers. Currently, middle- and high-income households are not saving enough for retirement, although most have the tools to do so, as noted by the government's 2014 Budget and Long-Term Report on the Economy.¹³³ Canadian household debt hit record levels in 2015 with roughly 80% of the population in debt.¹³⁴

Including a mandatory introduction to business and commerce course with financial literacy components as a compulsory credit to obtain the Ontario Secondary School Diploma will provide all high school students with a basic understanding of how to run a business and manage household finances. Key concepts could include how the different forms of debt and investments work and how to construct a business plan and how to create a budget.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Create a mandatory grade ten Introduction to Business and Commerce course from existing business and family economics curriculum and designate it as a compulsory credit to obtain the Ontario Secondary School Diploma.
2. Dedicate a specific section of the course to financial literacy. This would include but not be limited to personal and family budgeting, the value of credit, mortgages, insurance, debt management, and accountability to pay.

¹³³ Ontario Ministry of Finance. 2014. *Ontario's Long-Term Report on the Economy*. <https://www.fin.gov.on.ca/en/economy/ltr/2014/ltr2014.pdf>.

¹³⁴ Bank of Montreal. 2015. "The Canadian Debt Picture: Home and Auto Buying, Renovations and Education Top List of Household Debt Contributors." <https://newsroom.bmo.com/2015-08-12-The-Canadian-Debt-Picture-Home-and-Auto-Buying-Renovations-and-Education-Top-List-of-Household-Debt-Contributors>.

3. Promote in all school districts in the province, the Specialist High Skills Majors (SHSM) program, a ministry-approved specialized program that allows students to focus their learning on a specific economic sector while meeting the requirements to graduate from secondary school.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

C. Improve Workforce Competitiveness for Rural Communities and Small Urban Centres by Creating a Flexible Apprenticeship Program

Submitted by: The Greater Peterborough Chamber of Commerce. Co-Sponsored by: Thunder Bay Chamber of Commerce, Sudbury Chamber of Commerce, Ajax-Pickering Board of Trade, Guelph Chamber of Commerce

Issue

Rural communities and small urban centers are under great pressure to attract and retain workforce talent. A flexible apprenticeship system is a way to meet that challenge and have a positive impact on Ontario's economic output.

Background

Expanding Ontario's skilled trades labour pool is critical to the continued transformation of Ontario's economy. Skilled trades are fundamental to creating value as a base for economic activity in all businesses in the province. However, some businesses in the skilled trades sector are at a disadvantage because of the reality of limited opportunities in the geographic region in which they operate. Discussion around rural and smaller urban center opportunities vs. larger urban center opportunities in the skilled trades sector has led to a general consensus that the need is simply different in the smaller urban centers and rural communities and the opportunity to take on more apprentices is reflective of a different workload and pace between smaller and larger communities.

In November 2018, the provincial government announced that all ratios for all trades would become 1:1 – one journeyperson to one apprentice. This 1:1 would apply across the board, so that a business with two journeypersons could have two apprentices. This was not the case for many years and our Chamber membership recognizes and welcomes the government's stance as an important step forward to mitigating the skilled trades gap that currently exists.

That said, the reality is that the 1:1 ratio status is not the only solution. The apprenticeship system needs to continue to demonstrate flexibility, particularly for businesses in smaller urban and rural centers. Not only would this flexibility support employers but create more opportunity for the people of Ontario to live and work in their home communities.

In a previous policy resolution (Improve Workforce Competitiveness for Rural Communities and Small Urban Centres by creating a Flexible Apprenticeship Program, 2016), we suggested a pilot program for Ontario that mimics a program in Nova Scotia.

In Nova Scotia, where they have a 1:1 ratio, employers can apply for a ratio increase for the number of apprentices per journeyperson on a per project basis. A form is submitted online and reviewed by the Nova Scotia Apprenticeship Agency (NSAA) based on the following criteria:

- Geographic location of the employer to determine if there is a limited capability to locate and employ journeypersons;
- Steps undertaken by the employer to hire more journeypersons;
- Whether the employer has previously requested ratio adjustments and has been denied such requests;
- Whether previous ratio adjustments were cancelled because of a violation in the terms and/or conditions;
- The availability of senior level apprentices (note: senior level refers to final level apprentices); and
- The attendance of registered apprentices in technical training.

This program has been in place for over a decade and the NSAA says it receives 40-50 requests per year. While the NSAA was unable to provide statistics on the program, they did say that ratio variances are generally approved.¹³⁵

Flexibility in the apprenticeship system is also evident in Alberta, Saskatchewan and Newfoundland where there is a ratio of one journey person to two apprentices to reflect demand; and as highlighted in the Tony Dean Review on the Ontario College of Trades, British Columbia has never had mandatory ratios.

As they did in 2016, employers in 2018 continued to identify workforce as the key to success. In the Ontario Chamber of Commerce's 2017 Business Confidence Survey, 77% of employers identified the ability to recruit and retain talent as being critical to their competitiveness.

Between the Dean Review and a Ministry of Advanced Education and Skills Development report in early 2018 on the apprenticeship system, there has been ongoing agreement between stakeholders that change is required.

Currently, apprentices need to rely on journeypersons and employers to help them with their education and training, which in turn helps the apprentice to successfully write their Certificate of Qualification and to become certified in their trade. In smaller urban and rural communities where the pool of employers and journeypersons is much smaller, having a flexible ratio system is critical to workforce development in the skilled trades, and to long term and sustainable economic growth across Ontario.

The proposed pilot project, based on the Nova Scotia model is an opportunity, in the short term, to gather data and assess the need of small and medium-sized employers in different regional and geographic areas of the province.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Implement a three-year pilot project that would allow small and medium-sized employers in rural communities and small urban centers across Ontario to apply for an apprenticeship ratio increase.
2. Compile and assess the data from the pilot project to inform future programming and policies.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

¹³⁵ Email correspondence with Kim Kennedy, Nova Scotia Apprenticeship Agency received December 16, 2018.

D. Addressing Ontario's Skills Gap at the Secondary School Level

Submitted by: The Timmins Chamber of Commerce. Co-sponsored by the Huron Chamber of Commerce – Goderich, Central and North Huron, the Newmarket and Vaughan Chamber, the North Bay and District Chamber of Commerce, and the Greater Sudbury Chamber of Commerce.

Issue

Widespread concerns have been expressed over the potential supply of workers in the trades. Currently, Ontario is facing a skills gap as the number of young tradespersons has dropped and fewer still are enrolling in college programs to replace an aging workforce.¹³⁶ With stigmas surrounding trades work and fewer secondary schools offering skilled workshop programs, Ontario is in need of a service skills strategy to promote career pathways in the skilled trades.

Background

Employing just over 925,000, the trades industry is one of Ontario's largest employers.¹³⁷ In the next few years, it is estimated that 60,000 workers will be required to replace those retiring, who will take essential technical, supervisory, and management skills with them. Furthermore, an additional 75,000 workers will be needed to fill positions related to new projects.¹³⁸ The construction and maintenance industry will also need to hire, train, and retain almost 103,900 additional workers as just over 90,000 of Ontario's current construction labour force are expected to retire.¹³⁹

Available work in support services levelled out in 2017, and unemployment rates in mining, quarrying, and oil and gas extraction returned to historically low levels in 2017.¹⁴⁰ There will be a 47 percent gap for technical occupations, 56 percent for supervisors and foremen, 18 percent for skilled trades and 10 percent for production workers. The industry will need to hire roughly 18,000 people in these occupations from 2018 to 2027, but is only expected to secure 8,500 new entrants, leaving a total gap of 9,500 – meaning about half of all vacancies will go unfilled.¹⁴¹

However, enrollment trends are exacerbating this issue: Ontario's colleges are seeing a decline in enrollment in the trades as only 26 percent of young adults are considering a career in the skilled trades.¹⁴² There are stigmas that present barriers when attracting youth to the trades- the perception that the sector offers limited opportunities for learning, growth and social mobility impacts their decisions in choosing career pathways in the trades. Having long been perpetuated by parents, students are still adhering to a "university-first" culture much to the detriment of Ontario's economic requirements. Ontario needs tradespeople who can build, repair and maintain its infrastructure and systems.^{143 144}

Furthermore, enrolment in undergraduate mining engineering programs dropped 12 per cent between 2015 and 2016 – the largest decline of all engineering programs. The evidence shows that there are skills gaps in important areas of the economy, owing largely to changes to the province's industrial and technological

¹³⁶ <http://www.mining.com/mining-jobs-canada-go-begging-mihr-report/>

¹³⁷ <https://www.ontario.ca/page/labour-market-report-december-2018>

¹³⁸ https://www.rainbowschools.ca/wp-content/uploads/2016/04/SHSM_Construction.pdf

¹³⁹ Buildforce Canada, "Construction & Maintenance Looking Forward", Jan. 2019

¹⁴⁰ <https://www.northernontariobusiness.com/industry-news/mining/thousands-of-mining-workers-needed-to-meet-demand-in-next-decade-report-1125120>

¹⁴¹ Ibid.

¹⁴² <http://rescon.com/reports/files/DAWSON-REPORT-OHBA-report.pdf>

¹⁴³ Canadian Apprenticeship Forum, "Making Apprenticeship a National Skills Priority", Aug. 2018. http://caf-fca.org/wp-content/uploads/2018/08/FINA_Aug2018.pdf

¹⁴⁴ https://www.collegeoftrades.ca/wp-content/uploads/Trades_Today_Spring_2016_Web_Final-2.pdf

profile. Moreover, given longer-term demographic trends, skills gaps will widen and labour shortages will continue to emerge.

That skills gap comes at a significant cost for Ontario, costing the provincial economy up to \$24.3 billion in forgone GDP and \$3.7 billion in provincial tax revenues- a result of too many young Ontarians being encouraged to pursue a university education over a career in the skilled trades.¹⁴⁵

The province cannot afford a failure to maximize its human capital potential through insufficient or poorly aligned training and education. Even with Ontarians' high level of post-secondary education, more is needed, along with better efforts to align skills development with skills requirements and encourage secondary school students to choose career pathways in the skilled trades. Failure to take action on skills gaps will have enormous impacts on the economy, firm performance, and economic well-being.

Historically, the Province has provided support to employers with internships for hiring secondary student through the Northern Ontario Heritage Fund internship programs which was efficient in encouraging employers to help individuals build skills.¹⁴⁶

Ontario needs to act proactively to mitigate future labour market pressures. Generating new interest in the trades in Ontario is crucial, as an aging workforce looks to retirement.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Develop and implement strategies and initiatives that enhance exposure to the trades at the secondary school level.
2. Work with Ontario's employer community and post-secondary institutions to determine and promote in-demand skilled trades to secondary schools.
3. Develop trades camps for youth in partnership with secondary schools and local colleges to further enhance exposure to the trades.
4. Provide financial assistance and insurance for employers who take secondary school students on trades-related placements.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

¹⁴⁵ [https://www.collegesontario.org/Need to Make Skills Work Report June 2013.pdf](https://www.collegesontario.org/Need%20to%20Make%20Skills%20Work%20Report%20June%202013.pdf)

¹⁴⁶ Ontario College of Trades, "Trades Play a Leading Role", 2016

E. Keeping the Best Pieces of the Ontario College of Trades in the Wind Down

Submitted by: The Greater Peterborough Chamber of Commerce. Co-sponsored by the Kingston Chamber of Commerce.

Issue

There were some pieces of the Ontario College of Trades that were working and should be kept as the program is repatriated to the Ministry of Training, Colleges and Universities.

Background

With the passing of Bill 47, the *Making Ontario Open for Business Act, 2018*, the call to wind down the Ontario College of Trades was made official. Since the College started operation in 2013, there has been concern from the skilled trades and the Chamber Network as to its true value to the employer, the trades, and the public.

That said, we have since learned that there were parts of the College that our Chamber members found useful to their business and to their customers, the people of Ontario.

One of these parts was the public registry. The registry that indicates whether or not the business or person is in good standing with their qualifications, how long they've been active and is reflective of all members in the compulsory and voluntary trades in Ontario.

"If keeping the registry helps increase the professionalism of the trades without driving the costs of being a tradesperson up then I am fully behind it."¹⁴⁷

"We often direct potential customers to the register as a way to confirm that our company was in good standing."¹⁴⁸

Both members also see it as a way to discourage the underground economy if set up in a way that is advantageous to tradespeople and not prohibitive, particularly around cost.

If promoting the skilled trades continues to be a mandate of the new regime then a public registry would go a long way toward fulfilling that mandate.

The second area that our members felt was a benefit to their profession was the commitment to reduce barriers for internationally qualified tradespeople to become qualified in Ontario. It is anticipated that most of Ontario's workforce of the future will be coming to our province through immigration channels. Creating clear pathways for assessing certification and capabilities in a timely manner will allow more new Canadians to work in the skilled trades economy sooner.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Keep the public registry for skilled tradespeople operational.
2. Create clear pathways for international and interprovincial skilled tradespeople to transition smoothly into the Ontario economy.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

¹⁴⁷ Email correspondence with Chamber Member on Monday, December 10, 2018.

¹⁴⁸ In-person meeting with Chamber Member on Monday, November 5, 2018

F. Strengthen Connectivity Between Businesses and Post-Secondary Institutions

Submitted by: The Whitby Chamber of Commerce. Co-sponsored by the Brock Board of Trade

Issue

Skills and workforce development remains a top issue for a thriving business climate. Ontario businesses require access to job ready and experienced graduates who meet their needs in order to scale up and grow. The provincial government can support stronger linkages between post-secondary institutions and businesses to ensure the supply of skilled employers meets the demand of businesses.

Background

Upon hire, small businesses require new graduates to have the right skills and experience in order to hit the ground running and to contribute to the business as quickly as possible. Ensuring students in college and university receive hands-on learning opportunities while still attending school presents a huge advantage to both parties and the economy as a whole.

Many small and medium-sized enterprises (SMEs) perceive barriers to providing these experiential learning opportunities to students, such as, costs of student compensation and training and other administrative and operational requirements.

As a result, these barriers limit the number of opportunities for experiential learning to be gained, thereby limiting the potential for businesses to have access to the experienced talent they otherwise could.

On the one hand, businesses benefit from new post-secondary graduates being adaptable and prepared for the unknown jobs of the future, and armed with a skillset that includes critical thinking, problem solving, communication and teamwork. These skills help workers thrive in changing environments and are seen as critical to success in any business.

A greater number of small businesses, in particular, stand to benefit from new thinking and ideas based on emerging research gained through deeper ties with post-secondary institutions. These initiatives also provide small businesses with access to high quality employees and strengthen their ability to recruit graduates equipped with the skills they are looking for.

On the other hand, a post-secondary education that offers both rigorous academic programs and hands-on experiential learning¹⁴⁹ has been proven to help develop the adaptable skills employers need. Eighty-six per cent of current students and recent graduates in Canada have said experiential learning led to an easier transition from post-secondary to a successful career.¹⁵⁰

While universities and colleges have developed vital services and programs to engage employers and students in experiential learning, providing an adequate supply of these opportunities to meet student demand is a continuing challenge.

That is why early and strong collaboration between post-secondary institutions and business will help ensure students graduate with the skills necessary for today's employers and the jobs of tomorrow.

¹⁴⁹ Experiential learning is when students learn by doing, using their theoretical knowledge in practical, real-life, or work-related situations. There are many types of experiential learning opportunities designed to give students practical skills, including co-ops, work placements and internships, as well as projects in which students work on finding solutions for employer or industry challenges.

¹⁵⁰ "Work Integrated Learning and Post-Secondary Education: What Students Think." Abacus Data, Fall 2016

Increasing the supply of experiential learning opportunities is also an opportunity for small businesses. Small businesses make up 98 per cent of total businesses and two-thirds of private sector employment in Ontario.¹⁵¹ Their involvement is particularly critical, as the SME category includes a growing number of start-ups arising from innovation and entrepreneurial activities across the province.

There is an opportunity for government to facilitate more linkages between small businesses and post-secondary institutions to create more hands-on learning opportunities for students.

This can be achieved by building upon existing programs that incentivize small businesses to hire students and recent graduates, as well as exploring new programs that encourage employers to work with universities and colleges to offer additional experiential learning initiatives.

There is also an opportunity for the government to prioritize the marketing of existing programs to employers to help raise awareness of these opportunities.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. In collaboration with small businesses and post-secondary institutions, explore new programs to incentivize greater employer participation in experiential learning initiatives, including, but not limited to, co-op education, work placements, internships, industry-recognized in-class projects, mentorship programs and incubators, accelerators and innovation hubs.
2. Expand the Co-operative Education Tax Credit.
3. Introduce a tax credit available to employers who hire graduates of co-operative education or equivalent programs that allows employers to claim a percentage of wages and salaries for the first year of full-time employment.
4. Direct business-facing Ministries to prioritize communicating new and existing opportunities to support experiential learning opportunities and the associated benefits.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

¹⁵¹ Statistics Canada. 2016. Key Small Business Statistics – June 2016.
http://www.ic.gc.ca/eic/site/061.nsf/eng/h_03018.html#figure2-1-1.

G. Improving Indigenous Education in Ontario

Submitted by: Timmins Chamber of Commerce. Co-sponsored by the North Bay and District Chamber of Commerce, the Sault Ste. Marie Chamber of Commerce and the Thunder Bay Chamber of Commerce

Issue

Workforce shortages are among the most significant challenges for Ontario businesses, and it is widely recognized that Canada's Indigenous people – the fastest-growing population in the country – must be a key component of Ontario's strategy. While educational attainment for Indigenous people has been on the rise, more must be done to ensure that all Ontarians have the education and training needed to succeed in a modern economy.

Background

This diverse population has typically had lower educational levels than the general population in Canada. Results indicate that, while on the positive side there are a greater number of highly educated Indigenous peoples, there is also a continuing gap between Indigenous and non-Indigenous peoples. Data also indicate that the proportion with less than high school education declined, which corresponds with a rise of those with a post-secondary education; the reverse was true in 1996. Despite these gains, however, the large and increasing absolute numbers of those without a high school education is alarming.¹⁵²

More must be done to close attainment gaps in Indigenous education: almost half of the Indigenous population of working age has some form of post-secondary qualification¹⁵³, as compared to the two-thirds of the non-Indigenous population of the same age.¹⁵⁴ Additionally, 10 percent of the working-age Indigenous population has a university degree, as compared to the non-Indigenous population's 26 percent.¹⁵⁵

Bridging this gap would have a considerable economic impact: if the education and labour market outcomes of Indigenous Canadians were to reach the level of the general population by 2026, government spending would drop by \$14.2 billion, while increasing Indigenous income by \$36.5 billion.¹⁵⁶

As the provincial government is responsible for education of the Indigenous population living off reserve, Ontario's efforts to address these responsibilities falls within the Ontario First Nation, Métis, and Inuit Education Policy Framework. It allows for enhanced investment in and collaboration between the various components of the provincial education system serving Indigenous students. It also places much-needed emphasis on the unique learning styles and cultural perspectives of Aboriginal students in provincial curricula, assessment practices, and professional teacher development.

Another key element is the presence of nine Indigenous Institutes in Ontario, which represent vital stakeholders. These organizations deliver accredited post-secondary programs in partnership with colleges and universities through unique, culturally-sensitive delivery models that blend face-to-face learning with online courses and independent study.

