

# COMPENDIUM OF POLICY RESOLUTIONS

## 2026-2029



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# COMPETITIVENESS

# A. Act to Strengthen and Diversify Ontario Trade Relations

**Submitted by:** Greater Niagara Chamber of Commerce, Hamilton Chamber of Commerce, Chatham-Kent Chamber of Commerce, and Windsor-Essex Chamber of Commerce

## Issue

While the U.S. tariff threat has raised recessionary fears in both countries and will cause many Ontario businesses to suffer, an examination of Ontario-U.S. trade relations should not be limited to heading off mutually harmful tariffs. There are unrealized opportunities for trade and collaboration. The approach to our trade relations with the United States should be approached not only from a perspective of preservation, but of future development.

## Background

The trade relationship between the United States and Canada is the largest in the world, worth \$1.3 trillion per year. 1.4 million American jobs and 2.3 million Canadian jobs depend upon this relationship.<sup>1</sup> It has been the most successful trade partnership in the world, but as the political sands have shifted in Washington, it is no longer a dependable one.

The Canadian Chamber of Commerce's Business Data Lab (BDL) has issued severe warnings about the economic consequences of a proposed the 25% tariff on U.S. imports proposed by President Trump. Under a full retaliatory scenario, Canada's GDP would shrink by approximately 2.6%, costing the average Canadian \$1,900 per year.<sup>2</sup>

While these tariffs have not been imposed at time of writing, they may be in place by the time this resolution is considered, and the threat may return at any time. The White House has demonstrated a willingness to act in defiance of its own legislature and in contravention of both its own laws and of international agreements and treaties. Even a renegotiated trade agreement can no longer guarantee a stable trading relationship with the United States.

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<sup>1</sup> Canadian Chamber of Commerce, *Canada-U.S. Trade Tracker*. <https://businessdatalab.ca/canada-u-s-trade-tracker/>

<sup>2</sup> Canadian Chamber of Commerce Business Data Lab, *Trump's 25% Tariff Threat: New Analysis Reveals Severe Economic Fallout for Both Canada and the U.S.* November 28, 2024. <https://chamber.ca/news/trumps-25-tariff-threat-new-analysis-reveals-severe-economic-fallout-for-both-canada-and-the-u-s/>

The Fortress Am-Can proposals of the Government of Ontario are worthy of endorsement as they seek to solidify what has become a shaky partnership on steel, agri-food, automotive manufacturing, and more.<sup>3</sup>

Even if these proposals were accepted, it must be acknowledged that Washington could breach them on a whim in the future. While it seeks to reassure our American partners and rebuild the trade relationship with the United States, Ontario must urgently diversify both its markets and its suppliers. That effort must be both pan-Canadian and international in scope.

The Government of Canada has successfully negotiated free trade agreements with the European Union (CETA) and the United Kingdom (Canada-UK TCA). This is in addition to other trade agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the Canada-Ukraine Free Trade Agreement (CUFTA), and agreements with Chile, Israel, Korea, and others.

Businesses accustomed to import/export relationships with the United States may be hesitant to explore these options or unfamiliar with the requirements. The Government of Ontario should set up a department where businesses can easily access tools, resources, and consultants related to these trade agreements, and actively encourage Ontario importers and exporters to expand into these markets. Financial incentives can be considered, but helping businesses navigate bureaucracy and regulations, especially for a heavily-regulated trade environment such as the European Union, should be the highest priority.

The Government of Ontario should also diversify its trade missions. In Q4 2024, Ontario sent trade missions to Singapore, Poland, and Estonia, securing new agreements for Ontario businesses.<sup>45</sup> More trade missions should be launched with a sense of urgency, following up on the Government of Canada's new free trade agreements, to secure new partnerships and business deals outside of the United States.