¹⁵² Gordon, C. E., White, J. P. (2014). Indigenous Educational Attainment in Canada. *The International Indigenous Policy Journal*, 5(3). Retrieved from: <http://ir.lib.uwo.ca/iipj/vol5/iss3/6> DOI: 10.18584/iipj.2014.5.3.6

¹⁵³ Ibid.

¹⁵⁴ Statistics Canada, "Educational attainment of Aboriginal peoples in Canada", National Household Survey 2011

¹⁵⁵ Ibid.

¹⁵⁶ Drummond, D., Sharpe, A., Murray, A., & Mask, N. (2017). *The Contribution of Aboriginal People to Future Labour Force Growth in Canada* (pp. 1–36). Ottawa, ON.

Despite their key role, they remain outside the Ontario post-secondary system. Unlike provincially accredited colleges, they do not receive government capital or operational funding, instead receiving only funding for program delivery. The 2015 Ontario budget temporarily sought to address this issue, with a three-year funding envelope and a commitment to develop a policy that permanently brings the Indigenous Institutes into the post-secondary system. Following through on this commitment is crucial, as it will bolster Indigenous Institutes' long-term sustainability.

In November 2017, the provincial government passed the Indigenous Institutes Act, 2017 that provided a funding mechanism for provincially funded Indigenous Institutes and incorporated them into the post-secondary system.¹⁵⁷ While this is encouraging, it is time for the government to act on these intentions and begin providing funding.

Further support must also be provided through better access to data. While national census data provides some perspective, there remains a significant lack of information about whether Indigenous post-secondary education and training needs are being met in Ontario.

Among other areas, there is insufficient data on issues such as enrolment, graduation rates, and program effectiveness – information which is required to establish baselines and measure progress on the academic achievement of Indigenous learners.¹⁵⁸

As Shawn Atleo, former National Chief of the Assembly of First Nations states, “this work is simply too important to walk away and abandon our students to the next round of discussions, to tell them they will have to wait. We owe it to ourselves, our children and our nations to make our best efforts to achieve our lifelong goal of First Nations control of First Nations education.”¹⁵⁹

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

2. Strengthen implementation of the First Nation, Métis and Inuit Education Policy Framework by allocating the financial resources necessary to ensure consistent funding of Framework priorities.
3. Fully implement Indigenous learner reporting mechanisms at both the system and institutional levels to allow for collection of the type of reliable data needed to set baselines and measure progress on academic achievement.
4. Act on commitments for working with Indigenous Institutes to develop a policy to sustainably deliver operational funding and incorporate them into the provincial post-secondary system.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

¹⁵⁷ Indigenous Institutes Act, 2017. (2018, November 19). Retrieved from <https://www.ontario.ca/laws/statute/17i34a>

¹⁵⁸ Council of Ministers of Education Canada, “Key Policies in Aboriginal Education: an Evidence-Based Approach”, 2013 http://www.cmec.ca/Publications/Lists/Publications/Attachments/295/Key-Policy-Issues-in-Aboriginal-Education_EN.pdf

¹⁵⁹ Atleo, S. (2014, April 12). First Nations Education Act 'must act as a bridge'. CBC News. Retrieved from <http://www.cbc.ca/news/aboriginal/shawn-atleo-first-nations-education-act-must-act-as-a-bridge-1.2607454>

H. Improve Early Childhood Educational Outcomes Through Expanded Education Opportunities, Targeted Programming, and Innovation in the Classroom

Submitted by: Sault Ste. Marie Chamber of Commerce

Issue

Ontario's long-term economic success relies on the quality of its workforce.

There is a strong connection between early childhood development, educational outcomes and future success. Ontario's unreasonably high child developmental vulnerability rate will have a negative impact on our future labour supply, including skilled workforce shortages and ultimately a loss of economic potential. This is especially true for areas of Ontario that are faced with low growth rates, low immigration rates, and an aging workforce. It is imperative for the future of our province that every child is given the best opportunity to succeed.

Background

Education is a pathway to a successful and sustainable labour market career. "Over the next few years 70% of new and replacement jobs will demand post-secondary credentials, compared to 6% that will be available to individuals with less than high school education."¹⁶⁰

Research shows that children's development at age 5 is a strong predictor of adult health, education and social outcomes. Many later problems like school failure, anti-social behaviour, obesity, high blood pressure, depression, type-2 diabetes, can be traced back to early childhood.¹⁶¹

The Early Development Instrument (EDI) is a tool that gathers information about children's development in their early years (birth to age 5). The most recent provincial EDI collection (2017/18) shows that the developmental vulnerability rate amongst young children in Ontario is near 30 percent, as measured by one or more of the five developmental scales. This does not include children who have an identified special need. Research states that "[s]uch levels of vulnerability at school entry are at least five times higher than the rates of biological vulnerability that are detectable in the postnatal period".¹⁶² Especially concerning is the fact that the Ontario vulnerability rate is worsening rather than improving, having risen 2 percentage-points in the past ten years.

Drivers of vulnerability include socioeconomic adversity, physical issues like low birthweight, the lack of knowledge of an official language, increases in screen time and sedentary behaviour, limited opportunities to take on developmentally appropriate responsibility or self-care, inadequate sleep, inadequate nutrition, etc.¹⁶³

Children who are deemed vulnerable or at risk of being vulnerable on the EDI are less likely to achieve the provincial standards in the Grade 3 EQAO reading, writing and mathematics assessment than those with

¹⁶⁰ Lightman, E., Herd, D., Um, S. G., & Mitchell, A. (2009). Post-secondary education and social assistance in Ontario. Canadian Social Work Review/Revue canadienne de service social, 97-113.

¹⁶¹ Offord Centre for Child Studies. (2019). Retrieved from: <https://edi.offordcentre.com/about/what-is-the-edi/>

¹⁶² Kendall P.R.W. (2003) A Review of Infant Mortality in British Columbia: Opportunities for Prevention. Victoria, BC: Government of British Columbia, Office of the Provincial Health Officer in Kershaw, P., Warburton, B., Anderson, L., Hertzman, C., Irwin, L., & Forer, B. (2010). The Economic Costs of Early Vulnerability in Canada. Canadian Journal of Public Health. 2010;101(Suppl. 3): S8-S12.

¹⁶³ Buote, D. (2015). Increasing Vulnerability in the Early Years: A Closer Look at Five North Shore Neighbourhoods. Retrieved from: <http://nscr.bc.ca/pdf/Increasing%20Early%20Years%20Vulnerability.pdf>.

higher EDI scores.¹⁶⁴ Their education trajectories are likely to be lower and these children will face more challenges as they grow. Many will remain behind their peers throughout life, be disruptive in school, fail to graduate and unable to fully contribute and participate in society¹⁶⁵ and may rely on the social system (such as Ontario Works) for financial support.

Overall, grade 3 EQAO data shows a decline in writing skills over the previous three years (from 73% in 2015/16 to 69% in 2018/19). Assessments in math were similar to writing. In Grade 3, 58% met the provincial math standard, a four percentage-point decrease from the average of the previous three years. If these trends continue unchecked, we should expect the number of students not meeting provincial standards in grade 6 to rise. We should also expect the number of children who are unprepared for high-school or post-secondary to rise over time.

There is a significant economic cost to vulnerability. A high vulnerability rate will dramatically deplete our future stock of human capital and will have a negative influence on the quality of our future labour market.¹⁶⁶ Canadian economic analyses reveal that this depletion will cause Canada to forgo 20% in GDP growth over the next 60 years. The economic value of this loss is equivalent to investing \$2.2 trillion to \$3.4 trillion today at a rate of 3.5% interest, even after paying for the social investment required to reduce vulnerability.¹⁶⁷

Although governments face fiscal constraints, policy-makers should prioritize initiatives with high economic and social returns, such as early childhood education.¹⁶⁸ There is a 7:1 return on investment for early childhood programming compared to a 1:1 payback for adult education.¹⁶⁹

There is evidence that the duration of early childhood education “is an important factor in boosting math scores, which in turn leads to higher future wages”.¹⁷⁰ With this in mind, the province should focus on expanding licensed early childhood education services in an affordable way which helps everyone equally regardless of their socio-economic situation.

For vulnerable children already in the school system, more targeted programming and an increase in teacher/student interaction time can help close the gap between them and their peers. Research shows that “appropriate supports and interventions during the primary school years will allow many children who were not on track in kindergarten to address early challenges and proceed on a positive academic trajectory”.¹⁷¹ For children who are significantly behind their peers, a combination of grade retention and targeted programming should be investigated as an option. Researchers/data analysts at the Ministry of Education should conduct a review of the educational outcomes of Ontario children who were retained to determine if grade retention has a positive long-lasting effect on struggling students.

Furthermore, many teachers indicate that only 49% of their time is spent in direct interaction with students, with “time” being the most important barrier to providing personalized learning.¹⁷² An innovative approach is

¹⁶⁴ Calman, R. C., & Crawford, P.J. (2013). *Starting Early: Teaching, Learning and Assessment* (pp. 1–37). Education Quality and Accountability Office.

¹⁶⁵ Calman, et al.

¹⁶⁶ Kershaw et al.

¹⁶⁷ Kershaw et al.

¹⁶⁸ Alexander, C., Beckman, K., Macdonald, A., Renner, C., & Stewart, M. *Ready for Life: A Socio-Economic Analysis of Early Childhood Education and Care*. Ottawa: The Conference Board of Canada, 2017.

¹⁶⁹ Pascal C.E. (2009). *With Our Best Future in Mind: Implementing Early Learning in Ontario*. Toronto, ON: Queen’s Printer for Ontario.

¹⁷⁰ Alexander et al.

¹⁷¹ Calman, et al.

¹⁷² Bryant, J., Heitz, C., Sanghvi, S. & Wagle, D. (2020). *How artificial intelligence will impact K-12 teachers*. New York: McKinsey & Company. Retrieved from: <https://www.mckinsey.com/industries/social-sector/our-insights/how-artificial-intelligence-will-impact-k-12-teachers>.

to use automation technology to reduce time spent on preparation, administration, evaluation, and feedback, saving approximately 13 hours per week.¹⁷³ Teachers could redirect that time toward activities that lead to higher student outcomes such as instruction, engagement and coaching. Further investments in permanent teaching assistants may also help decrease the burden of preparation and administration work that teachers commonly face.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

3. Expand affordable early childhood education (i.e. licensed childcare) to include 3-year olds identified as developmentally vulnerable to reduce the number of these children in Ontario
4. Place a focus on catching up vulnerable (and at-risk of being vulnerable) children to their peers through targeted programming and early interventions
5. Identify communities/regions that have consistently higher child vulnerability rates than the Ontario average and increase their funding for targeted programming
6. Investigate the effectiveness of grade retention combined with targeted programming for children significantly behind their peers
7. Utilize automation technology in the classroom to reduce teacher preparation and administration time so they can spend more time directly interacting with students.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

¹⁷³ Bryant et al.

I. Improving Skilled Trades in the Secondary Schools

Submitted by: Mississauga Board of Trade

Issue

Many businesses cite lack of workers in the skilled trades to fill positions within their companies today and into the future. There is a general concern that young people are not getting encouragement and opportunity to participate and learn about skilled trades at an early age so they can give serious consideration to a career in the skilled trades while in high school.

Background

The Mississauga Board of Trade (MBOT) authored a report entitled “Review of Skilled Trades in the Secondary School System” which looked at the current state of skilled trades training and curriculum in high schools and made recommendations that can improve and support this going forward.

MBOT met with representatives of all four local school boards and teachers in the Regional Skilled Trades program and found great support and interest in supporting and expanding skilled trades courses in the secondary schools.

While the full report makes many recommendations, this resolution focuses on some key ones for the Ontario Government to consider. The full report is available at https://issuu.com/mbotontario/docs/mbot_skilltrade_report.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Allow for the engagement of outside skilled trade expertise to teach segments of classes where this involvement is either warranted or required. The School Boards should be able to compensate these instructors working along with the designated Teacher for the class.
2. Ensure that School Boards have the budget and resources to obtain the proper, up-to-date equipment to teach skilled trades. The Ministry should encourage companies to donate equipment to the schools and be eligible for a tax receipt for the donation.
3. Consider creating a tax credit for companies that accept students for co-op placements in their businesses.
4. Allow students to claim co-op work placements in the 40 hours of Community Service program.
5. Continually assess co-op placement programs to ensure the rapid pace of technological change and industry requirements is met.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

J. Investing in Ontario's International Undergraduate Student Entrepreneurs

Submitted by: Windsor-Essex Regional Chamber of Commerce. Co-sponsored by: Leamington Chamber of Commerce; Hamilton Chamber of Commerce, Chatham-Kent Chamber of Commerce, Sault Ste. Marie Chamber of Commerce, Thunder Bay Chamber of Commerce, Sarnia-Lambton Chamber of Commerce

Issue

Ontario attracts an increasing number of international students each year. The Ministry of Advanced Education has estimated international students will account for 20 per cent of all Ontario post-secondary enrolments by 2022.¹ These students have an incredible impact on the local economy.

With an increasing talent shortage across the province coupled with a significant business succession issue, it is vital that international students are encouraged to remain in Ontario to continue their positive effect on the economy.

The Ontario Government can support international undergraduate student entrepreneurs by creating a nominee program to provide a more expedient pathway to permanent residency. Both Nova Scotia² and Saskatchewan³ have implemented such pathways in recent years.

Background

International student enrollment in Canada is on the rise. Since 2014 there has been a 73 per cent increase in enrolments bringing the 2018 total to 572,000.⁴ The total number of post-secondary international students in Canada as of December 31, 2018 was 435,415, a 17 per cent jump over 2017 (370,975).⁵ In 2017, Ontario hosted 48 per cent of the nation's international students.⁶

The positive impact of international students to the economy is remarkable. Approximately 170,000 jobs were created nationally as a result of international student spending in 2017.⁷ International students contributed \$21.6 billion to the Canadian economy in 2018 with international student tuition surpassing government grants as a revenue source for many colleges and universities across the province.^{8,9}

Some of these students come from entrepreneurial families who wish to expand their family business into Canada. Others may have the desire to purchase established businesses which would address the nation's growing business succession issue.¹⁰

Currently, international students must find an eligible work position before applying for permanent residence status.¹¹ This puts their entrepreneurial ambitions on hold. If they could commence their business plans after graduation, they would become not an employee, but an employer, boosting the local economy even further.

Needing to find employment often means these students move to larger city centers. When eligible, the majority will choose to start their new business in the city of their employment – not the city where they completed their studies leading to a huge economic loss for the smaller cities of Ontario.

Ontario does currently have an Ontario Immigrant Nominee Program (OINP) in place but most international students will not meet the requirements of this program.¹²

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Emulate Nova Scotia's International Graduate Entrepreneur program that allows the Government of Ontario to nominate International students to start and operate their own company in Ontario and meet the eligibility requirements to apply for Permanent Residency.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

K. Maintaining Investment and Innovation in Ontario's Public Education System

Submitted by: Chamber of Commerce Brantford-Brant

Issue

The effectiveness of the education system is a priority for the future prosperity of the province and the active participation of all Ontarians in the workforce of the 21st century. That said, it must be efficient as well as effective. This requires strategic continued investment based on the value Ontarians can derive now and in the future.

Background

The Government of Ontario has initiated a process to reduce funding to the public education system based on two policy decisions:

An increase in average class size at the elementary and secondary level,

A requirement for all high school students to take several mandatory online courses, and

It is the responsibility of local school boards to manage the implementation of cost reductions to achieve compliance with reduced funding. It is of note that many Boards have identified certain innovative, specialty consulting positions (literacy and mathematics coaches for one, and guidance/pathways coordinators for another), and courses with small enrollments among the first wave of potential cost reductions. Increasing class sizes and mandating online learning can be particularly detrimental to students with special needs in education, a student population which has shown alarming growth, almost doubling since 2000.

It should also be noted that while online learning offers a marvelous opportunity to improve the efficiency of some learning situations, there is a proportion of the population that does not learn effectively in an online environment. Further, there are many areas in Ontario that do not have access to high speed internet, and many classrooms lacking the hardware required to offer online courses. There are also students who do not have access to a computer at home.

In the April 2019 publication "Accounting for Ontario's Debt", the Ontario Chamber of Commerce stated:

"Assessing when and whether to invest in needed infrastructure and services (such as transportation infrastructure, broadband internet, or skills development) the government must not only consider the present and future value of such an investment as dictated by interest rates, but the value Ontarians could derive from an investment now versus in the future."

"Local companies tend to derive great value from government initiatives that aim to develop Canadian and provincial economic opportunities both domestically and internationally, such as skills development and export programming. Raising taxes or implementing austerity measures to reduce Ontario's debt burden may, therefore, have the unintended effect of squandering current opportunity to grow Ontario's economy."

The OCC has steadfastly advocated for skills development including a policy paper in October 2006 "Retooling for a Prosperous Ontario, a global perspective on skilled trades" and continues to identify Skills and Workforce Development as one of its Key Issues, stating that "there are clear signs that some groups are being left behind, and that our training and education systems could do more to create a workforce suited for the 21st century."

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Re-orient its approach to education funding policies and practices to emphasize measurable return on investment in terms of improved student outcomes and financial performance, rather than a pure budgetary control emphasizing cost-reduction. This new approach should stimulate and reward innovations that result in more effective educational processes.
2. Establish a fund and a mechanism for benchmarking and communicating best educational practices on a provincial, national and international scale with the goal of ensuring that all school boards and all Ontarians are aware of advances that are leading to improved student outcomes.
3. Once innovations have been identified, tested, and proved, province-wide phase-in by stakeholders should be planned and implemented locally by teaching and administrative staff to account for differences due to geographic and socio-economic limitations.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

L. More systems needed in place to encourage women to pursue a career in skilled trades

Submitted by: Cambridge Chamber of Commerce. Co-sponsored by: Guelph Chamber of Commerce

Issue

A severe and chronic shortage of skilled trade workers continues to dog the Ontario landscape, despite more than 30 years of ongoing discussion among business, education and government leaders on how to solve the problem.

While a strong focus remains on streamlining immigration policies to introduce some of the world's mostly highly skilled individuals into our labour force more seamlessly, the fact that an existing pool of potential talent already exists among Canada's female population remains virtually untapped unless the necessary encouragement and programming are provided.