Lastly, new free trade agreements are on the horizon. In 2020, India became the world's sixth-largest economy and is frequently labelled the world's fastest-growing major economy, with an annual GDP growth regularly above 7 percent.<sup>6</sup> The last negotiations

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<sup>3</sup> Government of Ontario, *Building Fortress Am-Can: Ontario's Am-Can growth plan*. February 25, 2025. <https://www.ontario.ca/page/building-fortress-am-can-ontarios-am-can-growth-plan>

<sup>4</sup> Government of Ontario, *Ontario Opens Trade and Investment Office in Singapore*. November 25, 2024. <https://news.ontario.ca/en/release/1005390/ontario-opens-trade-and-investment-office-in-singapore>

<sup>5</sup> Government of Ontario, *Ontario Lands New Nuclear Opportunities with Trade Mission to Poland and Estonia*. November 15, 2024. <https://news.ontario.ca/en/release/1005351/ontario-lands-new-nuclear-opportunities-with-trade-mission-to-poland-and-estonia>

<sup>6</sup> Government of Canada, *Canada-India Comprehensive Economic Partnership Agreement negotiations - Background information*. March, 2021. <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/india-inde/fta-ale/background-contexte.aspx?lang=eng>

on the Canada-India Comprehensive Economic Partnership were held in 2021, with only a joint statement in 2023 since that date.

In 2017, Canada began negotiations for a free trade agreement (FTA) with Mercosur, a trading bloc and customs union consisting of Argentina, Brazil, Paraguay, and Uruguay. Mercosur as a bloc represents a real GDP of over \$2.5 trillion and a population of 295 million.<sup>7</sup> No progress has been made since 2019.<sup>8</sup>

Canada and the Association of Southeast Asian Nations (ASEAN) agreed to undertake free trade agreement negotiations in 2021. According to the 2018 Joint Feasibility Study for a Canada-ASEAN FTA, the economic modelling projects that an FTA could increase Canada's GDP by US\$2.54 billion and boost exports to ASEAN countries to US\$2.67 billion.<sup>9</sup> Although the first six rounds of negotiations were held only a few months apart from one another, no negotiations have taken place since for over a year.<sup>10</sup>

The Government of Ontario should stress the urgency of continuing these negotiations and concluding these free trade agreements with other countries, in concert with other provinces and territories if possible.

If taken together, these measures will do much not only to strengthen Ontario's economy and create new opportunities for Ontario businesses but diversify our trade relations away from the United States, making the provincial economy less vulnerable to trade disruptions.

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<sup>7</sup> Mercosur in figures. <https://www.mercosur.int/en/>

<sup>8</sup> Government of Canada, *Canada-Mercosur Free Trade Agreement*. <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/mercotur/index.aspx?lang=eng>

<sup>9</sup> Government of Canada, *Joint feasibility study on a potential Canada-ASEAN Free Trade Agreement*. [https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/asean-anase/joint\\_feasibility-faisabilite\\_conjointe.aspx?lang=eng](https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/asean-anase/joint_feasibility-faisabilite_conjointe.aspx?lang=eng)

<sup>10</sup> Government of Canada, *Canada-ASEAN Free Trade Agreement*. <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/asean-anase/fta-ale/negotiations-negociations.aspx?lang=eng>

## Recommendations

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

1. Proceed with the Fortress Am-Can proposals on steel, agri-food, critical minerals, and automotive manufacturing.
2. Strengthen connections and pathways between existing provincial import/export offices and Ontario businesses to support the development and expansion of imports and exports with overseas countries covered by existing free trade agreements.
3. Offer funding to assist businesses looking to expand international trade in non-U.S. markets
4. Intensify trade missions to countries covered by existing free trade agreements.
5. Formally request that the Government of Canada conclude negotiations on the Canada-India Comprehensive Economic Partnership, and resume talks on both the Canada-ASEAN Free Trade Agreement and the Canada-Mercosur Free Trade Agreement.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## B. The Revitalization of Manufacturing in Ontario

Submitted by: Oakville Chamber of Commerce

### Issue

The provincial government has a critical role in addressing key competitiveness issues that have a real impact on Ontario's manufacturing sector. This includes retaining skilled workers, introducing competitive incentives to invest in technology and helping Ontario-based manufacturers become more competitive and lower their business costs.