Background

Ontario, and Canada in general, are dealing with a severe shortage of skilled trade workers. In fact, the Conference Board of Canada estimates that Ontario will face a shortage of 190,000 skilled workers by 2020. This number is expected to triple to 560,000 by 2030.¹⁷⁴

Left hidden among these staggering numbers is the fact less than 4% of all tradespeople in Canada are women. As outlined in a CBC report in June 2019, it was stated that a Statistics Canada Labour Force Survey indicated as of 2018 approximately 34,800 women were working in industrial, electrical and construction trades nationwide. This represents an increase of 200 women, just under 3.9%, compared to a decade earlier. However, during this same 10-year span there were 38,600 fewer people of the overall 934,000 that were working in trades in 2008.¹⁷⁵

As well, it's been noted in the first quarter of 2019 there were 60,170 job vacancies in Red Seal trades, an increase of 14 % from a year earlier, according to Statistics Canada's job vacancy and wage survey.¹⁷⁶

As for those currently rising through the training ranks, according to the Canada Labour Force Survey, only one in 10 apprentices in Canada are women and that most populate female-dominated programs such as hairstylist, esthetician, or early childhood education (which isn't considered a skilled trade in all provinces).¹⁷⁷

A 2019 report from the Organization for Economic Co-operation and Development (OECD) praised Canada's economic immigration system and recommended streamlining and standardizing the ranking system for skilled workers coming into this country and abolishing the Federal Skilled Trades Program. However, it has been noted that while immigration accounted for 80% of our population growth there are projections indicating there are now only two workers ready to replace every skilled trade retiree in Canada by 2035 compared to seven that were in available in 1971.¹⁷⁸ This is another indication that filling the skilled trades gap must be accomplished using as many avenues as possible and creating awareness to encourage more

¹⁷⁴ 'Leading young people into skilled trades is paying off' – Aug. 1, 2019, PLANT (Advanced Canadian Manufacturing) <https://www.plant.ca/insights/leading-young-people-into-skilled-trades-is-paying-off/>

¹⁷⁵ 'Women are making inroads in the trades but still have a ways to go' – Jul. 23/ 2019 - CBC <https://www.cbc.ca/news/business/women-in-trades-1.5215384>

¹⁷⁶ 'Here's where Canadians are finding well-paying jobs in the trades' – July 12/2019 - CBC <https://www.cbc.ca/news/business/canadian-tradespeople-1.5198394>

¹⁷⁷ 'Women are making inroads in the trades but still have a ways to go' – Jul. 23/ 2019 - CBC <https://www.cbc.ca/news/business/women-in-trades-1.5215384>

¹⁷⁸ 'Canada must adapt quickly to attract skilled workers, immigration minister says' – Aug. 13/ 2019 – CBC. <https://www.cbc.ca/news/politics/economic-labour-migration-hussen-oecd-1.5244416>

young women about the benefits of pursuing a career in these fields. In 2019, the annual BDO Canada Affordability Index, which looks at how affordable life is in Canada, indicated that nearly 60% of women are living paycheck to paycheck.¹⁷⁹

Education is the key to raising this awareness. In effort to promote skilled trades to all secondary school students, the Ontario government has announced over the course of the last year it was investing approximately \$75 million in three programs: \$12.7 million for the Ontario Youth Apprenticeship Program; \$20.8 million in a pre-apprenticeship program; and \$52 million for the Specialist High Skills major program that has the potential to reach 54,000 students in 700 Ontario high schools through more than 2,100 programs.¹⁸⁰

As well, continued co-op programs in many secondary schools and having students from grades 7 to 12 participate in province-wide Skills Competitions organized by Skills Ontario and Skills Canada provide opportunities for them to experience the world of skilled trades over a period of a few days. Also, additional supports are provided by more localized initiatives such as Career Pathways, operated by the Career Education Council, which interactively assists Grade 8 students in Guelph by showcasing potential career paths, and the Business And Education Partnership of Waterloo Region which introduces secondary students to various careers through an assortment of programs.

In terms of ongoing education for younger students, in our area the Waterloo Region District School Board does provide tech rooms in some of its grades 7 and 8 schools centred on woodworking, while its counterpart the Waterloo Catholic District School Board provides STEM (science, technology, engineering and mathematics) kits to assist students who show an interest in those areas. Additional skilled trades learning opportunities are provided by neighbouring boards, including the Upper Grand District School Board and Wellington Catholic District School Board.

In hopes of attracting more female students, one-day initiatives such as the annual Build A Dream event co-ordinated between four Waterloo Region school boards at Bingemans help promote the skilled trades to grades 7 to 12 girls and attracts at least 1,200 students. Also, Conestoga College's 'Jill of All Trades' event is held annually and gives approximately 200 grades 9 to 12 students from eight school boards the chance to get 'hands-on' experience under the guidance of female mentors in one day. Conestoga College, which in 2019 announced plans to consolidate its various trade schools after purchasing the former 250,000-square-foot Erwin Hymer plant in Cambridge, also provides 'Explore Your Future' days to give Grade 8 students the chance to tour and participate in hands-on activities in specific trades.

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government to:

- 1 Continue to market a career in skilled in trades as a viable employment option, and ensure intentional outreach is extended to girls and women.
- 2 Allow students graduating from high school with an interest in any skilled trade to apply to the college of their choice, regardless if they have found employment in the industry.

¹⁷⁹ 'Majority of women in Canada are living paycheck to paycheck' – Sept. 30/2019 – LowestRates.ca
<https://www.lowestrates.ca/news/women-canada-living-paycheque-to-paycheque-25809>

¹⁸⁰ 'Ontario takes action to address skilled trades shortage' – Jan. 10/2020 – Ontario Newsroom
<https://news.ontario.ca/mol/en/2020/01/ontario-takes-action-to-address-skilled-trades-shortage.html>; 'Ontario increasing investments in skilled trades' – Nov. 8/2019 – Ontario Newsroom.
<https://news.ontario.ca/mol/en/2019/11/ontario-increasing-investments-in-skilled-trades.html>

- 3 Consider working with industry and post-secondary institutions to offer more opportunities at colleges with skilled trades programs to host similar events modelled after Conestoga College's 'Jill of All Trades' in hopes of ensuring more high school students have the opportunity to experience skilled trades training.
- 4 Provide funding for child care expenses to allow women to transition to skilled trades.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

M. Re-Calibrating Primary and Secondary Education to Close the Skills Deficit

Submitted by: London Chamber of Commerce

Issue

Ontario is facing a skills shortage crisis. While there are currently approximately 500K unemployed in Ontario¹⁸¹, there is a job vacancy rate of 3.3% or approximately 250K unfilled jobs.¹⁸² While retraining the unemployed and recruiting skilled foreign workers does help to relieve some of the deficit, it has proven not to be enough. And while these efforts are still very much needed to alleviate the current problem, the government should be looking to early childhood education to provide a more long-term solution to the future skills needs of the province.

Background

The skills gap crisis in Ontario is not new but it is getting worse. In 2013, the Conference Board of Canada reported that the skills gap was costing the Ontario economy \$24.3 billion in foregone GDP¹⁸³ and it projected that the problem would only get worse if action was not taken. In a more recent report by the Ontario Chamber of Commerce, it was noted that “the skills mismatch is multi-faceted. We are confronted by a supply-demand mismatch driven in part by the decisions of students to pursue qualifications in fields with limited employment opportunities”.¹⁸⁴

In an effort to better understand which fields suffered the highest vacancy rates, Statistics Canada introduced a new quarterly Job Vacancy and Wage Survey in 2015.¹⁸⁵ This massive regular poll of 100,000 businesses – the largest business survey that Statscan conducts – drills deeply into the nature of unfilled jobs and wage offers, on a city-by-city and region-by-region basis.

While the federal government has been doing its part to relieve the skills gap by bringing in more economic immigrants, and the provincial government has been introducing new programs to encourage more young people to get into skilled trades¹⁸⁶, more needs to be done from an early age to ensure that children have exposure to a wide variety of career choices. Doing so will help not only to reduce future job vacancy rates, but future unemployment rates as well.

The Ministry of Education in Ontario did introduce a revised Career Studies Program in the fall of 2019 for secondary school students however, by the time a child reaches high-school there is a high likelihood that their career aspirations are already set.

As a recent article from Nesta (a registered education charity based in England and Wales) said: “*Children’s conceptions of who they are and what they could be are products of their wider socio-economic surroundings: influenced by social (who their families and friends are) and cultural capital (what they consider a reasonable and possible future to be)*”¹⁸⁷ Therefore

¹⁸¹ <https://www.ontario.ca/page/labour-market-report-november-2019>

¹⁸² <https://www150.statcan.gc.ca/n1/daily-quotidien/190920/dq190920b-eng.htm>

¹⁸³ <https://www.conferenceboard.ca/e-library/abstract.aspx?did=5563>

¹⁸⁴ <https://occ.ca/wp-content/uploads/Talent-in-Transition.pdf>

¹⁸⁵ <https://www.statcan.gc.ca/eng/survey/business/5217>

¹⁸⁶ <https://www.chathamdailynews.ca/news/local-news/addressing-skilled-trades-gap-top-priority-for-monte-mcnaughton>

¹⁸⁷ <https://www.nesta.org.uk/blog/great-expectations/>

if children are not introduced to a variety of career options through the educational system, the choices will be limited by their own backgrounds, further exacerbating the skills gap crisis when these children graduate from high school or post-secondary school.

As an example of a best-practice that the Ontario Government might consider in introducing career options to children at a younger age, is the Primary Futures Program based in the United Kingdom.

In 2017, primary schools in the UK began to rethink how and when they should introduce career options to school age children. In a national campaign called Primary Futures¹⁸⁸, employer volunteers are available to visit schools and provide free voluntary support across a range of areas.

Activities that are included in the Primary Futures program may include:

1. Inviting volunteers from the world of work to visit and chat with children
2. Delivering career-related learning programmes that help children connect their subject learning to the opportunities now and in the future
3. Organising career-related learning trips e.g. to a workplace, business or university
4. Making good use of online learning materials in the classroom such as games, videos, role play, and individual/ group activities
5. Exploring the diverse routes adults have taken to get their current job e.g. vocational (Inc. apprenticeships), academic, starting their own business etc.

In order to address the skills gap in Ontario however it will not be enough for elementary schools to offer career studies in a number of different fields. Focussing on options that specifically target sectors where job vacancy rates are the highest may offer the best solutions.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Implement a Career Exploration Program in elementary schools that introduces children, parents, and educators to a wide range of career options based on the types of careers that are most likely to be needed by the time children in the program graduate high-school. Such programs should bring in special guests/volunteers from targeted sectors when possible and should also combat any gender stereotypes that may be associated with a given profession. Exposure to this programming could start as early as Grades 1 or 2 to students and parents.
2. Implement a Targeted Career Studies Program for children (starting at about Grade 5) who show particular aptitude in areas where job vacancy rates are expected to be most dire (e.g. manufacturing, skilled trades, agriculture). Programming should allow these children to fully explore career options and gain age-appropriate practical training in these sectors. To fill these programs, it may be necessary to bus these children to another school (possibly even a school from another board) in their district for half or full day each week.
3. Implement a Career Mentorship Program and co-op vocational training at the high-school level with particular focus on sectors of the economy where job vacancy rates are expected to be the highest. Mentors should be professionals from selected sectors – and ideally employers – who can provide

¹⁸⁸ <https://www.educationandemployers.org/research/primary-futures-connecting-life-and-learning-in-uk-primary-education/>

advice to students on which courses they should be taking and which skills they should be developing. Educators and guidance counsellors must also be trained in this area.

4. Revise the secondary school curriculum to make mandatory taking at least one tech or trade course – similar to how students are required to take at least one arts course. Ensure that funding is course-neutral and that tech and trade courses have equivalent funding to other secondary school courses.
5. Review and revise all these programs as necessary based on current and projected job vacancy rates a minimum of every five years.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

N. Establishment of Small Vessel Marine Trades in Ontario to include Marine Electrician, Service Technician, and the overall expansion for Marine Training Certifications across Ontario

Submitted by: The Prince Edward County Chamber of Commerce. Co-sponsored by: Quinte West Chamber of Commerce, Brockville and District Chamber of Commerce, Napanee and District Chamber of Commerce, 1000 Islands Gananoque Chamber of Commerce, and the Sarnia Lambton Chamber of Commerce

Issue

Ontario boasts many waterways, as such, there is a large and thriving marine industry in the province, but the industry lacks support, resources and safety regulation that is afforded to land-based vehicles. Although there are specific certifications for electrical, engine, etc. technicians for other industries, skilled trades for recreational boats apprenticeships are limited. Not only would the safety of residents and tourists on Ontario's waterways be improved, but also an increase in the current number of technicians and the creation of two new skilled trade designations would strengthen this industry to build the skilled workforce necessary to meet this sector's growing demands.

Background

Ontario has a thriving marine industry with dealerships, marinas, and is home to manufacturers of small vessels for both personal and commercial use. While construction standards exist (see TP1332E, TC), there is no standardization or oversight to ensure the safety of vessels on the water except as applies to their engines (Marine technician is effectively a mechanic trade - Trade Code 435B). As with Recreational Vehicles (RVs) on land, there is more to a boat than its engine, but unlike an RV, if there is a fire, leak, or other issue on a boat, it cannot as easily be moved to the side of the road for repair. Luckily, there are few major safety incidents involving small vessels, but many of the incidents and insurance claims are preventable by improving the general service technician and electrician standards (for construction and maintenance not related to engines). Through expanding marine apprenticeship opportunities, Ontario could lead the way for boating safety and supporting the marine industry.

Transport Canada recognizes training from the "American Boat & Yacht Council (ABYC), a non-profit, member organization that develops voluntary global safety standards for the design, construction, maintenance, and repair of recreational boats."¹⁸⁹ Courses offered by the ABYC are taught in Ontario by certified instructors, but these classes are not required for technicians to work in the recreational boat sector within the province.

Currently, Georgian College is the only post-secondary institution in Ontario that offers the Marine Engine Technician apprenticeship program. Boat dealership owners and staff are required to receive/attend mandatory training to sell specific companies' products, for example "Legend Boats".¹⁹⁰ But, not all boats are purchased new and serviced/repared at dealerships with company certified technicians, especially in emergency repair situations. With cars, all repair shops must have mandatory certified licenced repair personnel.

Recreational boating is an important past time and sector for Canada. According to Pat's Boating in Canada, "The Economic Impact of Recreational Boating in Canada Report' prepared by the National Marine Manufacturers Association Canada (NMMA) tells us that that about 12.4 million adult Canadians go boating every year. Recreational boating adds \$5.6 billion to Canada's GDP with over \$10 billion in revenues. About 75,000 Canadian are employed by the core of the recreational boating industry while boaters themselves

¹⁸⁹ <https://abycinc.org/page/About>

¹⁹⁰ <https://boatingindustry.com/top-100/2018/01/03/2017-best-in-class-best-training-benefits/>

spend \$1.4 billion annually in boat trips.”¹⁹¹ According to Rick Layzell, the CEO of Boating Ontario “47% of all boats sold in Canada are sold in Ontario”¹⁹²

Other mandatory certified skilled trades, such as electricians, millwrights, have specific training levels (year 1, year 2, etc.) pay scales that reflect this training ensuring standardization of knowledge and a path to completion. A clear-cut path with earning opportunities is used to attract talent to specific occupations. Work within the recreational boating industry’s ability to attract a skilled workforce is limited with only a handful of seats available in Midland Ontario, a location that is inconvenient to attend the required in-class training. According to Boating Ontario, over two-thirds marine technicians are offered year-round employment paying up to \$40 an hour. Although the industry works to promote these opportunities, many companies and individuals do not have access to local apprenticeship training. The current model assumes that people are purchasing new boats that can be serviced, winterized, and stored by local dealerships and marines. To attract talent interested in this industry with growing opportunities, Ontario needs to provide better access to apprenticeship training/certifications across the province.

To protect recreational boaters, the Canadian government has established training and guidelines for people to receive licenses. As boat safety for the operators is a priority, it is logical that the Ontario government would extend these standards to establish certifications under Skilled Trades in more than one location for those responsible for repairing recreational boats ensuring consumer safety.

Supporting organizations for this Policy Resolution include:

- Swiftsure Vessel Solutions, Ltd., Consecon, Ontario
- Hartzel Marine and Auto, Thorold, Ontario

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

- O.** Work with the marine industry, their associations, and post-secondary institutions to:
 - a. Review opportunities to expand marine apprenticeship training programs to meet the growing and changing needs of the sector.
 - b. Research American Boat and Yacht Council (ABYC) courses that are recognized by Transport Canada.
- P.** Develop programs for voluntary marine certifications to include small vessel technician and marine electrician through Ontario’s Ministry of Labour, Training and Skills Development.
- Q.** Expand/improve access to marine apprenticeships across Ontario (technician, small vessel technician, and electrician).
- R.** Continue to work with industry and partners to develop and improve certifications as required.
- S.** Upon successful implementation of more marine certifications, work with other provinces to adopt similar programs to lead to these trades achieving the recognized certification/training standards.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

¹⁹¹ <https://boating.ncf.ca/stats.html#links>

¹⁹² <https://boating.ncf.ca/buyaboat.html#:~:text=%E2%80%9C47%25%20of%20all%20boats%20sold,Canada%20are%20sold%20in%20Ontario.%E2%80%9D>

O. Prevention - The Need for a Workplace Health and Safety Strategy to Support Small Business

Submitted by: London Chamber of Commerce

Issue

The Covid-19 Pandemic has created more awareness of the need for strong health and safety policies in the workplace yet research shows that small businesses having 1-19 employees are less likely to be aware of their responsibilities under Ontario's *Occupational Health and Safety Act* thus are less likely to adopt the necessary policies to create and maintain safe workplaces both now and in the event of future health calamities.

Background

Data compiled from workers' compensation boards across Canada showed that 951 provincially regulated workers were killed due to their work in 2017¹⁹³. In 2017, Ontario witnessed 59,529 lost time injuries, 76 injury related fatalities, and 215 people killed by occupational disease¹⁹⁴. Ontario workers and business owners share in the belief that the 7.2 million Ontarians that go to work each day expect, and have the right, to return home safely at the end of the day. Every injury and fatality in this province underscores a need for greater collaboration between government and private industry, particularly small business to educate and facilitate business owners to adopt and consistently deliver workplace health and safety programs.

It is a fact that a small business owner can incorporate, obtain access to capital, hire employees, pay taxes, operate, and never once hear of their workplace health and safety obligations under the *Act*. With small business owners likely being their own human resources department, there is no one, at any point from start-up to operation that will advise the owner of their duties and responsibilities under the *Act*¹⁹⁵.

With the staggering amount of administrative work placed on an entrepreneur, they may not realise they are not only an employer, but in some scenarios also a supervisor under the *Act*. A new business owner with a new workforce is not advised to ensure their employees are trained¹⁹⁶ on the core mandatory programs - *Accessibility for Ontarians with Disabilities Act* (AODA), Workplace Violence and Harassment (WVH), worker awareness/supervisor competency (WA/SC), and WHMIS 2015 nor is that process in any way facilitated to ensure compliance. As the employer may also be the supervisor¹⁹⁷ in a start-up business, it is unlikely the owner/employer has any of the above qualifications, nor a proper understanding of what also being a supervisor entails under the *Act*. It is also unlikely that the small business owner has been notified that they face financial penalties or even criminal prosecution if one of their workers is injured or killed in an accident¹⁹⁸. Small business is clearly a prime area of focus for prevention in this province. With 73.4% of the small businesses in Canada

¹⁹³ Tucker, Sean, and Anya Keefe. 2019 *Report on Work Fatality and Injury Rates in Canada*. N.p.: University of Regina, 2019. https://www.uregina.ca/business/faculty-staff/faculty/file_download/2019-Report-on-Workplace-Fatalities-and-Injuries.pdf.

¹⁹⁴ Ibid.

¹⁹⁵ Ministry of Labour, Training and Skills Development. *Expert Advisory Panel on Occupational Health and Safety*. N.p.: Ministry of Labour, Training and Skills Development, 2019. <https://www.ontario.ca/document/expert-advisory-panel-occupational-health-and-safety/small-business>.