### Background

The manufacturing sector is a cornerstone of Canada's economy, playing a crucial role in creating jobs, fostering innovation, and driving economic growth. The nation's 90,000 manufacturers directly generate 9.5 per cent of Canada's real gross domestic product (GDP), make up one-quarter of its business research and development spending, and account for 60 per cent of the country's outbound goods. Taken together, the sector's direct, indirect and induced impacts amount to 27 per cent of Canada's total economic activity. In addition, by employing 1.79 million Canadians and supporting 3.58 million more jobs through supply chain activity and employee spending, the manufacturing industry undoubtedly makes substantial contributions to communities across Canada.<sup>11</sup>

However, Canada's productivity has been declining for more than two years and productivity has declined in 10 out of the last 11 quarters. This is due to several factors such as limited innovation adoption, skills gaps, inefficient regulatory processes, and weak business investment in machinery, equipment, and technology.

As stated by the C.D. Howe Institute, new capital per worker in Canada was less than \$15,000 in 2022, compared to \$20,000 in other OECD countries and almost \$28,000 in the United States.

Canada's productivity has not only just fallen back to pre-pandemic levels but has fallen to a point that is now lower than at any time since 2017. Meanwhile, U.S. productivity surged 4.7 % in the third quarter of 2023.<sup>12</sup>

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<sup>11</sup> <https://cme-mec.ca/initiatives/manufacturing-canadas-future/#:~:text=Manufacturing%20is%20a%20cornerstone%20of%20Canada's%20economy&text=The%20Nation's%2090%2C000%20manufacturers%20directly,of%20the%20country's%20outbound%20goods.>

<sup>12</sup> <https://www.cdhowe.org/expert-op-eds/feeble-business-investment-shows-morneau-right-about-economic-stagnation-financial>

In addition, according to the Canadian Chamber of Commerce's Business Data Lab we are lagging as compared to other developed countries from low rates of business research and development spending (BERD).

Data from the Organization for Economic Cooperation and Development (OECD) consistently shows that Canada underperforms well below average against global peers in terms of research and development (R&D) investment intensity (i.e., R&D investment as a share of GDP).

In comparison to our international peers, Germany plans to increase research investment to 3.5 percent of GDP by 2025 and Finland to 4 per cent of GDP by 2030, while Canada currently only sits at about 1.6 per cent.<sup>13</sup>

In support of encouraging innovation, investment, and technology within the industry and the commercialization of products in manufacturing, the Ontario government should implement a complementary patent box regime that grants preferential tax treatment for income derived from patented inventions.

Previous budgets have committed to review the implementation of a Patent Box system to encourage commercialization of products and new technology adoption in Ontario. This has also been successfully adopted in other international jurisdictions and Canadian provinces. Such a system would support initial production scale-up by reducing corporate taxes paid on earnings from new products.

Finally, attaining skilled labour continues to be a challenge for Ontario manufacturers. To that end, the province should continue to promote skilled trades and apprenticeship programs through an on-the-job training investment tax credit. There are many supportive measures for technology purchases and apprenticeship programs, but what often stops employers from fully leveraging these supports is limited resources to upskill employees through work-focused training programs. This can be training to use new machinery or completing the implementation of a new digital platform.

The current ***Ontario Made Manufacturing Investment Tax Credit*** certainly helps, providing funding to purchase new machinery and real estate. However, small changes to eligibility would improve the measure to make sure it can capture hardware, software, moulds and die, and benefit more companies who have a strong local footprint, but some level of foreign ownership.

This tax measure would be effectively supplemented by an on-the-job training incentive. By providing matching funding for training done in relation to technology improvement in a work environment, we can provide workers the tools to succeed, not in a classroom environment, but in the real world, where the knowledge can immediately grow their skills and their income. Making businesses more productive.

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<sup>13</sup> <https://bdl-lde.ca/terminal/>

Several North American jurisdictions have similar training in place, for example Georgia, Kentucky and Quebec.

There is clearly a movement among many large Original Equipment Manufacturers (OEMs -automotive market) to on-shore or bring back manufacturing to North America (US, Canada, and Mexico) to shorten supply chains and reduce risk of related disruptions.

Geopolitical tensions and domestic trade considerations in the US have further encouraged and supported the onshoring activities particularly related to China. Also, the recent UAW and UNIFOR labour agreements have fueled a push within North America to focus new investments in addition to production relocation from US and Canada to Mexico.

Canada and Ontario need a clearly stated strategy aimed at taking advantage of the move to onshoring as well as presenting Ontario as a better alternative within the above to Mexico or the US.

In addition to a strategy, we need to focus on taking some very deliberate actions, immediately to support and encourage business investment and confidence in Ontario.

Furthermore, Ontario needs a world-class, agile regulatory system that supports growth and innovation. Although there have been steps taken by both the Ontario government and the federal government to reduce the regulatory burden on manufacturers, additional steps are required surrounding meaningful regulatory statements.

The province needs to streamline and significantly reduce bureaucracy surrounding investments in Ontario. New construction or other building permits, process permits, and other related licenses required to set up or expand manufacturing in Ontario are taking five to ten times longer than in the US.

While some progress was made in streamlining these approvals through an online portal, some applicants are still required to submit applications via fax, and processing times remain significantly above those noted in other provinces and US states.

Ontario should learn from neighboring jurisdictions (especially Manitoba, Dakota and Illinois) to establish a single online window covering all types of permits and streamline the various local approvals currently required for transit across Ontario regions.

The timeframe and complexity of getting approvals for investments from multiple layers of government is directly delaying and, in some cases, stopping investment decisions. As such, the ongoing ability of companies to comply with complex regulations is increasing business costs.

For many companies, it still takes them over a year to obtain a permit or an approval. Whereas in US states, it can take as little as two weeks. We urge the provincial government to adopt similar processes that will result in an accelerated timeline.

## Recommendations

1. The Ontario Chamber of Commerce urges the Government of Ontario to:
2. Leverage the ongoing provincial tax review to establish measures effectively rewarding commercialization and production of goods and advanced technologies in Ontario such as the Patent Box System.
3. Enhance the current **Ontario Made Manufacturing Investment Tax Credit** with an on-the-job training incentive to include all on-the-job training for manufacturing workers, up to 50% for the first 5 years.
4. Establish a single online window covering all types of permits and streamline the various local approvals.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## C. Employee Ownership: Expanding Succession Options for Businesses in Ontario

Submitted by: London Chamber of Commerce

### Issue

The introduction of Employee Ownership Trusts in Canada is a significant first step towards the advancement of Employee Ownership but more must be done to ensure that Canadian businesses have access to robust and effective succession planning. As the average age of entrepreneurs and business owners in Canada continues to rise<sup>14</sup>, the eventual wave of retirements will greatly impact Canada's business landscape and there is a risk that thousands of businesses will either be sold to foreign investors or simply no longer exist<sup>15</sup>. By offering support to entrepreneurs who wish to make employee ownership part of their succession plan, the Government of Ontario can help local economies continue to prosper.

### Background

Employee Ownership Trusts allow businesses to maintain their legacies through generations while also allowing retiring entrepreneurs to receive a fair value for their business<sup>16</sup>. These EOTs function by allowing a trust to hold shares of a corporation so that the employees gain ownership of the company and the owner receives payment over time from the shares in the EOT. This allows succession to happen without the employees needing cash up front. Once the ownership is transferred, a management team can continue to run the business; it would not be solely operated by the employees. This means that traditional business structures and ideals can be maintained while still retaining the benefits of employee ownership.