¹⁹⁶ e-Laws. *Occupational Health and Safety Act, R.S.O. 1990, c. O.1*. N.p.: Ministry of Labour, Training and Skills Development, 2020. <https://www.ontario.ca/laws/statute/90o01#BK44>.

¹⁹⁷ Ibid.

¹⁹⁸ Ibid.

having 1-9 employees¹⁹⁹, this is a market that is clearly underserved. Given Ontario alone makes up roughly 36% of all Canadian small businesses²⁰⁰, the figures speak for themselves. Now is the time to develop a full and comprehensive prevention strategy for small business that must not come with repercussions and costs, but rather with encouragement, education, and easy to use tools together with incentives and grants to comply.

Employers need their workforces healthy, and safe to operate efficiently. In fact healthy and safe workplaces are a real plus for recruitment and retention of employees. A London-Middlesex research study of employer needs found that 112 of the 302 survey respondents identified free health and safety training as being most useful to hire or rehire employees.²⁰¹ Employers recognize that working in a safe environment is key to returning people to the workforce.

While a small business should have an internal responsibility system and a health and safety management system to operate as safely as possible, it all starts with informing them of their obligations and facilitating access to easy to use and affordable tools that deliver the core mandatory programs (AODA, WVH, WHMIS 2015, WA/SC). Once the core four are in place, businesses can expand into other required training and will already have established an understanding of the steps and processes required to access that training. By working with approved, private-sector providers of Joint Health and Safety Committee Part I/II/e-learning, high-quality programs that already exist can be made readily accessible. An online resource should be integrated into the business registration process to help inform employers of their obligations under the Act while providing them access to courses which may be completed online by employees. Not unlike pilot programs currently underway, approved providers would receive a subsidy for each license used within the core programs.

The result is if a small business owner has ten employees, all are trained at no or little cost to the entrepreneur, and ten more Ontarians are now working safely. The modest cost to the Ministry to provide such training would be offset by savings from less claims to WSIB. Unlike the current \$3 million pilot programs²⁰², a business owner is in a place to ensure current employees complete the training paid for by the province. This is a clear win for small business, it is a clear win for approved providers (also small businesses), and a clear win for the MLTSD, as up to 25,000 workers are trained and have ongoing support without further MLTSD involvement and job seekers are more confident that small businesses will provide a safe workplace that they seek from employers. Sounds like a safe bet.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Promote and facilitate access to an online resource which informs small business owners of their rights and obligations under the *Occupational Health and Safety Act*. This resource should be integrated into the business registration process.

¹⁹⁹ Innovation, Science and Economic Development Canada. *Key Small Business Statistics - January 2019*. N.p.: Innovation, Science and Economic Development Canada, 2019. https://www.ic.gc.ca/eic/site/061.nsf/eng/h_03090.html.

²⁰⁰ Ibid.

²⁰¹ Adeyemo, Bashir et al. *Change Matters – Employer Needs Assessment for COVID-19 Recovery*. Workforce Planning and Development Board. 2020. <https://workforcedevelopment.ca/wordpress/wp-content/uploads/2020/11/Employer-Needs-Assessment-For-COVID-19.pdf>

²⁰² Employment Ontario. *Health and Safety Training Pilot Program*. N.p.: Ministry of Labour, Training and skills development, 2020. <https://www.ontario.ca/page/employment-ontario>.

2. Through the Ministry of Labour, Training and Skills Development (MLTSD), and in partnership with chambers of commerce and boards of trade throughout Ontario, and through approved third-party health and safety providers promote and provide subsidized information sessions to small business owners in order to inform them of their obligations under the *Act*, and provide them with tools and templates to assist in ensuring all workers have training on the core mandatory programs (*Accessibility for Ontarians with Disabilities Act* (AODA), Workplace Violence and Harassment (WVH), worker awareness/supervisor competency (WA/SC), and WHMIS 2015).

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

SPECIAL ISSUES

A. Addressing Employment Standards Act

Submitted by: The Ajax Pickering Board of Trade, Co-sponsored by the Greater Oshawa Chamber of Commerce, the Mississauga Board of Trade, the Thunder Bay Chamber of Commerce, the Windsor-Essex Regional Chamber of Commerce, and the Whitby Chamber of Commerce

Issue

Currently, when a claim is filed with the Ministry of Labour, the employer does not receive it. Instead, the employer only receives a letter identifying by bullet points the category of each issue (e.g. “wages”, “vacation pay”, etc.). The current policy of the Ministry of Labour to refuse to disclose the claim runs contrary to the efforts for an early settlement and the fundamental rights enriched by our justice system.

Background

The Ontario Ministry of Labour receives on average approximately 15,000 claims per fiscal year.²⁰³ However, in some years, the number of claims has exceeded 23,000. Of the complaints that are filed, roughly 90% are filed by employees who are no longer employed by the employer in issue.²⁰⁴

When the Ministry of Labour receives a claim, it then sends out a letter to the employer notifying them of the claim. The letter solely details the nature of the claim by providing the category of each issue (e.g. “wages” or “vacation pay” or “termination pay”). The actual amounts claimed under each category are not normally provided. Enclosed with the letter is a package recommending settlement discussions and a template form to confirm any settlement reached.

At the same time that the letter is sent out, the claim is then placed in queue to be assigned to an Employment Standards Officer, which can often take several months to occur. The claim will be either assigned to an Employment Standards Officer 1 (who can only mediate a settlement) or will be immediately escalated to an Employment Standards Officer 2 (who can mediate a settlement and can issue orders). During the waiting period, the employer can reach out to the employee (if their current contact information is known), but the employee is not obligated to discuss the matter or to provide the claim. Once the Employment Standards Officer is assigned, if a resolution cannot be reached, then the matter will eventually be investigated and an order or a refusal to issue an order issued.

At no point during this entire process is the employer allowed to be provided with the claim from the Ministry of Labour due to its policy. In fact, the employer can only obtain a copy of the claim from the Ministry of Labour if, after an order is rendered, the employer appeals the decision to the Ontario Labour Relations Board and moves for an order for its production.²⁰⁵ As a result of the refusal to produce the claim, the employer is often unable to address the issues prior to the Employment Standards Officer being assigned. Further, once the Employment Standards Officer is assigned, the employer may not fully appreciate the issues or the source of any misunderstanding.

While essentially all other claim processes in Ontario (including applications before the Human Rights Tribunal) require the claim to be provided to the respondent, the Ministry of Labour has declined to accept

²⁰³ Ontario Ministry of Labour <https://www.ontario.ca/page/published-plans-and-annual-reports-2017-2018-ministry-labour?_ga=2.89487003.1632369137.1547212240-492227812.1491401077>, Published: August 16, 2017

²⁰⁴ Toronto Star <<https://www.thestar.com/news/queenspark/2018/10/25/ministry-of-labour-puts-hold-on-proactive-workplace-inspections-internal-memo-says.html>>, Published: October 25, 2018

²⁰⁵ Friedrich Schiller Schule Inc. (Friedrich Schiller Schule) v. Adam, 2013 CanLII 2654 (ON LRB)

this fundamental principle of justice. As a result of this failure to disclose, settlement discussions are hindered and employers are at a disadvantage in responding to claims. The claims process should be improved by requiring that, upon being filed with the Ministry of Labour, a copy of the claim is to be provided to the employer.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Revise the policy of the Ministry of Labour to require that a copy of any claim filed under the Employment Standards Act be provided forthwith to the responding employer.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

B. Auto Insurance Reform: Making Premiums Affordable

Submitted by: The Brampton Board of Trade

Issue

Auto insurance premiums rise as accidents decline.

Background

Auto insurance rates continue to climb while the rate of auto accidents continue to fall. In Ontario, auto insurance is mandatory and is provided by the private sector. The overall goal of insurance companies is to provide a good auto insurance product to the customer – at a competitive price- that allows for adequate indemnification in the event of an accident. Yet the insurance companies need to be profitable. In order to maintain their profit levels they have continually raised rates over the last few years to cover the rising cost of claims.

The cost of claims continues to be the driving factor for the increasing rates. The technology now used in most vehicles has proven costly to replace and repair while, at the same time, the cost of auto insurance fraud in Ontario was estimated to be up to \$1.6 billion annually.²⁰⁶ Furthermore, according to a review conducted by David Marshall for the Government of Ontario, a third of the insurance premium benefits do not even go to the customers as indemnification or for treatment.²⁰⁷

A crisis has developed and the need to make a change is urgent. Customers can't afford the higher premiums, while insurance companies can't afford the higher pay outs. It's a vicious cycle and something has to give.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Simplify the accident benefit and tort systems to ensure that these systems are accessible without legal representation except in the most complicated cases. Claimants should receive maximum amount of benefits while reducing the cost of administrative fees.
2. Conduct a review of the present auto insurance product and rating criteria and make meaningful changes that will fairly indemnify individuals for their loss and keep the product affordable.
3. Continue initiatives that assist the insurance industry in fighting fraud.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

²⁰⁶ Liam McFarlane. 2012. *Ontario Automobile Insurance Anti-Fraud Task Force: Preliminary Review of KPMG Forensic Report Dated June 13, 2012*. Ernst & Young LLP. <https://www.fin.gov.on.ca/en/autoinsurance/forensic-ey.pdf>.

²⁰⁷ David Marshall. 2017. *Fair Benefits Fairly Delivered: A Review of the Auto Insurance System in Ontario*. <https://www.fin.gov.on.ca/en/autoinsurance/fair-benefits.html>.

C. Brownfield Act Overhaul

Submitted by: The Greater Barrie Chamber of Commerce

Issue

The *Brownfields Statute Law Amendment Act, 2011* and companion regulations came into full effect as of October 1, 2004. This legislation was designed to remove barriers relating to regulatory liability, financing and planning and in fact had the complete opposite effect.

Background

The 1996 Guideline for use at Contaminated Sites in Ontario served as the forerunner to the current Record of Site Condition (RSC, Brownfields Regulation) and was established to remove barriers relating to regulatory liability, finance and planning and promote the redevelopment of brownfield sites. The legislation has evolved over time and most recently has seen an extensive revision to the Regulation which came into force in 2011 (O.Reg. 511/09). While filings from 2004 to 2011 were challenging; the most recent revisions have basically stifled the intended goals of this legislation.

This is noted because the design of the current regulatory process follows a prescriptive standard that affords absolutely no discretion in its application. It is premised on an impeccable standard that affords no uncertainty and which has manifested the red tape it had originally intended to avoid. The 2009 revision recognized "... Brownfields are underdeveloped or previously developed properties that may be contaminated. They are often, but not always, former industrial or commercial properties ...". The implied goal was to introduce legislation that would promote revitalization of such historic lands.

The prescribed process demands a myriad of requirements including legal interpretations, legal surveys, comprehensive technical interpretations and often considerable environmental sampling to characterize the Site Condition to the current standards. This arduous site screening process has significantly increased redevelopment costs and timelines to achieve these prescriptive standards. It is these issues that stifle this type of urban revitalization. Under this process it is far simpler to develop the outlying urban fringe than revitalize the urban core; especially historic manufacturing precincts. Cost and time inequalities favour the urban sprawl fundamentally discouraged by government. However, the legislation prohibits Municipalities from issuing any Building Permit pending the issuance of Provincial acceptance of the RSC where any gentrification is contemplated.

In the extreme, winter maintenance salt spread across sidewalks and parking lots (for safety purposes) is a *de facto* contaminant which can suspend any redevelopment until all aspects of the Regulation are resolved. Yet there is essentially no reasonable remediation technique to abate salt concentrations above Provincial Standards. A protractive risk assessment process must be undertaken which results in no meaningful change to the Site Condition once completed; but is costly to pursue and inevitably stalls any brownfield development for months or longer.

Even the Ministry has recognized the futility of this and several other of the most obvious deficient situations within these prescriptive standards and have proposed changes to the existing legislation as has been incorporated into the Excess Soil Management regulatory proposal (ERO No.: 013-2774). Immediate acceptance of these changes would represent an easy fix and first accomplishment for this government.

The demanded standard of care would appear unique to all other MECP submission standards. Competent professionals evaluating brownfield properties are frequently informed by the MECP following a 45-day review period that even the smallest inaccuracy necessitates resubmission. The perception has become that a thesis level dissertation document is required. From a risk assessment perspective, the submission standards are more arduous than the drug evaluation process through Health Canada / FDA. The process is also unique in that no pre-consultation is involved.

Legislation is not written to address all possible circumstances. In contrast it provides guiding principles. For example, we recognize that laws are not written to prevent all motorists from exceeding posted limits; but it

guides acceptable use and seeks to dissuade aberrant behaviour. However, the distinctive nature of the Brownfield legislation as it exists currently subscribes to a utopian standard.

Finally, at the conclusion of this process a series of documents are issued by the MECP which can include a Certificate of Property Use (CPU) which often imposes very restrictive site development conditions. For example, any changes to the site development plan can conceivably result in re-evaluation and at a minimum requires MECP Director approval for any and all changes regardless of their nature. As a result, the MECP has unwittingly become a partner in the revitalization process.

Any doubt about this is realized when comparing these standards to that used in the financial community. Banks and other financial lending institutes are risk adverse industries yet there has been no appetite to demand the RSC standards. These agencies continue to use the former standards to facilitate reasonable and timely vetting of this process. Furthermore, the CSA in reviewing these standards has not made any substantial changes toward the RSC requirements. It is perplexing to the Chamber why this dual standard between the public and private sector persists and leads to a common sense conclusion that regulatory over-reach exists with this matter.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Overhaul of the Brownfields Legislation to address barriers to brownfield redevelopment:
 - a. Shorten timelines for the assessment process for regulatory completion to one year;
 - b. Consider a variety of alternatives like the possibility of an external peer review process that could expedite the review process without a loss of integrity (*i.e.*, Qualified Reviewer in addition to Qualified Person);

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

D. Forestry Strategy: Fireproofing Communities through Public Forest Access Roads

Submitted by: The Timmins Chamber of Commerce. Co-sponsored by the Greater Sudbury Chamber of Commerce.

Issue

Forest fires can occur anywhere in Ontario, but most large fires occur in the boreal forest. They can threaten human safety, destroy property or disrupt economic activities.²⁰⁸ However, wildfires are also an important natural process in Ontario's forest ecosystems. Managing forest fires in Ontario is about balancing the benefits of forest fires, and protecting public safety and communities. Introducing a Forestry Strategy Program will help protect communities against the threat of wildfires while increased funding for forest access roads will support the infrastructure needed in rural and northern Ontario to provide access for firefighting efforts as we face intensifying fire seasons.

Background

Prolonged dry conditions throughout Ontario made 2018 one of the most active forest fire seasons in almost a decade, with more than 1,300 forest fires burning over 265,000 hectares of forest, nearly double the 10-year average.²⁰⁹

The impact wildfires have on communities can be devastating. Solutions and mitigative approaches to reduce the hazard posed by interface fire to communities exist by implementing vegetation management strategies.²¹⁰ The Provincial Government can look to create greater partnerships with the forestry industry and the Ministry of Natural Resources and Forestry to assist in forest management and combat the economic impacts wildfires have on communities.

The forest industry can work with governments, First Nations and local communities, to apply strategies that will minimize climate change risks to our forests and forest communities in the years to come. Ontario's Forest Access Roads Funding Program (a cost-sharing program with industry that supports the construction and maintenance of access roads in Crown forests) will provide a critical infrastructure to ensure that communities and forests are accessible for firefighting efforts.

A good example of this was the major Timmins area forest fire of 2012, which forced the closure of Highway 144 for days. Fortunately, the 100 km Papakomeka/Grassy River forest access road network was able to provide a critical link from Timmins to Sudbury and served as a crucial route for emergency and fire response during the disaster. This road is maintained with support from Ontario's forest access roads funding program.

Forest access roads also play a critical role in the movement of goods and people, supporting natural resource industries as well as the people who live, work and play in rural and northern Ontario.²¹¹ Roads on Crown land provide access for industries such as forestry, mining, prospecting, trapping and tourism, while facilitating the maintenance of critical infrastructure such as power grids, telephone lines, railways and pipelines.

In addition, many of Ontario's First Nations communities rely exclusively upon public forest access roads to transport goods and to reach vital outside services such as healthcare and education. This public infrastructure is, and will continue to be, relied upon by all Ontarians, especially during emergencies like forest fires.

²⁰⁸ [https://www.oafc.on.ca/sites/default/files/attachments/page/2507/FMS_Discussion_Paper%20\(2\)-1.pdf](https://www.oafc.on.ca/sites/default/files/attachments/page/2507/FMS_Discussion_Paper%20(2)-1.pdf)

²⁰⁹ https://prod-environmental-registry.s3.amazonaws.com/2018-11/EnvironmentPlan_1.pdf

²¹⁰ <https://www.firesmartcanada.ca/images/uploads/resources/FireSmart-Protecting-Your-Community.pdf>

²¹¹ <https://www.ontario.ca/page/state-ontarios-natural-resources-forests-2016>

Fireproofing communities can significantly reduce the risk that wildfires pose and mitigate the socioeconomic impacts from damages caused by wildfires.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Protect against wildland fire incidents through the ongoing development of Community Wildfire Protection Plans.
2. Reinstatement of the Public Forest Access Roads program funding to the original 2006 level of \$75 million.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

E. Improving Support for Employers

Submitted by: The Ajax Pickering Board of Trade, Co-sponsored by the Mississauga Board of Trade and the Windsor-Essex Regional Chamber of Commerce

Issue

Currently, the Office of the Employer Advisor (the “OEA”) provides complimentary expert guidance to employers in regard to the Workplace Safety and Insurance Act and reprisal issues in regard to the Occupational Health and Safety Act. However, in guiding employers as to their obligations, the OEA does not address the employer’s obligations under the Ontario Human Rights Code. As a result, the advice given by the OEA may unintentionally cause the employer to violate the Human Rights Code.

Background

The OEA provides “Ontario employers with expert, free and confidential advice, representation, and education on all workers’ compensation issues under the Workplace Safety and Insurance Act, and on unjust reprisal issues under the Occupational Health and Safety Act”.²¹² On average, in a given fiscal year, the OEA has roughly 3,000 instances of providing advice.²¹³ The advice may be provided over a few minutes or several hours. Of the cases handled, 51% were in regard to entitlement issues (e.g. whether there is a leave entitlement) and 15% were in regard to return to work issues (e.g. what obligations are there for when an employee returns from a leave).

In providing this advice, the OEA does not address the employer’s obligations under the Ontario Human Rights Code. For example, if an employer had a worker who was returning after a leave of absence, the OEA would address the requirements under the Workplace Safety and Insurance Act. However, the OEA would not advise that the employer also has an ongoing obligation under the Human Rights Code to provide needed accommodation, up to the point of undue hardship. As a result, the employer may unintentionally violate the employee’s rights under the Human Rights Code when handling her return to work.

The absence of advice regarding human rights obligations is particularly alarming when you consider the fact that 70% of applications before the Ontario Human Rights Tribunal are in regard to alleged employment related discrimination.²¹⁴ Further, the lack of assistance on human rights obligations is compounded by the fact that the Human Rights Legal Support Centre (which is funded by the Government of Ontario) only provides assistance to individual applicants, not employer respondents.²¹⁵ Employers should be confident in knowing that the advice the OEA provides is consistent and complete in review of all legal obligations.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Expand the mandate of the Office of the Employer Advisor to include providing expert, free and confidential advice on worker disability and leave related issues under the Ontario Human Rights Code.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

²¹² Ontario Office of the Employer Advisor, <<http://www.employeradviser.ca/en/>>

²¹³ Ontario Office of the Employer Advisor, Annual Report 2017 – 2018, <<http://www.employeradviser.ca/wp-content/uploads/2018/10/OEA-Annual-Report-2017-18-final-English.pdf>>, at pg. 7.

²¹⁴ Social Justice Tribunals Ontario, 2017 – 2018 Annual Report <<http://www.sjto.gov.on.ca/documents/sjto/2017-18%20Annual%20Report.html#hrto4>>

²¹⁵ Human Rights Legal Support Centre, <<http://www.hrlsc.on.ca/en/about-us>>

F. Remove Canadian Residency Requirement for Ontario Corporations

Submitted by: Quinte West Chamber of Commerce. Co-sponsored by the Prince Edward County Chamber of Commerce and Belleville Chamber of Commerce

Issue

The need for Ontario corporations to require 25% of their directors to be Canadian residents is creating an unnecessary barrier to set up here and companies look to other provinces that do not have this requirement.

Background

All Ontario companies must have at least one director and this person must be a resident Canadian as defined in the Business Corporations Act (Ontario). The Business Corporations Act (Ontario) provides for a residency requirement for directors. 25% of the directors of an Ontario company must be “resident Canadians” as defined by the Act. This means that if an Ontario company has one to four directors, at least one of them must be a resident Canadian.

Business Corporations Act - PART IX DIRECTORS AND OFFICERS - Residency

(3) At least 25 per cent of the directors of a corporation other than a non-resident corporation shall be resident Canadians, but where a corporation has less than four directors, at least one director shall be a resident Canadian. 2006, c. 34, Sched. B, s. 19 (2).

Corporate Directors Residency Requirements in Canada

Jurisdiction	Director Residency Requirement
Federal (Canada)	25% resident Canadian Directors Required
3 Canadian Territories	No Canadian Directors Required
British Columbia	No Canadian Directors Required
Quebec	No Canadian Directors Required
New Brunswick	No Canadian Directors Required
Nova Scotia	No Canadian Directors Required
Prince Edward Island	No Canadian Directors Required
Newfoundland	25% resident Canadian Directors Required
Alberta	25% resident Canadian Directors Required
Ontario	25% resident Canadian Directors Required
Manitoba	25% resident Canadian Directors Required
Saskatchewan	25% resident Canadian Directors Required

It is only directors, which are specified, officers and shareholders do not need to be Canadian residents. Note also that Canadian residents are specified, not Canadian citizens.

“British Columbia, Quebec, Prince Edward Island, Nova Scotia and New Brunswick are the only Provinces in Canada that waive the corporate directors' residency requirements. This is especially important for foreign individuals and businesses wishing to register businesses in Canada, as they will not have to appoint resident Canadian directors if they incorporate in any of these Provinces.” www.newbusinessnow.com

“Not all provinces and territories have the same rules. As an example, in British Columbia the Business Corporations Act (British Columbia) does not provide for a residency requirement. Therefore, a non-Canadian or a Canadian citizen not living in Canada may be the sole director of a BC company. This is good news for those Canadians who wish to conduct business in Canada but also wish to live outside of Canada. As well, foreign individuals are able to set up BC companies and act as the sole director of those companies since there is no requirement for them to live in Canada.”
<http://www.canadianbusinessresources.ca>

Removing the requirement for 25% Canadian residency would align with the Ontario governments mandate to reduce red tape in the province and be cost neutral to the government.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Remove the requirement for 25% Canadian Residency from the Ontario Corporations Business Act.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

G. Accounting for Economic Outcomes in Regional Collaboration Projects

Submitted by: Greater Peterborough Chamber of Commerce

Issue

Jobs created during collaborative regional economic development projects are only attributed to the municipality in which they are geographically located.

Background

“Ontario’s economy is undergoing a period of rapid change. Twenty-first century globalization, urbanization, and technological transformation are challenging the status quo and redefining what it means to be competitive. Given these and other pressures, Ontario’s overall prosperity will increasingly depend on the strength of its regions.” - This is how the 2019 report from the Ontario Chamber of Commerce titled “The Great Mosaic – Reviving Ontario’s Regional Economies” starts.

It’s a fitting to start to a discussion around how to then calculate economic impact. Municipalities impacted by “A Place to Grow: Growth Plan for the Greater Golden Horseshoe” are bound by provincial legislation to have official plans, land needs assessments, and zoning by-laws in place that detail how each municipality is going to achieve the pre-determined milestones of jobs and residents per hectare. Those results are then reported to the province.

And while these plans and processes are necessary, they don’t account for the fact that more and more economic development is collaborative and crosses geographic lines. One example can be found in the City of Peterborough. The City has contributed significant dollars to infrastructure at the regional airport that lies just outside its geographical boundary. The combined investment by the City, County and local township has resulted in the number of jobs increasing from 50 to over 300 over the past decade. The question becomes how is the outcome of those investments (jobs, new economic opportunities, etc..) accounted for in growth targets? Right now, the outcome falls to the municipality in which the tangible asset exists – therefore, we are back to geographical boundaries even though it is a regional collaboration.

This disconnect between investment and reporting rules is a barrier to regional economic development because the value of the investment is diminished when the result is not recognized. To resolve this issue and encourage more regional collaboration that will benefit all of Ontario we ask that government amend the reporting rules and allow all municipalities to account for the jobs they have helped create through regional projects.

The Growth Plan document identifies a need for complete communities with the following paragraph in section 2.1

“To support the achievement of complete communities, this Plan establishes minimum intensification and density targets that recognize the diversity of communities across the GGH. Some larger urban centres, such as Toronto, have already met some of the minimum targets established in this Plan, while other communities are growing and intensifying at a different pace that reflects their local context.”

This allowance will encourage more collaboration across geographical lines by municipalities and help regions invest in projects that will benefit their area and the province as a whole. It will also more accurately reflect the local context of the urban rural mix in the outer ring municipalities. These outer ring municipalities also address issues such as transit and conservation issues across geographical lines, yet recognition of the impact of regional economic development on multiple municipalities does not happen.

Continuing in 2.1 is the following

“...consider opportunities to better co-ordinate our collective efforts across municipalities to support their contribution to economic growth and improve access to transit.” If this call is to be realized to its maximum potential then there has to be allowance to recognize the impact of jobs created and economic impact when municipalities work together.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Develop a mechanism that allows for multiple municipalities who have invested in a regionally significant project to account for jobs created proportional to financial contribution when reporting to government.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

H. Bettering Ontario Workplaces

Submitted by: Ajax-Pickering Board of Trade. Co-sponsored by the Greater Kitchener Waterloo Chamber of Commerce, Mississauga Board of Trade, Thunder Bay Chamber of Commerce, and Timmins Chamber of Commerce

Issue

In Ontario, new employers have a lengthy list of policies, programs, and training that they must develop and implement. These obligations are important to ensure the health and safety of all workers in Ontario. However, these obligations can seem insurmountable for a start-up, small business, or not-for-profit. The result of this hurdle is that many businesses either ignore their obligations or attempt to avoid these obligations by only hiring contractors.

Background

For provincially regulated employers in Ontario, there are various sources of legislative employer obligations. This includes the *Employment Standards Act* (the “ESA”), the *Occupational Health and Safety Act* (the “OHSA”), and the *Accessibility for Ontarians with Disabilities Act* (“AODA”).

Under the OHSA, employers have an obligation to have a health and safety policy, a workplace harassment policy, a workplace violence policy, a health and safety program, a workplace harassment program, and a workplace violence program. In addition, under the OHSA, employers have an obligation to provide employees with Worker OHSA Awareness Training, Supervisor OHSA Awareness Training, workplace harassment training, and workplace violence training. In addition, the health and safety representative or joint health and safety committee have to receive specific training. These training programs are in addition to industry or workplace specific training obligations.

Under AODA, employers have to develop various policies (including a workplace accommodation policy) and provide training on AODA, its standards, and the Human Rights Code.

The above are only a few of the examples of the policies, programs, and training that Ontario employers must develop and implement.

A few of the legislatively required policies, programs, and training are provided complimentary by the province (e.g. there is a complimentary Worker OHSA Awareness Training). Many however are not. As a result many new employers either ignore their obligations or attempt to avoid these obligations by only hiring contractors.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Provide a centralized support mechanism (e.g. web portal) for employers to easily obtain sample HR policies, programs, and training that are statutorily required.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

I. Healthcare Crisis: Demands Exceed Supply

Submitted by: Brampton Board of Trade

Issue

Ontario's healthcare system is not meeting population demographics.

Background

Hospital overcrowding has become the new normal in too many of Ontario's growing cities. This is not because of inefficiencies, rather Ontario's hospitals are the most efficient in the country.²¹⁶ According to the Ontario Hospital Association, clinical innovation has led to Ontario's hospitalization rate being the lowest in Canada, and when patients end up in a ward, their average stay is cheaper and shorter than in any other province.

The issue is that the supply of 30,000 hospital beds on Ontario has not increased since 1999, even though Ontario's population has grown 27%, from 11.5 million to 14.6 million.²¹⁷ In addition, the segment of Ontario's population that is 65 years or older has increased by 1 million. As a result, hospitals in high growth cities operate at over 100% capacity on a near daily basis.

Another significant factor is that 1 in 6 hospital beds are occupied by patients who require an 'alternative level of care' (ALC), which on average is less expensive than hospital beds and come in such forms as long-term care, assisted living, and rehab.²¹⁸ The majority of ALC patients are waiting for a long-term care beds, which in 2019 had a wait list of 161 days. While the current provincial government has invested in more long-term care beds, it takes 3 years to get those beds in operation. Just 21 new long-term care beds opened in Ontario in 2019, while the waitlist grew by more than 2,000. Under the previous provincial government, only 611 new long-term care beds opened from 2011 to 2018.

Matching patient needs to the appropriate healthcare resources will reduce the strain put on hospitals and will contribute to sustainable and inclusive growth.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Ensure provincial funding commitment for new hospital beds based on communities' and regions' demographic and infrastructure needs.
2. Speed up the process to get new long-term care beds into operation - and make sure the beds are created where they are needed.
3. Ensure provincial funding commitment for variety of 'alternative level of care' options that meet diversity of needs, including at-home, community, and mental health support.
4. Research healthcare technology in comparable jurisdictions where remote patient monitoring and crisis management is used effectively to curtail hospital stays.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

²¹⁶ Ontario Hospital Association. 2019. Ontario Hospitals - Leaders in Efficiency.

<https://www.oha.com/Documents/Ontario%20Hospitals%20-%20Leaders%20in%20Efficiency.pdf>

²¹⁷ Ontario Ministry of Health and Long-Term Care. 2019. Hallway Health Care: A System Under Strain.

http://www.health.gov.on.ca/en/public/publications/premiers_council/docs/premiers_council_report.pdf

²¹⁸ Matt Gurney. 2019. TVO: How to end hallway medicine, Part 3: Doug Ford's plan is a start, but it's not the solution. <https://www.tvo.org/article/how-to-end-hallway-medicine-part-3-doug-fords-plan-is-a-start-but-its-not-the-solution>

J. Maintaining Rural Emergency Services

Submitted by: Greater Kitchener-Waterloo Chamber of Commerce

Issue

Recent reductions in emergency room services across southwestern Ontario have escalated concerns over health care delivery to rural communities.

Background

Canadians living in rural areas comprise 18% of the population but are served by only 8% of total physicians across the nation.

The College of Family Physicians of Canada, in their 2019 pre-budget submission to the House of Commons Standing Committee on Finance, noted that Canada needs a rural economic policy that narrows the existing disparities in health and wellness and ensures that rural Canadians have better access to health care with an opportunity to realize their economic potential. A strategy/policy also needs to catalyze rural communities' abilities for employment, improved health care efficiencies, stronger rural health infrastructure, and ultimately attracting more people to live, work and invest outside major urban centres.

Over the past year, hospitals in the southwestern Ontario communities of Chesley and Clinton have reduced hours at their emergency rooms by closing from 8 pm to 8 am. In both institutions a shortage of nurses required difficult and potentially volatile decisions by local administrators.

At the Rural Ontario Municipal Association (ROMA) Annual Conference in January of 2020, Deputy Premier and Minister of Health Christine Elliott noted the Auditor General reported in 2017 that health services are delivered inconsistently across Ontario, a predicament that is neither fair nor equitable for people living in rural communities. The status quo, according to the Minister, is not an option.

In October of 2019, the Ministry of Health appointed Jim Pine as an advisor for conducting consultations on public health and emergency services. He has been asked by the province to facilitate discussions with emergency health providers and municipal stakeholders. To address the impact of service reduction such as the aforementioned predicaments in Chesley and Clinton, the provincial business sector should be invited to discussions in relation to any negative effects on rural economic development and investment attraction.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Include the business sector on consultations for emergency rooms across rural Ontario and ultimately develop solutions for avoiding any future service reductions.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

K. Making Data More User Friendly

Submitted by: Greater Peterborough Chamber of Commerce. Co-sponsored by Timmins Chamber of Commerce.

Issue

There is currently a deficit of tools for businesses to receive data in a timely and easy to read and understand.

Background

The Ontario government is currently building a data strategy. Among the goals of the new strategy is to “create economic benefits by enabling Ontario firms to develop data-driven business models and unlock the commercial value of data” along with the idea that data can be a key economic driver.

The Peterborough Chamber of Commerce hosted one of six in-person consultations welcoming about 40 businesses, residents and organizations into our boardroom. There was great discussion about how business can ask and receive the right data in a readable format and a timely fashion.

One consultant said even asking for specific business counts in an area can be difficult and a query mechanism or help desk that can provide an answer would be appreciated.

Our local Workforce Planning Council has such a staffed query desk that businesses and organizations can access to get answers on labour market information (LMI). This help function is extremely useful and has proved to work very well for much needed local context on LMI. A similar program for data would be welcome.

According to Forbes.com’s Bernard Marr, 90 per cent of all data ever collected was generated in the last two years. An article by MaRS on how innovative companies are using data states that connecting and understanding data related to people, platforms, the Internet and supply chains (and most importantly, turning it all into profitable insights) is crucial when achieving competitive advantage.

Our resolution asks for the opportunity for businesses in all communities in Ontario to enhance their competitive advantage through the creation of a query dashboard that can easily compile data and communicate the information in a simple, easy to read format for the business.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Develop a data query dashboard that can merge and release data sets upon request for businesses and Ontarians.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

L. Making Ontario a Leader in Smart Government

Submitted by: London Chamber of Commerce

Issue

Ontario and its municipalities are competing with other governments throughout the world to become a “Smart Province” and “Smart Cities”.

The government of Ontario should become a leader in the adoption of ‘smart’ government technologies to improve efficiencies, reduce costs and improve service delivery to taxpayers and to strive to move toward digital government.

At the same time, Ontario should become a leader in promoting the adoption by its municipalities of ‘smart cities’ technology including providing province-wide standards, benchmarks and best practices, facilitating information-sharing and providing stable and consistent funding to allow municipalities to make investments in the technology and infrastructure required to achieve these goals and to also move toward digital government.

Background

A ‘Smart Government’ has been simply defined as “the use of technology and innovation by governments for better performance”.²¹⁹ Similarly, a Smart City has been defined as “innovation, not necessarily but mainly through information and communications technologies (ICT), which enhance urban life in terms of people, living, economy, mobility and governance”. As such, smart government and smart cities use technology and the data it collects to tackle challenges such as traffic congestion, reducing environmental impacts, fighting crime, providing social services, fostering economic growth, and improving the delivery and accessibility of government services. It includes the use of technology in the delivery of services (often known as digital government).

The diminishing cost of IT infrastructure and the continued development of more powerful and efficient internet and wireless networks has created the potential for governments to collect, use and analyze data for the betterment of the lives of its citizens and for the benefit of all taxpayers including businesses through increased efficiencies and reduced costs in the delivery of government services. For example, the ability to collect instantaneous feedback through smart devices (e.g. smart street lights with internet-connected sensors that collect data of all types from weather, movements, loud noises associated with threats to public safety or open parking spots) allows governments to be more efficient and effective in their delivery of services to citizens.

Various individual department projects and systems within the federal and provincial government have provided good examples of ‘smart’ government, including the online systems to manage federal immigration applications, which could be used as potential models to promote a broader movement toward ‘smart’ government.

In the fall of 2019, the Ontario Government introduced its Building Smarter Government Initiative and while the Ontario Chamber of Commerce applauds this initiative as a good start, there is still much more that can be done to make Ontario a truly “Smart Province”.

²¹⁹ Smart City and Smart Government: Synonymous or Complementary, Abstract by Prof. L. Anthopolous & Prof. C.G. Reddick, submission to 25th Annual World Wide Web Conference (2016).

One of the most striking examples of the benefits of smart government is the ‘e-Estonia’ project in this EU country which has achieved remarkable benefits from a strong focus on the adoption of digital government with an emphasis on accessibility and usability for its citizens.²²⁰ This includes adopting processes to ensure that data is only required to be entered once into a government system and that appropriate access is granted to and shared by various levels of government and departments whom require it but is also limited to such departments.²²¹ These processes are estimated to have saved 820 years of working time for government employees on annual basis or an estimated 2% of the country’s GDP derived from savings on government employee salaries and costs.²²² In addition, it has created business opportunities through its e-residency program which allows individuals and businesses across the world to become ‘residents’ of the country for the purposes of interacting with and accessing certain online government services by allowing them to quickly and easily create a digital profile which facilitates doing business in the country without time-consuming processes for obtaining immigration status or approval to enter and do business in the country in the traditional manner.

At the same time, the government should ensure that an individual privacy-centric approach is taken in the implementation of such measures, including adopting a ‘privacy by design’ approach as promoted by Ontario’s former Information & Privacy Commissioner, Ann Cavoukian, which focuses on priorities such as preserving consent; minimizing data collection and retention; anonymizing data and ensuring safeguards to restrict unlawful surveillance among other things.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Mandate an existing provincial agency or Ministry (presently under the purview of the Treasury Board) to lead both provincial government Ministries and agencies as well Ontario municipalities in the adoption, implementation and continuous improvement of ‘smart’ government technology.
2. Empower the said agency to create, implement and promote province-wide standards, goals, benchmarks and best practices on the use of ‘smart’ government technology including facilitating co-operative information-sharing about the successes, experiences and projects undertaken by various levels of governments.

Among the said goals should be:

- A focus on those initiatives that improve the quality of life of taxpayers
- Increase efficiencies, improve service delivery and accessibility
- Reduce costs
- Fight climate change

This must all be done while respecting individual privacy rights. Initiatives should be scalable and be focused on governments of varying sizes and population densities from cities to small towns and rural communities.

3. Commit to providing stable funding and/or tax incentives for ‘smart’ government initiatives both at a provincial and municipal level. Such funding should, when possible, be reasonably tied to outcome-based measurements so as to promote the adoption of those initiatives and technologies which have been

²²⁰ European Commission: Digital Government Factsheet 2019: Estonia.

²²¹ e-Estonia Guide 2018, published by Estonia Chief Information Officer.