By supporting employee ownership, local economies can become more resilient as business owners' options for succession planning are expanded. According to a 2024 report, 76% of Canada's business owners plan to exit their business within the next decade. 75% of those business owners are exiting their business because they plan to retire and only 9% have a formal succession plan. 54% of business owners said the

<sup>14</sup> <https://www.cibc.com/ca/pdf/RRSP-sb-020404-en.pdf>

<sup>15</sup> <https://www.mnp.ca/en/insights/directory/canadas-aging-population-mean-for-your-succession-plan>

<sup>16</sup> <https://www.employee-ownership.ca/resources/eot-what-they-mean-for-canadian-business-owners>

biggest barrier for succession planning is finding a buyer/successor<sup>17</sup>. Improving accessibility and awareness of Employee Ownership will improve the Canadian business landscape by helping to keep more of these valuable businesses in operation in their communities as the current wave of entrepreneurs retires.

For employee ownership to be a viable option for many retiring entrepreneurs, it will require the support of the government and a comprehensive strategy to promote and incentivize Employee Ownership as a succession strategy. Incentives such as Capital Gains Tax exemptions are valuable tools that will help reduce the number of businesses being bought and relocated by foreign investors. While the Federal Government has tax exemptions in place for owners selling in an EOT<sup>18</sup>, the current deadline of December 31st, 2026 must be removed so that EOTs continue to be a viable option for business owners. The development of an Employee Ownership Strategy also relies on introducing an Employee Ownership division within the Ministry of Economic Development, Job Creation, and Trade with an Associate Minister-level appointment supported by a Deputy Minister in order to oversee these transactions.

## Recommendations

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

1. Collaborate with the federal government to remove the arbitrary deadline of Dec. 31, 2026 for the \$10 million Capital Gains exemption for employers selling their businesses in an Employee Ownership Trust or Worker's Cooperative arrangement.
2. Develop and Implement a provincial Employee Ownership strategy to promote employee ownership as an option in succession planning.
3. Introduce a time-limited reduction in the General Corporate Income Tax for new employee-owned businesses, with benchmarks such as employee training and retention, with a sunset clause to evaluate its effectiveness.
4. Ensure the Ministry of Economic Development, Job Creation, and Trade has the capacity and resources to oversee transactions associated with succession planning and business ownership.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

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<sup>17</sup> <https://20336445.fs1.hubspotusercontent-na1.net/hubfs/20336445/research/reports/2022/2022-10-EN-Succession-Tsunami-Preparing-for-a-decade-of-small-business-transitions-in-Canada.pdf>

<sup>18</sup> <https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/federal-government-budgets/budget-2023-made-canada-plan-strong-middle-class-affordable-economy-healthy-future/employee-ownership-trusts.html>

## D. Navigating the Impact of Trade Implications and Uncertainty on Ontario's Manufacturing Sector

Submitted by: Oakville Chamber of Commerce

### Issue

The potential trade implications and uncertainty with United States tariffs pose significant challenges to Ontario's manufacturing sector, particularly considering growing protectionism. To navigate these challenges and ensure the sector's security and resilience, the government of Ontario must take proactive steps to safeguard the province's growing manufacturing sector.

### Background

Ontario's manufacturing sector is a crucial component of the province's economy, supporting 787,100 jobs and contributing 11% to the provincial GDP. The sector's importance extends beyond provincial borders, representing close to 45% of Canada's manufacturing output.<sup>19</sup> As a highly trade-dependent sector, Ontario's manufacturing industry is deeply influenced by global economic trends and international trade relationships, particularly with the United States.

For small open economies like Canada trade is one of the most important elements of shaping Ontario's economy, productivity growth and our future prosperity. Global uncertainty should therefore matter to all Canadians. In addition to global developments, Canada faces unique opportunities and risks from its deep integration with the United States. The two countries have enjoyed stable and peaceful relations for centuries — sharing similar cultures, legal systems, business environments, consumer tastes, technologies and more. And trade between Canada and the United States goes far beyond a simple story of specialization, where one partner focuses on producing one item while the other produces another. Instead, the two economies are intertwined in a complex web of supply chains across many sectors.