²²² <https://e-estonia.com/how-save-annually-820-years-of-work/>

proven to further the goals of the initiative. Emphasis should be placed on initiatives involving public private partnerships and private sector involvement.

4. Once the Government of Ontario has introduced these initiatives, it must then leverage its position to attract new business and investment by marketing Ontario globally as Canada's first "Smart Province."

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

M. Ontario's planning for Urban Mobility – Smart cities and digital transformation

Submitted by: The Oakville Chamber of Commerce, Burlington Chamber of Commerce, Milton Chamber of Commerce and Halton Hills Chamber of Commerce

Issue

The role of the Province in the application of data and innovative technologies that enable municipalities to establish intelligent transportation networks and optimize urban mobility.

Background

A reliable transportation network is essential for trade, the movement of goods and services as well as people. It is also integral to our province's economic competitiveness.

As our communities become more connected through the collection of data, artificial intelligence and technology, it is vital that we are prepared for the business climate of the future and that we remain competitive with other jurisdictions.

Population growth as well as increased employment growth, is positive for our local economy; however, it also underlines the need for building a resilient transportation network that works for all modes of transportation to supply the movement of goods and people.

A report recently released by the Province signals that the province is positioning Ontario to be a leader in the development, commercialization and adoption of advanced manufacturing and mobility technologies. Supporting new mobility technologies, enhancing the innovation ecosystem as well as supporting research and development and early stage technology development are all measures that will assist communities in their efforts to adopt new technologies.²²³

Beyond providing the legislative and regulatory framework, the province can further connect municipalities and establish a common framework for the development of alternative Connected Vehicle/Autonomous Vehicle scenarios, readiness guidelines, and potential projects. The creation of a dedicated program could further incent municipalities to invest in infrastructure/technological updates within their local jurisdictions, thereby creating a healthy environment for emerging transportation technologies.

It is vital that municipalities engage in the development of a technological transportation system where data from smart infrastructure, transportation networks, and connected vehicles can empower planners, transit agencies, and other municipal leaders to make advancements in urban mobility. The future efficient movement of both people and goods and services will depend on the effective management of a connected infrastructure.

As the industry evolves and becomes a reality, it will become a competitive economic advantage for municipalities that embrace it—and a disadvantage for communities that don't.

The new market for automated and connected vehicles is expected to grow exponentially and large economic benefits are expected. Other regions are not standing still (e.g. United States, Japan and China) and are already adopting strategies for automated vehicles and attracting investment in this field.²²⁴ Companies could soon be including Autonomous Vehicle, connectivity and technology readiness in their decisions on where to locate a business or expand operations.

²²³ Driving Prosperity: The future of Ontario's Automotive Sector, February 14, 2019

²²⁴ On the road to automated mobility: An EU strategy for mobility of the future, Brussels, 17.5.2018

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Encourage municipalities to include adoption of emerging transportation technologies in their short- and long- term “Transportation Master Plans (TMPs)” to ensure that they are prepared for the inevitable arrival of new modes of transportation (such as Connected and Autonomous Vehicles and related transportation infrastructure).
2. Create a dedicated program (e.g. matching funds) that encourages municipalities to invest in infrastructure/technological updates within their local jurisdictions, thereby creating a healthy environment for emerging transportation technologies.
3. Support academic institutions in becoming agile incubators of young talent, encouraging them to develop innovative solutions for mobility and transportation for Ontario’s municipalities through sustainable technologies, as well as investing in research and skills training to meet the future labour demands.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

N. Making the Ontario Energy Board Hearing Process More Accessible

Submitted by: Thunder Bay Chamber of Commerce, Sponsored by Greater Sudbury Chamber of Commerce, Greater Peterborough Chamber of Commerce, North Bay & District Chamber of Commerce, Sarnia Lambton Chamber of Commerce, Sault Ste. Marie Chamber of Commerce, Timmins Chamber of Commerce, and Windsor-Essex Chamber of Commerce

Issue

The current Ontario Energy Board (OEB) framework relating to cost eligibility and cost awards (the framework) makes stakeholder participation prohibitively expensive. As an example, the OEB does not:

- advise parties who are eligible to receive cost awards at the outset of hearings (e.g. proceedings or consultations/policy initiatives)
- guarantee costs associated with participation will be reimbursed; and
- advise parties of the percentage of costs that will be reimbursed.

These costs and the framework are significant barriers to full participation by stakeholders with limited resources. In addition, the Board has pre-determined that certain groups are not eligible for any costs even if they are accepted as an intervenor (i.e. organizations representing municipalities or groups of municipalities).

Background

The Ontario Energy Board regulates electricity and natural gas in Ontario, in part by decisions made during hearings on a variety of energy issues including pricing of energy, regulation of generation and distribution of electricity, and for various energy projects that affect the interests of the business community across the Province.

As currently implemented, the framework relating to cost eligibility and cost awards is prohibitively complex which results in uncertainty and increased expense for stakeholders with limited resources. The OEB has set up processes and guidelines which parties, in hearings before the Board (i.e. participants that want to actively contribute to the decision-making process), must prove that they should be: granted Intervenor Status; deemed eligible to receive cost awards; and awarded an amount of costs. Although the OEB sets the guidelines as noted above, such guidelines are further scrutinized by the OEB and are reviewed using a significant amount of discretion.

The OEB prescribes an avenue for reimbursing some of the costs to participants through separate application processes that are also subject to almost full discretion of the OEB. Organizations or individual participants with limited resources are *advised* to hire legal professionals such as lawyers or paralegals or analysts at their own expense and then apply for reimbursement of the costs that would be calculated according to the OEB's own guidelines. There is no guarantee of what would be accepted as an eligible cost and at what percentage such expense will be reimbursed (if at all). This process is a significant barrier to full participation, especially by groups in small and rural areas with limited cash resources. This can be viewed as discriminatory toward these stakeholders. The Chambers of Commerce across the Province are concerned that public policy is being decided based on who can afford to be at the table for the discussion in the OEB hearings.

An example that illustrates the high cost of participation is the recent OEB hearing about alternative mechanisms for natural gas expansion. A group of stakeholders from Northwestern Ontario registered as intervenors and spent more than \$70,000 to actively participate in the hearing by submitting evidence, arguments or interrogatories (written questions) and by cross-examining witnesses. The decision by the OEB on the issue most important to the group was to uphold the status quo. The application for the

reimbursement of costs associated with the hearing took nearly a year to receive a decision to reimburse 98% of the costs and for those costs to be paid out. There was no guarantee that all the costs incurred by the group would be reimbursed by the OEB's cost award decision.

The vast majority of the OEB hearings are held at their headquarters in Toronto which increases the costs associated with formal interventions by those in rural and remote areas. While the OEB provides telecommunication services (e.g video conferencing) such services, while useful, are not as effective in ensuring a parties positions are integrated into decisions. In addition, many of the applications are extremely technical in nature. As such, organizations that are not in the 'business' of intervening require external expertise to assist them in preparing the material for submitting to the OEB and in examining the materials submitted by the applicant and other intervenors. The more complex the application, the higher the costs that will be assumed. When funding is restricted, or approved at a late stage, the participation will be less diligent in order to reduce costs.

Some of the solutions to mitigate the barriers to participation in the OEB hearings can be found in the National Energy Board (NEB) intervenor process. The intervenors in the NEB process are advised up front of the costs that will be eligible and how much of the cost will be recovered, based on the funds available for that particular issue. The participants can then decide if they will proceed with the application to be a participant in the hearings, and if so, the depth of their participation. The NEB also provides upfront funding to assist with the costs of the participants whereas the OEB process requires that the participants pay for all costs and then apply for partial reimbursement.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario (via the Ontario Energy Board) to:

1. Create a more transparent and predictable process for cost eligibility and cost awards for participation in OEB hearings.
2. Provide sufficient additional funding for participants, ensuring full participation for cost eligible participants in OEB hearings by:
 - a. Providing for an OEB process that takes into consideration the eligible participant's actual capacity to pay for full participation in the OEB hearings and upholds the principle of fairness for all stakeholders; and,
 - b. Providing for OEB to release advanced funding for costs so all eligible participants can benefit from an up-front amount that covers the costs of initializing and participating in the OEB hearings and for experts (if required). A hold-back can be put in place subject to final submission of expenses etc.
2. Amend the cost eligibility and cost awards processes by:
 - a. Advising parties whether they are eligible to receive cost awards at the outset of the hearings and what specific costs they are eligible for;
 - b. Guaranteeing costs associated with participation will be reimbursed; and
 - c. Advising parties of the percentage of costs that will be reimbursed.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

O. Create a Provincial Pandemic-Response Strategy and Plan

Submitted by: Greater Sudbury Chamber of Commerce. Co-sponsored by: North Bay and District Chamber of Commerce, Timmins Chamber of Commerce, Sault Ste Marie Chamber of Commerce, and Sarnia Lambton Chamber of Commerce

Issue

The COVID-19 pandemic has exposed Ontario's vulnerabilities in its response strategy to health pandemics. Over the past year, the province has faced challenges related to its critical health-care supply chains, infrastructure, and other crisis-response tools. The Government of Ontario should conduct a thorough review of its response to the COVID-19 pandemic and develop a pandemic-response strategy to help manage any future health-care related crises.

Background

The COVID-19 pandemic was an unprecedented health and economic shock for which the province, along with the rest of the world, was underprepared. The early days of the pandemic saw communities around the province struggle with procuring critical Personal Protective Equipment (PPE) supplies for not just average citizens, but frontline health care and essential service workers as well. There were reported shortages in N95 masks, gloves, gowns, face shields, and other equipment. The province responded to these concerns by launching a Workplace PPE Supplier Directory in May 2020, but the initial shortages had already delayed Ontario's safe reopening by several weeks.²²⁵

During normal times, Ontario has relied on its trading partners to supply many materials necessary to power the economy, but due to a variety of reasons, those relationships were not enough in the early days of the crisis and left the province at a disadvantage. In early April 2020, Canada's N95 mask orders from American manufacturer 3M were disrupted due to the US President's invocation of the US Defense Production Act; a shipment of masks ordered by the Government of Ontario were held at the US border in April 2020, but later released; and in early May 2020, news reports indicated that N95 masks imported from China did not meet Canadian health standards and could not be used against COVID-19. These situations eroded trust in our trading partners, and should be seen as an indication that Ontario, despite being a trade-reliant economy, should not rely on other countries to supply critical materials needed to combat a health pandemic.

The provincial government acted to address some of these issues, with multiple investments to increase domestic PPE manufacturing capacity, including launching the Ontario Together fund in April²²⁶ and the Workplace PPE Supplier Directory in May.²²⁷

Additionally, the differences between Ontario's various measures to mitigate the spread of the virus, including states of emergencies, stay-at-home orders, business regulations, etc., and that of other neighboring provinces like Quebec has also contributed to the entire country's response to COVID-19. The level of coordination between provinces and the federal government in communications and response strategies, including supports for businesses, has led to public confusion, and ultimately some erosion of trust among citizens and businesses.

²²⁵ <https://news.ontario.ca/en/release/56954/ontario-announces-additional-workplaces-that-can-reopen>

²²⁶ <https://news.ontario.ca/en/release/56537/ontario-joins-forces-with-the-private-sector-to-fight-covid-19>

²²⁷ <https://news.ontario.ca/en/release/56954/ontario-announces-additional-workplaces-that-can-reopen>

Various factors led to a delay in the provincial, and national, rollout of the COVID-19 vaccines. The federal government is procuring these vaccines from manufacturers while the provinces are administering it to the population. Despite the federal government signing contracts for multiple doses of vaccine per citizen, vaccine supply shortages still remain an issue as we enter 2021. Part of the reason is the inability to manufacture the vaccine domestically. The province should consider policies to encourage domestic manufacturing of critical, pandemic-related supplies, including vaccines.

Business are doing their part. Many businesses across the country showed organizational flexibility and modified their operations in response to COVID-19 to produce needed PPE equipment. But these were emergency responses to an unprecedented situation, and may not continue in the long-term after recovery, unless there is clear incentive to do so. These businesses may need support from the provincial government to continue such operations, and the Ontario Together fund has a key role to play in this.

The absence of a comprehensive strategic response to the pandemic has led to a difficult response to the pandemic, particularly in the second wave where confusing directives have made public compliance more difficult. The Government of Ontario should ensure these issues are mitigated in the future through the development of a pandemic-response strategy that can be relied upon in any future health-related crises. Part of this should be to conduct a comprehensive review of Ontario's response to COVID-19, and identify opportunities for improvement, inter-provincial partnerships, and plans for improved coordination with the federal government.

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government to:

1. Conduct a comprehensive review of the Ontario's response to COVID-19, with the aim of identifying opportunities for improvement, inter-provincial partnerships, and improved coordination with the federal government.
2. Engage the business community to create a provincial pandemic-response strategy to effectively respond to future health-related crises, paying particular attention to regulatory changes, infrastructure investments, communication strategies, etc., to ensure that business restrictions remain the last resort.
3. Review the performance of the Ontario Together fund and Supply Ontario and potential for expansion into a permanent investment fund for building capacity for domestic manufacturing of critical pandemic-related materials, including PPE, vaccines, and other related medical materials.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

P. Establishment of the Provincial Termination Severance Fund

Submitted by: Vaughan Chamber of Commerce and Newmarket Chamber of Commerce

Issue

Without Government intervention, multiple businesses are liable to enter insolvency once a final date is set for the *Employment Standards Act, 2000* (“ESA”) temporary layoff date, and then resulting termination date.

Background

Understanding the severity of the COVID-19 pandemic on struggling SMEs, the Provincial Government has delayed the start of temporary layoff periods prescribed under the ESA²²⁸, with the current delay due to expire on July 3, 2021²²⁹. Moving this date has ensured that businesses do not have to worry about the length of time that an employee is placed on a temporary layoff, thereby avoiding the necessity of having to pay statutory termination pay and severance pay pursuant to the ESA should the employee not be recalled to work within the prescribed time limits under the legislation.

While prudent Government policy after the pandemic should assist in an economic recovery, there will still be many unable to recover and permanent job losses. This will particularly be true in some of the hardest-hit sectors such as tourism, hospitality and retail. Such companies will be at risk once the Provincial Government decides to finalize the end of the delayed start of temporary layoff period. At this point, businesses which cannot recall employees to the workplace will effectively be on a temporary layoff pursuant to the ESA, and if not recalled within the prescribed time limits, necessitate the payment of statutory termination pay and severance pay, which can be as high as 34 weeks of wages. Should the July 3rd date remain, multiple companies will go under between the second half of 2021 and the first half of 2022 when they are required to pay the statutory amounts pursuant to the ESA.

The Government could continue to delay this date but there may be a challenge to this through the courts. An employee could challenge the temporary lay-off period in the courts, by arguing that the layoff is the equivalent to a constructive dismissal, which would require their employer to provide them with common law notice. Both due to the aforementioned common-law challenge and public opinion, the government will need to prepare for this layoff period once the pandemic has ended.

While the Federal Government has established some loans, there will still be several companies that require long-term relief. The CEBA²³⁰ loan provides too small a sum to cover costs, whilst the HASCAP²³¹ requirements are too limited to cover all businesses. The Federal Wage Earner Protection Program²³² does provide compensation in cases of business insolvency when wages or outstanding severance payments but the sum provided is minimal.

Accordingly, companies that are unable to claim this support and unable to recall employees from a temporary layoff due to the downturn in the economy will eventually have to provide statutory termination pay and severance pay. This will likely result in insolvency for several of them. Businesses remaining open is central to

²²⁸ <https://www.ontario.ca/laws/statute/00e41>

²²⁹ <https://www.ontario.ca/document/your-guide-employment-standards-act-0/termination-employment#section-2>

²³⁰ <https://ceba-cuec.ca/>

²³¹ <https://www.bdc.ca/en/special-support/hascap>

²³² <https://www.canada.ca/en/employment-social-development/services/wage-earner-protection/employee/eligibility.html>

any provincial economic recovery and is imperative that those unable to afford statutory payouts are provided with a support mechanism to keep their doors open.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Establish a Provincial Termination Severance fund or to support businesses that may enter insolvency, either by covering the costs of statutory termination pay or severance pay on a retroactive basis to March 15, 2020, until a date to be determined in consultation between employers and government.
2. Work with the Federal Government, CRA, and financial institutions to understand which companies have fallen through the cracks of the HASCAP, specifically those who have seen less than a 50% decline in revenue.
3. Work with the financial institutions of businesses to disperse funding easily in accordance with previous government programs.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

Q. Implementing Virtual Healthcare in Ontario

Submitted by: Vaughan Chamber of Commerce and Newmarket Chamber of Commerce

Issue

Virtual healthcare in Ontario lacks sufficient direction and funding to effectively operate despite the current gaps present in the system.

Background

The Government of Ontario has recognized the benefit of this support by announcing a \$14.5 million²³³ investment in the growth of virtual care throughout the Province. While this initial investment represents an important first step in funding virtual health, there will need to be further investments made by the Government to effectively develop this form of healthcare. The first steps are in place with Ontario's Digital Health First Strategy, announced in November 2019.²³⁴ However this strategy needs to be developed beyond its current iteration, which is too broad in scope to be actionable.

This issue has been highlighted by the COVID-19 pandemic, which has exposed gaps in Ontario's healthcare system. A focus on closing these gaps to improve wellness of our communities will be key to enabling better health and a more productive workforce. This means ensuring the right services are in place, with the appropriate mechanisms to enable access and equity across our communities, while empowering people with the information and tools to proactively self-manage their health.

We have seen a recent rise in the use of remote care to connect patients with the supports they need, with a global rise of roughly 130% over a four year period, even prior to COVID-19²³⁵. As we look to the future, this will be a key area for growth to enable self-management, access to care, improved patient experience and better health outcomes. The current limitations in the way care is delivered can contribute to longer wait times and challenges in getting resources needed. Digital health capabilities can break down these barriers by enabling people to take greater control of their care and access many services from their home environment.

For example, instead of providers directing where a patient should go through a referral, patients could be given the choice and resources to make an informed decision on where to seek care, with opportunities to access providers across the system and not just within their local region. Modernized digital referral systems can also allow patients to track progress on referrals, minimize time for processing, and help to centralize specialty procedures to level-load demands and improve timely access to care.

Similarly, with respect to medication management, this can mean providing patients a common platform to find where their medications are available, put in orders, and have prescriptions sent to their home. This platform should be developed to complement other modalities including phone-in access and video interactions to ensure ease of access for patients. Many vulnerable populations currently have difficulties accessing medications, resulting in poor outcomes and preventable escalations in care. Improved mechanisms to get the resources people need at home can enable better adherence to care plans and help shift the current system towards a preventative approach to health. To enable these types of services and ensure equal access for our communities, it will be important to ensure the affordable infrastructure is in place, such as high-speed broadband internet²³⁶. While healthcare is mentioned in the *Broadband and Cellular Action plan* it is primarily

²³³ <https://news.ontario.ca/en/release/59437/ontario-expanding-innovative-home-and-community-care-services>

²³⁴ https://www.health.gov.on.ca/en/news/connectedcare/2019/CC_20191115.aspx

²³⁵ <https://lumeca.com/is-telemedicine-actually-more-affordable/>

²³⁶ <https://occ.ca/wp-content/uploads/COVID19-Policy-Brief-Virtual-Care-final.pdf>

targeted at rural communities²³⁷. While this scope will support virtual care, it will also need to be adapted in urban municipalities to ensure a Provincial ease of access. This could involve providing free high-speed access in public spaces to ensure local supports for those who cannot otherwise afford these resources.