The composition of trade between Canada and the United States is overwhelmingly dominated by intermediate inputs and capital goods, consisting of intermediate inputs (raw materials, parts, and components used in the production of final goods) and capital goods (machinery, equipment, and technology used to produce other goods and

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<sup>19</sup> <https://cme-mec.ca/initiatives/manufacturing-ontarios-future/>

services). Goods and services consumed by final consumers in the United States make up a relatively small share of the overall total. This means that Canada-U.S. trade has cascading effects throughout the U.S. economy, with Canada serving as a critical and reliable supplier of inputs. This is not just true for energy items like oil and gas but extends throughout the manufacturing sector as well. Moreover, there are several U.S. states where Canada-U.S. trade is not only essential to their supply chains but also to their economies overall, with such trade volumes accounting for a relatively large share of production and jobs.<sup>20</sup>

Trade uncertainty between Canada, specifically the province of Ontario and the US has reached a critical point, with significant implications for the province's economy and businesses. Recent developments related to trade uncertainty and tariffs have heightened concerns. In fact, many Ontario businesses rely on integrated supply chains with the US, and tariffs will disrupt these established networks.

Further, the Conference Board of Canada forecasts economic growth of only 1.5% for 2025, citing US tariff threats as a major factor.<sup>21</sup>

Ontario's manufacturing sector plays a crucial role in the province's trade and export activities. As of 2022, manufactured goods accounted for 89.7% of Ontario's exports, an increase from 89.3% in 2021.<sup>22</sup> The sector's significance in trade is further highlighted by the following key points:

**Export Value:** In 2021, Ontario's total merchandise exports amounted to \$227.2 billion, representing 35.9% of Canada's total exports.

**Trade Partners:** The United States remains Ontario's primary export destination, accounting for 85.0% of the province's total export value in 2022. Other significant export regions include Europe (6.5%) and Asia (4.5%).<sup>2</sup>

**Key Export Products:** Motor vehicles and gold are Ontario's highest-valued exports, together accounting for 19.6% of the total provincial export value in 2022.<sup>23</sup>

**Cross-Border Trade:** The Ontario-US trade relationship is particularly strong, valued at approximately \$500 billion annually. If Ontario were a country, it would be the United States' third-largest trading partner.

**CUSMA Impact:** Since the implementation of CUSMA (Canada-United States-Mexico Agreement) in 2020, trade in North America has increased by 47%.

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<sup>20</sup> [https://businessdatalab.ca/wp-content/uploads/2024/10/PartnersInProsperity\\_EN\\_Final.pdf](https://businessdatalab.ca/wp-content/uploads/2024/10/PartnersInProsperity_EN_Final.pdf)

<sup>21</sup> <https://financialpost.com/news/economy/conference-board-canada-tariff-uncertainty>

<sup>22</sup> [https://lop.parl.ca/sites/PublicWebsite/default/en\\_CA/ResearchPublications/TradeAndInvestment/2023504E](https://lop.parl.ca/sites/PublicWebsite/default/en_CA/ResearchPublications/TradeAndInvestment/2023504E)

<sup>23</sup> [https://lop.parl.ca/sites/PublicWebsite/default/en\\_CA/ResearchPublications/TradeAndInvestment/2023504E](https://lop.parl.ca/sites/PublicWebsite/default/en_CA/ResearchPublications/TradeAndInvestment/2023504E)

**Daily Trade Flow:** Over \$320 million in goods flow across the Ambassador Bridge between Windsor and Detroit every day, highlighting the intensity of cross-border trade.<sup>24</sup>

Ontario's manufacturing sector continues to be a critical component of the Canadian and province's trade landscape, driving economic growth and maintaining strong international trade relationships, particularly with the United States. According to the Canadian Chamber of Commerce, in 2023, two-way goods trade between the US and Ontario was valued at approx. \$446.6 billion CAD. 985,865 Canadian jobs are supported by Ontario's exports to the US and 19,927 companies in Ontario export to the U.S. Vehicles and transport are Ontario's top imports and exports, followed by machinery and electrical goods.<sup>25</sup> The strong cross-border trade relationship highlights the need for the provincial government to support and strengthen Ontario's manufacturing sector, improve its competitiveness, and mitigate the potential impacts of trade uncertainty and tariffs.