By adapting the way in which care is delivered and enabling access to health resources across the system, community members can be empowered to manage their care, with information at their fingertips to make informed care decisions and connect to the services they need. This proactive approach to care can make it easier and faster to connect to care supports, contributing to healthier communities.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Review the current Ontario Digital Health First Strategy to discern how best to implement virtual healthcare. This review should ascertain which areas of health care have the capacity to shift to a virtual setting.
2. The Government must then develop a reasonable funding estimate to support the transition to virtual health for compatible areas. Priority should be given to areas such as a digital referral system and remote medication which would benefit from a move to a virtual platform.
3. The Province must undertake a review to focus on understanding what the broadband requirements are to support virtual healthcare. Sufficient broadband will be essential to delivering virtual healthcare across multiple modalities.
4. Ensure the requirements of the healthcare sector are incorporated into the recently announced broadband funding.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

²³⁷ <https://www.ontario.ca/page/speed-ontarios-broadband-and-cellular-action-plan#:~:text=Invest%20in%20a%20new%20broadband,and%20promotes%20innovative%20industry%20partnerships>.

R. Improving Long-Term Care Services Across Rural and Northern Ontario

Submitted by: Greater Kitchener Waterloo Chamber of Commerce, Port Hope & District Chamber of Commerce, 1000 Islands Gananoque Chamber of Commerce

Issue

The costs of providing Long-Term Care (LTC) services create significant pressures on municipal financial resources particularly across many rural communities.

The Rural Ontario Municipal Association, the Eastern Ontario Wardens' Caucus, the Federation of Northern Ontario Municipalities, the Northeastern Ontario Municipal Association, and the Northwestern Ontario Municipal Association have advanced a series of measures to provide these services within a more efficient and cost-effective delivery model.

Background

Municipalities operate almost one in five Long-Term Care institutions across Ontario which are home to one of four residents receiving related services.

The Rural Ontario Municipal Association (ROMA) claims there are not enough LTC beds to meet demand and provincial funding has not been maintained at a consistent level. The ability to access a bed in non-urban areas is essential and should be a major component of the universal planning process for allocation across Ontario.

Municipalities contribute more than \$350 million annually in excess of the provincial funding operating subsidy, not including capital costs. The municipal property tax base is not a sufficient or fair source to support Long-Term Care delivery.

On November 2, 2020, Premier Ford accompanied by former Finance Minister Rod Phillips and Long-Term Care Minister Merrilee Fullerton announced that personal care to each Long-Term Care resident across Ontario will be increased to four hours daily. Direct hands-on delivery is generally provided by nurses or personal support workers for individual clinical and personal care requirements.

A commitment was also delivered by the Ministers to work in collaboration with all partners including labour, education, and training providers to advance significant changes across the Long-Term Care sector including the four hour per day commitment.

In early February of 2021, the Eastern Ontario Wardens' Caucus (EOWC) released a report on LTC facilities and proposed five recommendations to improve the efficiency and effectiveness of service delivery including:

- increased direct care funding to achieve the provincial benchmark of the four-hour care model;
- transitioning to a per-bed funding model for more transparency;
- increased provincial capital funding predictability and providing on-going support for capital maintenance;
- supporting resource sharing between institutions;
- improved processes to increase efficiency and cost effectiveness.

A four-hour model will allow the recruitment of additional staff and financial stability to improve the quality of service and increase daily direct care for each resident. The EOWC shares the provincial objective of expanding the number of LTC beds across Ontario along with reducing red tape.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Review major issues such as staffing, governance, regulations, inspections, and infection control measures to ensure a cost-effective LTC delivery model for municipally-run LTC.
2. Ensure adequate, predictable, and stable multi-year LTC funding.
3. Increase direct care funding to ensure the four-hour care objective.
4. Implement a per-bed funding model.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

S. Managing High Water Levels on Lake Ontario

Submitted by: Quinte West Chamber of Commerce. Co-sponsored by: Belleville Chamber of Commerce, Prince Edward County Chamber of Commerce, 1000 Islands Gananoque Chamber of Commerce and Port Hope and District Chamber of Commerce

Issue

The high water levels in Lake Ontario have caused extreme flooding in the spring extending through the summer months, affecting businesses, municipalities and property owners along the Lake Ontario shoreline and St. Lawrence Seaway on both sides of the border. This flooding was especially significant in 2017 and 2019 and there is a moderate risk of high water and more flooding in 2021 according to the International Lake Ontario St Lawrence River Board Dec 11 2020 press release. While the International Joint Commission has made improvements to the implementation of Plan 2014 and is now allowing deviations from the plan; more needs to be done to protect shoreline property and work closer with lakeside communities.

Background

On December 08, 2016 the Commissioners of the International Joint Commission (IJC) signed an updated order of approval for the regulation of water levels and flows in Lake Ontario and the St. Lawrence River. **(Instituted to replace plan 1958D)**

The updated order makes it possible for the IJC to approve Plan 2014, a new regulation plan for determining the flows through the Moses-Saunders Dam located on the St. Lawrence River between Cornwall, Ontario and Massena, New York. The updated order and plan were intended to replace what was believed to be an outdated system of regulating flows developed in the 1950s.

While the intention of Plan 2014 was to protect shoreline property and retain the environmental conditions and coastal protections on the lower St. Lawrence River, the water levels have peaked to 100-year flood levels and caused millions of dollars in damage. While there was a need to maintain water levels through the summer, the new plan did not seem to be prepared to handle unexpected weather patterns.

The plan has failed to improve ecosystem health and diversity on Lake Ontario and the upper St. Lawrence River or provide net economic benefits anticipated. While Plan 2014 is the result of more than 16 years of scientific study, public engagement and governmental review, it has failed to accomplish its intended goals and caused catastrophic damage in its continued implementation. There are calls from both sides of the board for the IJC to develop a comprehensive plan to assess and improve Plan 2014.

The International Joint Commission is not transparent and was slow to respond to requests by municipalities, property owners and government bodies to discuss the impacts of Plan 2014. **(Report from the U.S. Government Accounting Office GAO 20-529)**

In 2020, after public and political pressure was applied, the IJC made big strides in allowing deviations from the plan to lower the water in Lake Ontario; many believe this avoided flooding in 2020. In Dec of 2020, they reduced their board to six members including three from the United States and a representative each for Canada, Quebec, and Ontario. It also announced at the same time they are establishing an advisory group of stakeholders and Indigenous communities to report their perspectives directly to the commission. While this is a step in the right direction, the lack of transparency, communications, and consultation with shoreline communities about their plans continues to be a problem.

“Trenton Cold Storage Inc., a 117 year old business at the mouth of the Trent Severn Waterway, is experiencing more than \$400,000 in direct costs as a consequence of the high water in 2019. The high water is a government made problem because of the flawed decision-making and processes which adversely

impacted all land owners above the Moses Saunders Dam, for the benefit of landowners below the Moses Saunders Dam, as a consequence of Plan 2014,” stated Eben James Junior, owner of Trenton Cold Storage Inc.

“Crate Marine Belleville estimate our loss at \$50K in labour and materials to deal with all the things associated with high water levels in 2017 & 2019, not including the loss of customers,” said Jim Bell, operations manager at Crate Marine.

Insurance companies cover overland flash flooding but not damage from standing water and the wave damage from standing water. To date some businesses and individuals report having paid out over \$70,000 for repairs and mitigation with lands still needing to be relandscaped completely.

Property Owners want to ensure that Conservation Authorities issue Emergency Permits within 24 hours as they can be delayed due to workload during flooding. The Province should outline the type of work that can be completed during flooding to ensure property owners do not face permit delays and potential fines from their actions.

Hon. John Yakabuski, Minister of Natural Resources and Forestry commissioned a report called An Independent Review of the 2019 Flood Events in Ontario. The report, completed by Douglas McNeil, P.Eng. McNeil Consulting Inc. made three recommendations concerning the IJC.

Recommendation #55 That the International Joint Commission, the Ottawa River Regulation Planning Board, and Ontario Power Generation make their detailed information about their flood operations readily available on their respective websites.

Recommendation #56 That the International Joint Commission consider meeting with interested stakeholder groups and individuals to explain in considerable detail how their structures are operated.

Recommendation #57 That the International Joint Commission consider creating specific “2017 Flood” and “2019 Flood” buttons for their home webpage and populating those pages with detailed information on the floods and their operations, as well as providing direct links to related reports.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Work with the Federal Government to:
 - a. Ensure the International Joint Commission (IJC) provides more transparency and better communications & consultation with impacted groups in Ontario.
 - b. Develop a comprehensive plan to assess and improve Plan 2014.
 - c. Ask the IJC to fully implement recommendations 55 – 57 of the 2019 Flood Events in Ontario Report.
2. Allow municipalities to access Provincial aid without the need to declare a state of emergency.
3. Direct Conservation Authorities to issue emergency permits immediately upon request to allow property owners greater leeway to protect their shorelines during high water without the delay of a permit process and potential fines.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

T. Province of Ontario Oversize/Overweight Permits

Submitted by: Tillsonburg District Chamber of Commerce

Issue

The Ontario Provincial Oversize/Overweight Permit System is very complex making it difficult for companies to comply when their vehicles travel throughout Ontario's county roads that are not designated as King's highways.

Background

Most companies do not understand the requirements of the permit system. A provincial oversize/overweight permit costs a business \$448.75 annually and is valid ONLY for King's highways. This cost is considered very reasonable.

Alternatively, a business can also purchase a single "trip" permit valid for a limited timeframe with costs varying between \$66.25 to \$714 depending on distance travelled and weight of the load carried.

Since the provincial permit is valid for King's Highways only, in some cases businesses must also purchase county oversize/overweight permits as well as permits from the "lower tier" municipalities in that county.

This current system forces a business to contact each county and municipality that maintains the roads their vehicles will be travelling on to determine the trip permit process and requirements. This is a very inefficient, time consuming and complex process.

It is a burden to small and medium sized companies (SMEs) that require oversize/overweight permits to fulfill their obligations to their clients. Ontario companies affected are: excavating companies, construction companies, farm machinery dealerships, agricultural suppliers, for example.

Complexity Highlights

The regions of the Province of Ontario contain 23 Counties with 211 "lower tier" municipalities embedded within the 23 Counties. And, there are 11 single tier municipalities (i.e. Brantford-Brant, Toronto, Ottawa, Chatham-Kent, Haldimand, etc.); which leaves a total of 245 potential contacts for permits.

Considering these statistics, business owners must know what municipality maintains the particular road their vehicles will be travelling on in order to legally transport equipment. To determine this, a business would need access to an entire database of Ontario roads and who maintains/owns them.

In our research, most businesses did not know their compliance requirements; and only one knew that County permits were required but did not know about the lower tier municipal permits.

In speaking with local businesses who were stopped and charged multiple times in the past 15 years, the fines were at least \$500.00. It is their feeling that it is cheaper to pay the fine than to spend the time to acquire the necessary permits.

In summary, the current oversize/overweight permit system is a barrier and a financial burden for companies in Ontario to do business.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Investigate the opportunities available to create a one-permit system for wide, high, and heavy loads to navigate throughout Ontario's roads regardless of the regions, counties or municipalities vehicles must travel through.
2. Develop a database with a real-time, interactive map with each municipality's rules, restrictions and information to provide businesses with a centralized hub for all permit information.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

U. Rapid Testing in Workplaces

Submitted by: Mississauga Board of Trade

Issue

Many workplaces would be pleased to offer rapid testing for COVID on site but regulations require only very specific health professionals to be allowed to administer the test making rapid testing in the workplace difficult and in some cases costly.

Background

The COVID pandemic has significantly changed how workplaces function particularly those deemed essential for in-person work. Employees and customers required to work in a specific business location are susceptible to getting COVID due to the close proximity to fellow workers and layout of the workplace.

One of the ways identified to control the acquisition and spread of COVID is through effective and regular testing. Workplaces are an ideal location for rapid testing to identify positive cases of COVID, isolate the individual and ensure they do not enter the workplace.

Regulations however only permit certain health care professionals from administering the nasopharyngeal swab required for a rapid antigen COVID test, meaning many businesses simply cannot offer the test due to availability of health care professionals or the cost of employing these professionals in a 24/7 operation.

Manufacturers of the COVID rapid tests can train any person to administer and operate a testing machine and have indicated their willingness to do so. Therefore, businesses could arrange for employees within the business to receive the appropriate training and be certified to administer the rapid COVID test and interpret results.

Positive results of the test for an individual would be reported to the local Public Health Unit for the appropriate follow-up and action. The individual would receive on site counselling and be referred to a facility to receive a PCR (Polymerase Chain Reaction) test which is the gold standard for detecting COVID-19.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Amend the necessary regulations within the Ministry of Health to allow delegation of authority to non-medical professionals, who are trained to administer a nasopharyngeal swab and interpret rapid antigen COVID test results in the workplace.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

V. Resolving Business Ineligibility for COVID-19 Assistance Programs

Submitted by: Greater Kitchener Waterloo Chamber of Commerce, Cambridge Chamber of Commerce

Issue

Ontario businesses applying for COVID-19 assistance require an expedient solution and process for resolving eligibility and ineligibility issues.

Background

The Canadian Manufacturers & Exporters, in their 2020 report *Manufacturing our Future: Leveraging Manufacturing for Long-Term Canadian Prosperity* noted that governments must continue to refine and expand support programs to business for ensuring economic stability. The organization proposed a rapid arbitration process for companies where there are disagreements in COVID-19 financial assistance relief program qualifications.

Businesses that are designated essential and open for personal services such as dry cleaning have experienced significant revenue drops but generally do not qualify for assistance since they are available for regular customer service. Applicants that have either opened or purchased a business between 2019 and 2021 experience chronic challenges in accessing funding programs originating from the verification of revenue declines.

A February 3, 2021 CTV News report indicated there were potentially 56,000 applicants awaiting decisions on assistance from the Ontario Small Business Support Grant. The provincial response was that some applications require “further review.”

The Ontario Restaurant Hotel & Motel Association (ORHMA) wrote to the Ontario Minister of Finance on January 18, 2021 requesting that accommodation establishments secure eligibility for the small business grant. Restaurants and bars are eligible however hotels are not.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Establish a rapid arbitration process for Ontario businesses applying for COVID-19 relief where there are disagreements on provincial program qualifications.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

W. Responsible Business Protocol

Submitted by: Greater Peterborough Chamber of Commerce. Co-sponsored by: Brampton Board of Trade, Barrie Chamber of Commerce, Greater Sudbury Chamber of Commerce, Milton Chamber of Commerce, 1000 Islands Gananoque Chamber of Commerce

Issue

There is significant evidence that the current system of closing businesses based on the products they sell or services they offer is damaging Ontario's economy and forcing businesses to close permanently. An equitable set of safety standards for all businesses to adhere to in order to remain open will help our economy and save businesses from closure while maintaining public safety.

Background

Compliance with safety standards is an integral part of running a business. It impacts every size and sector, from retail and restaurants to construction and manufacturing. The primary reason Ontario businesses are leaders in workplace safety is to protect their employees and customers. Compliance with regulations that continue to evolve is taken seriously. Businesses are accustomed to having their ability to operate depend on their compliance with current safety standards.

Businesses in Ontario follow the Occupational Health and Safety Act closely or face penalties that can include jail time and fines of \$100,000 for individuals and \$1.5 million for corporations. They work within the Workplace Safety and Insurance Act, Human Rights Code, Canada Labour Code, Ontario Fire Code, Liquor Control Act, Ontario Building Code, Health Protection and Promotion Act of Ontario, and more, each with their own set of financial penalties and potential restrictions to conduct business.

Currently, businesses are being shut down or forced to significantly change their service model not because of their adherence to safety protocols, but because of the products they sell or the services they offer. This shuts down some businesses while allowing others to operate with very few restrictions.

The result is a process that has significantly damaged the economy. People have not stopped shopping, resulting in a system that favours large international department and online retailers over Ontario-based businesses.

To both support the economy and keep Ontarians safe, the system defining which businesses are essential requires reform. Restrictions should hinge on compliance, not solely on perception of essentiality, sector, size, product etc. Businesses that can provide evidence of compliance with COVID-19 health and safety protocols should not be ordered under the same operating restrictions as those that are non-compliant.

The Ontario Chamber of Commerce is confident that businesses and lawmakers can work together to create an equitable framework where businesses can operate in compliance with new safety protocols that will both help Ontario work toward the eradication of COVID-19 and provide sustainability and consistency to the business community.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Establish a Safe Operating Framework with a uniform and equitable set of safety standards, in line with the Occupational Health and Safety Act, for all businesses regardless of products/services or

establishment size — not based on a perception of essentiality — enabling businesses to continue serving the public during a health crisis, including the current COVID-19 pandemic.

2. Establish a Community Contact Reduction Framework that applies the same capacity limits for all public-facing businesses, based on regional virus spread, identifying a clear framework for reducing individual contacts.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

X. Restoring Democracy in Ontario's Workplaces

Submitted by: Greater Sudbury Chamber of Commerce. Co-sponsored by: Sault Ste Marie Chamber of Commerce

Issue

The *Labour Relations Act, 1995* creates a legal regime which unduly favours union certification, instead of neutrally regulating the process. The card-based certification process is undemocratic and should be repealed; there should be more options to appeal the decisions of the Ontario Labour Relations Board; and there should be options for employers to seek recompense in failed certification cases.

Background

It is time for the *Labour Relations Act* to be overhauled, with the aim of balancing the rights of employers and employees. The current regime unduly favours union certification and allows for underhanded union organization tactics, with limited opportunities for the will of employers and individual employees to be heard in the process.

Card-Based Certification:

Under Ontario's current labour legislation, a card-based system means that the Ontario Labour Relations Board can order a vote on union certification in construction-industry workplaces if more than 40 percent of employees have signed membership cards to join the union, and furthermore, if more than 55 percent of employees have signed cards, the Board can order certification of a union without a vote at all.

Card-based certification makes employers particularly vulnerable as certification is based on those working on the date of application. This means that automatic certification will apply even where 55 percent of the employees at work on the date of application constitute a minority percentage of the employer's total workforce (i.e., 10 employees working on the date of application to the Board could theoretically unionize an overall workforce of a 100). Union strategies can also include the use of "salts" (individuals sent by the union to seek employment for the sole purpose of bringing a union to the workplace) to certify companies against the will of regular, longer-term employees by bringing forward applications on a day where it is known that only a few employees are working.

Secret ballot voting safeguards employees from intimidation or pressure from union organizers or employers and helps ensure their true opinion is represented – this logic is accepted in election voting around the world in democratic countries. While a secret ballot vote is conducted in a neutral environment by the Labour Relations Board, the collection of signatures on union membership cards is controlled entirely by union leadership. Union organizers can pressure employees to sign union cards without communicating the actual purpose of those signatures, and can submit applications with cards that do not reflect the true wishes of some signees. Under the current legislation, there is no means to address abuse and fraud by union organizers during an organizing drive.

Card-based certification is undemocratic, threatens economic prosperity and significantly shifts the balance in certification votes in favour of organized labour. Since there is no evidence to suggest that secret ballot voting does not allow employees to express their wishes, and significant risk that card-based certification does just that, the provincial government should eliminate card-based certification and repeal Section 11.2.c of the

Act, which permits the Ontario Labour Relations Board to automatically certify a trade union without a secret-ballot vote taking place under certain circumstances.

Adjudication at the Ontario Labour Relations Board:

Under current legislation, the Board is composed of a chair, one or more vice-chairs, and an equal number of members representing labour and management. Section 110.14 authorizes the chair or vice-chairs to hear cases alone rather than in a panel if the chair considers it advisable to do so; in practice, this is often the case. Additionally, there are limited opportunities to appeal a vice-chair's decision, and if a request for reconsideration is brought forward, it is often determined by the same vice-chair that issued the initial decision. The province should amend the Act to remove Section 110.14 to ensure that a panel of Board vice-chairs and members hear each application, similar to other Ministry Boards; the province should also allow for a more responsive appeals process.

Failed Certification Applications:

Under current legislation, in cases where the Board holds a secret ballot vote in a workplace and the union receives 50 percent or less of ballots cast, the certification is deemed to have failed. Section 10.3 of the Act prohibits the Board from considering another application by the same bargaining unit for a period of one year. A certification application is costly, time-consuming and a distraction from the business's operations, and a grace period of one-year is not enough time for a business to recover from the legal proceedings of an attempted union certification. The reapplication ban should be extended from one year to five years.

Additionally, the legislation does not allow for any cost recuperation in failed certification cases, unlike other lawsuits. Such a recourse should be included in the legislation. Without such a provision, there is no disincentive for union organizers to bring forward applications year after year.

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government to:

1. Eliminate the card-based certification system for union certification.
 - a. Notwithstanding recommendation 1, the threshold for automatic certification should be raised from 55 percent of the workforce on the day of application to at least 66 percent of the employer's entire workforce.
 - b. Notwithstanding recommendation 1, allow employees a "cooling off" period of at least three business days to dispute the voluntariness of the signature on their union card or their continued interest in membership notwithstanding its use in any application.
 - c. Notwithstanding recommendation 1, repeal Section 11.2.c. of the *Labour Relations Act*.
2. Repeal Section 110.14 and mandate that cases be adjudicated by a panel of Ontario Labour Relations Board chair members, with balanced representation from management and labour representatives, instead of a single Vice Chair to encourage a fair and equitable adjudication process.
 - a. Introduce an appeal/reconsideration process that includes a specific response date and allows for the appeal to be heard by a different Vice Chair or panel than the one that issued the initial decision.
 - b. Introduce a triage system under the Vice Chairs or panels that determine the preliminary viability of any application, including unfair labour practice applications, similar to application processors in the Human Rights Tribunal.

3. Amend Section 10.3 of the Act to extend the bar for reapplying for certification from one year to five years.
4. Amend Section 77 to read that “*no person shall attempt at the place at which an employee works to persuade the employee during the employee’s working hours to become or refrain from becoming or continuing to be a member of a trade union*”; and introduce a remedy that where a membership card is signed in violation of this section it cannot be relied upon in a certification application.
5. Mandate that union organizers be required to communicate clearly to employees the purpose and impact of their card signature during their organization campaigns, including union dues, restrictions on working for non-unionized employers, and their use in a certification application in the employee’s current workplace; the certification cards should include an acknowledgement via a signature that this information has been communicated to the employee.
6. Introduce a mechanism that allows for legal costs recuperation in failed certification cases.
 - a. Introduce a filing fee for certification applications and unfair labour practice applications.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

Y. Small Town Ontario – How to deal with the problem of Brownfield Sites

Submitted by: Napanee and District Chamber of Commerce

Issue

Brownfield sites are an endemic blemish on small town Ontario. For larger jurisdictions with their higher tax base resources and their higher property values, dealing with these Brownfield sites is an easier task. These municipalities have the tax-based resources to investigate and apply available resources, so an action plan for dealing with Brownfield sites can be created and communicated to those interested in developing these properties. Plus, because property values are significantly higher in these larger jurisdictions, and the financially viable alternative uses to which a remediated Brownfield site can be converted allows for an appealing return on the remediation investment, many Brownfield sites in these larger centres are being converted.

With smaller towns and villages, these conditions do not exist, so the Brownfield sites are left unaddressed. Any development in these towns is moved to the fringes of the town, consuming, as often as not, fertile agricultural land and diverting consumers away from the downtown core. The downtown cores already have the infrastructure (electricity, water, sewer, streets, etc) that these ‘edge of town’ sites do not, and which have to be created in order for these sites to be used for development. Rather than building on the fertile farmlands around the towns, it makes much more sense to utilize the space within the towns that is already available for development. Instead, we are allowing devolution of these municipalities into decrepit ghost towns, with councils and local citizen groups constantly trying to regenerate their towns despite the open Brownfield sores that make regeneration a losing proposition.

Background

Brownfield sites are those that may be contaminated, often due to a previous use, and which may require remediation before they can be developed and used. The cost for assessing the contamination status of the property and, if necessary, rehabilitation of that property can be extensive. When in a smaller town, the value of the property post-rehabilitation typically does not justify the expense of rehabilitation. These properties are left to further decay and besmirch the downtown cores – the downtown core is the town’s heart in these smaller communities. Consequently, these communities across Ontario are dying. This needs to be fixed.

Small towns in Ontario are in this situation with Brownfield sites through no fault of their own. Main street Ontario was developed before current environmental laws and policies were put in place. The Brownfield issue is a consequence of this historic ‘changing of the rules’ combined with the lower property values that demotivates remediation.

Regeneration brings back the historic façade of a downtown core – this is not possible with these Brownfield blemishes. A side benefit of healing this Brownfield site issue is the impetus that it provides for neighbours to enhance their properties, further adding to the appeal of these downtown cores – all this further adds to the municipalities’ tax bases.

COVID-19 has led to an increase of individuals from larger centres moving to smaller communities, drawn by the desire for a better quality of life, spurred by the increased opportunity to work from home. Clearing up these Brownfield sites increases the options for those migrating from the larger centres and makes the smalltown life a more appealing option.

The submission by the Greater Barrie Chamber of Commerce (Effective Date: May 4, 2019 and Sunset Date: May 4, 2022) outlines a proposal that Brownfields Legislation be overhauled to make it effective for dealing

with these Brownfield rehabilitations rather than discouraging people and companies from dealing with properties that have potential contamination problems. This is critical, and we certainly support that OCC initiative. Our concern is that the smaller jurisdictions will still be left out in the cold for the reasons previously mentioned.

The purpose of this submission is to focus on the many smaller Ontario communities with Brownfield issues by giving them a resource to deal with Brownfields (a resource that provides a roadmap for creating a Brownfields strategy), and outlines what financial support alternatives are available. By providing this information in a format that is easily accessible to small towns, and easy to apply, more smaller jurisdictions will be able to develop plans for rejuvenating their downtown cores and help their towns to thrive.

This, of course, does not remove the need for advocacy and lobbying. It does add the need for addressing the unique situations many of these smaller municipalities are facing with regards to dealing with these Brownfield sites. This must be incorporated into the lobbying strategy. Brownfields Legislation needs to be augmented to be more supportive of initiatives in these smaller jurisdictions.

These smaller towns need:

- A clear prescription for alternative ways that the issue of Brownfield Sites can be and has been addressed,
- An easy to access list of government resources regarding Brownfield sites, and a user-friendly process whereby these can be accessed, and
- An indication of what government planned initiatives are in the works to assist in resolving this Brownfields issue.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. As part of an overhaul of the Brownfields Legislation, as proposed by the Greater Barrie Chamber of Commerce, the unique challenges faced by Ontario's smaller communities be addressed; and
2. Create a clear, easy to access process wherein the smaller jurisdictions can establish protocols to positive address and overcome the Brownfields problems these jurisdictions face.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

Z. Supporting Industry Use of Biochar as a Tool for Climate Change Mitigation and Soil Management

Submitted by: Timmins Chamber of Commerce

Issue

Biochar is the solid remains of any organic material that has been heated to at least 350 degrees Celsius in a zero-oxygen or oxygen-limited environment, which is intended to be mixed with soils. If the solid remains are not suitable for addition to soils or will be burned as a fuel or used as an aggregate in construction, it is defined as char, not biochar. There is a very wide range of potential biochar feedstocks, e.g., wood waste, timber, agricultural residues and wastes (straws, bagasse, manure, husks, shells, fibres, etc.), leaves, food wastes, paper and sewage sludge, green waste, distiller's grain, and many others.

Background

Biochar is created using a process called pyrolysis. Organic waste such as wood chips, agricultural byproducts or switchgrass is burned in the presence of little or no oxygen, yielding oil, synthetic gas (known as syngas), and a solid residue resembling charcoal. It is charcoal, except that the point is not to burn it but to bury it. The pyrolysis process can be tweaked, with "slow pyrolysis" yielding more biochar and less oil and gas, and a faster version — seconds rather than hours or days — lowering the biochar product and upping the bio-energy side of the equation. In some systems, the syngas and oil can be used as a fuel to run the pyrolysis reaction, meaning it requires no external energy source beyond the organic waste itself. Proponents point to two completely distinct benefits to burying biochar.

The first is biochar's ability to store carbon in a stable form, preventing the CO₂ from organic matter from leaking into the atmosphere, where it contributes to climate change. Biochar also enriches the soil, which improves food security in developing countries and crop production almost anywhere. The details on the benefit to soil are still being researched, but in certain soil types, burying biochar can improve crop yields by improving water retention and moderating the soil's pH, or acidity.

Creating biochar reduces CO₂ in the atmosphere because the process takes a theoretically carbon-neutral process of naturally decaying organic matter and turns it carbon-negative: When plants decay, they emit CO₂, which other plants eventually absorb, and the cycle continues. Biochar stabilizes that decaying matter and accompanying CO₂ and puts it in the ground to stay for — potentially — hundreds or even thousands of years. With supposedly enormous potential to help slow global warming, this idea has drawn an impressive array of supporters toward biochar. Among its most vocal proponents is James Lovelock, founder of Gaia theory, who has touted biochar as the way to save the planet.

As the commercial biochar field begins to take off, the idea is also getting attention from policymakers.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Fully fund research-based projects that seek to understand how biochar offers high potential as a climate change mitigation technology.
2. Carefully design projects, policy frameworks, and agricultural extension advice to optimize results and avoid adverse outcomes from poor implementation practices.
3. Encourage well-designed biochar projects ready to be deployed.

Effective Date: May 5, 2021
Sunset Date: May 5, 2024

AA.Supporting Ontario’s diverse business community

Submitted by: Ajax-Pickering Board of Trade. Co-sponsored by: Burlington Chamber of Commerce and Whitby Chamber of Commerce

Issue

Following the first wave of the COVID-19 pandemic, many small business owners across Ontario began to pivot their business models, including adopting new safety measures and shifting to online sales platforms. While this massive shift has challenged Ontario’s entire small business community, it has taken an additional toll on the many small business owners in Ontario who have limited English and/or French speaking skills. To support growth and diversity, the government of Ontario must ensure resources and supports are available to the whole business community.

Background

The COVID-19 pandemic has disproportionately impacted immigrants and under-represented groups. While there is no requirement to collect race-based data in Canada related to COVID-19, in Ontario, Census data were used to analyze the distribution of COVID cases across neighbourhoods with higher vs lower concentration of visible minorities. The findings show that the rate of COVID-19 infections were three times higher, hospitalizations rates were four times higher, and deaths were twice as high.²³⁸

Further, according to Statistics Canada, the pandemic has also had a greater impact on immigrants and visible minorities in the workforce:²³⁹

- 34% of front-line/essential service workers identify as visible minorities (compared with 21% in other sectors).
- Visible minorities are also more likely to work in industries worst affected by the pandemic, such as food and accommodation services – compounding health and economic risks.
- Impact of COVID-19 on immigrants' employment could reverse gains made in recent years to close the gap.

The Government of Ontario has offered support in the form of multilingual health sheets²⁴⁰ and workplace safety posters²⁴¹, however live support services like those provided by the toll free Stop the Spread Information Line are available only in English and French.

Programs developed to help reduce the spread of COVID-19 and move businesses to an online platform, such as Digital Main St., rely on business owners’ ability to have English or French verbal and oral communication skills.

The lack of multilingual supports could result in non-English and non-French speaking business owners being put at a digital, economic, and safety disadvantage.

²³⁸ Public Health Ontario. COVID-19 in Ontario – A Focus on Diversity. <https://www.publichealthontario.ca/-/media/documents/ncov/epi/2020/06/covid-19-epi-diversity.htm>

²³⁹ Statistics Canada. Impacts on Immigrants and People Designated as Visible Minorities (October 2020). <https://www150.statcan.gc.ca/n1/pub/11-631-x/2020004/s6-eng.htm>

²⁴⁰ Public Health Ontario. Multilingual COVID-19 Factsheets. <https://www.publichealthontario.ca/en/diseases-and-conditions/infectious-diseases/respiratory-diseases/novel-coronavirus/public-resources?tab=6>

²⁴¹ Government of Ontario. Resources to prevent COVID-19 in the workplace. <https://www.ontario.ca/page/resources-prevent-covid-19-workplace#section-3>

As Ontario looks towards recovery, the Ontario Government should ensure that tools are in place to help the entire business community thrive.

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government to:

1. Encourage immigrants and non-English and non-French speaking business owners to fully participate in the local and provincial economy by offering pandemic grants or build capacity within existing local immigration partnerships and like organizations to improve on language skills, and actively market that offering.
2. Ensure that pandemic resources, including live support workers, are available in a variety of languages, based on provincial demographics and need.

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BB. Workplace Mental Health Strategy

Submitted by: Ajax-Pickering Board of Trade and Burlington Chamber of Commerce

Issue

It is widely recognized that mental health problems in the workplace have a severe impact on Canada's and Ontario's productivity. The COVID-19 pandemic has only magnified an existing challenge. In addition, it's clear that providing help to those struggling with mental issues borne out of the pandemic will be key to our recovery as a province – both economically and socially. Ensuring Ontario's workforce and its citizens have the resources they need to improve their mental health is more than good business; it is the right thing to do. The Ontario government's \$12 million commitment to support and develop mental health programs specifically as a result of COVID-19 is a welcome contribution, but we must continue to look ahead and build on these efforts. There continues to be more that needs to be done in the areas of research and promotion. The provincial government has a key role to play in continuing its efforts at mitigating the costs of workplace mental health issues and ensuring that employers are ready and able to properly and positively address workplace mental health issues.

Background

The Centre for Addiction and Mental Health (CAMH) has reported²⁴² that the pandemic has had the following detrimental impacts on the mental health of Canadians:

- 50% of Canadians reported worsening mental health since the pandemic began with many feeling worried (44%) and anxious (41%)²⁴³
- 81% of Canadian workers reported that the pandemic is negatively impacting their mental health²⁴⁴
- Experts have warned that pandemic related unemployment, job insecurity, reduced wages and increased workloads could result in 418 to 2,114 excess deaths due to suicide in Canada in 2020-2021.²⁴⁵

The following research evidence, which was provided prior to the pandemic, demonstrates the significant impact of mental health problems in the workplace:

- 1 in 5 Canadians experience a psychological health problem or illness in any given year.²⁴⁶
- Psychological health problems or illnesses are the number one cause of disability in Canada.²⁴⁷
- The economic burden of mental illness in Canada is estimated at \$51 billion per year. This includes health care costs, lost productivity, and reductions in health-related quality of life.²⁴⁶
- In any given week, at least 500,000 employed Canadians are unable to work due to mental health problems. This includes:

²⁴² Centre for Addictions and Mental Health (2020) Mental Health in Canada: Covid-19 and Beyond
<http://www.camh.ca/-/media/files/pdfs---public-policy-submissions/covid-and-mh-policy-paper-pdf.pdf>

²⁴³ Angus Reid Institute, 2020

²⁴⁴ Morneau Shepell, 2020

²⁴⁵ 7 McIntyre & Lee, 2020

²⁴⁶ Smetanin et al. (2011). The life and economic impact of major mental illnesses in Canada: 2011-2041. Prepared for the Mental Health Commission of Canada. Toronto: RiskAnalytica.

²⁴⁷ Institute for Health Metrics and Evaluation (2015). *Global Burden of Diseases, Injuries, and Risk Factors Study, 2013*. Data retrieved from <http://www.healthdata.org/data-visualization/gbd-compare>.

- approximately 355,000 disability cases due to mental and/or behavioural disorders ²⁴⁸
- approximately 175,000 full-time workers absent from work due to mental illness²⁴⁹
- 39% of Ontario workers indicate that they would not tell their managers if they were experiencing a mental health problem.²⁵⁰

At one time a similar crisis existed with workplace physical safety. Measurement and tracking of incidence rates, coupled with public awareness and the implementation of occupational health and safety regulations and legislation, played a strategic role in turning the tide. The same can be true for workplace mental health.

When not addressed, psychological health problems in the workplace lead to absenteeism, presenteeism, decreased productivity and quality of work issues, which in turn impact business success. By identifying and reducing workplace risks of psychological injury or illness and adopting accommodations specific to mental health, employers will benefit from workforce stability, increased productivity, reduced insurance costs, reduced risk of legal or regulatory sanctions, and a healthier financial bottom line. Similarly, employees will benefit due to the impact upon their health, morale, work life quality and ability to perform at their highest capacity.

The National Standard of Canada for Psychological Health and Safety in the Workplace (the Standard)²⁵¹ – the first of its kind in the world, is a set of voluntary guidelines, tools and resources. It is one of the tools available to business and lawmakers moving forward, which will be invaluable in promoting mental health and preventing psychological harm at work.

Recommendations

The Ontario Chamber of Commerce urges the Ontario government to:

1. Ensure mental health resources, including stigma reduction, are integrated into the Ontario government's long-term economic recovery plan.
2. Continue to build on existing commitments and identify mental health in the workplace as a key priority for occupational health and safety research grants and funding innovation projects.
3. Ensure that local community resources, using evidence-based treatment practices, are visible to employers and employees, easily accessible and affordable.
4. Promote the National Standard of Canada for Psychological Health and Safety in the Workplace (CSA Z1003)
5. Provide training and education for business leaders with a focus on positive ways to address and respond to workplace mental health issues.
6. Consult with private sector workplace benefit providers to ensure an appropriate supporting policy framework exists to allow more employers to offer Employee Assistance Programs (EAP) to their employees.

²⁴⁸ Institute of Health Economics (2007). *Mental health economics statistics in your pocket*. Edmonton: IHE. Number of absent workers calculated using Statistics Canada work absence rates, retrieved from <http://www.statcan.gc.ca/pub/71-211-x/71-211-x2011000-eng.pdf>.

²⁴⁹ De Oliveira et al. (2016). Patients with high mental health costs incur over 30% more costs than other high-cost patients. *Health Affairs*, 35: 36-43.

²⁵⁰ Canadian Medical Association (2008). 8th annual National Report Card on Health Care. Retrieved from https://www.cma.ca/multimedia/CMA/Content/Images/Inside_cma/Annual_Meeting/2008/GC_Bulletin/National_Report_Card_EN.pdf.

²⁵¹ Mental Health Commission of Canada. National Standard. <https://www.mentalhealthcommission.ca/English/what-we-do/workplace/national-standard>

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