## Recommendations

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

1. Expand existing tax credits and incentives to businesses in response to new economic threats with changing US policy and build resiliency in the manufacturing sector.
2. Work with the federal government to harmonize regulations with major trading partners, reducing trade obstacles beyond tariffs.
3. Establish a framework to enhance provincial manufacturing competitiveness, that integrates operational excellence, workforce development, and strategic policy alignment.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

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<sup>24</sup> <https://bot.com/News/Talking-Points-Cross-Border-Trade>

<sup>25</sup> <https://businessdatalab.ca/canada-u-s-trade-tracker/>

## E. Support for 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. Ontario's steel industry continues to experience market uncertainty, slow global demand and an unfair playing field with competition from international industries benefitting from government subsidies. As we collectively pursue net zero emissions nationally, it will be imperative for the provincial government to ensure the successful energy transition for our most carbon intensive industries as their operational costs are projected to increase. The Ontario government needs to focus public policy and investment efforts towards supporting this important industry, supply chain 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.<sup>26</sup> 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.<sup>27</sup> 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

<sup>26</sup> Ontario Newsroom <https://news.ontario.ca/medg/en/2018/04/ontario-supporting-4700-jobs-in-hamiltons-steelindustry.html>

<sup>27</sup> Ontario Newsroom <https://news.ontario.ca/medg/en/2018/04/ontario-supporting-4700-jobs-in-hamiltons-steelindustry.html>

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 trade rules. Moreover, Canada finds itself in a unique position where our domestic firms are subject to increasingly stringent carbon emissions reductions targets that pose significant existential threats to many of our existing manufacturing industries unless governments step in to support energy transition and to level the playing field between domestic and foreign produced products.<sup>28</sup> Market conditions are even further jeopardized by ongoing violations of WTO practices, the ineffectiveness of trade remedy laws and lack of full reciprocation within trade treaties.

Steel is an **essential material** for infrastructure, transportation, energy, and manufacturing. However, the way steel is produced and consumed is evolving due to **decarbonization efforts, technological advancements, and shifting economic trends**.

Ontario's steel industry relies on a steady pipeline of highly skilled trades and technology workers to maintain its competitiveness in the global market. Ontario's public colleges play a critical role in developing this workforce, offering in-class apprenticeship training, pre-apprenticeship programs, and specialized technology education. Despite high demand, nearly 40 trades and technology programs are oversubscribed, with 30 registered trades programs alone reporting waitlists in 2023-24. Colleges serve as the sole training providers in many regions of the province, ensuring equitable access to skilled trades education in both French and English across 200 communities. To meet the labour demands of the steel sector and other key industries, the Ontario government must address the \$370 million funding shortfall in base operating grants, which is necessary to break even on domestic enrolment. Without this investment, Ontario's college sector risks further financial instability, limiting its ability to supply the skilled workers essential to sustaining the province's steel production and manufacturing supply chains.

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<sup>28</sup> Global Affairs Canada [https://international.gc.ca/trade-commerce/controls-controles/steel\\_alumacier\\_alum.aspx?lang=eng](https://international.gc.ca/trade-commerce/controls-controles/steel_alumacier_alum.aspx?lang=eng)

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, as well as studying the potential remedies a border carbon adjustment regime could enable;
3. Incentivizing the development of a skilled workforce equipped to participate in advanced manufacturing;
4. Improved trade infrastructure, easing goods movement, infrastructure bottlenecks, especially near trading hubs;
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. Develop a coordinated Steel Manufacturing Strategy.** This includes:
  - a. Taking inspiration from the European Steel Technology Platform, work with the federal government to develop a coordinated steel manufacturing strategy that prioritizes investment in trade enabling infrastructure near major clusters.
- 2. Expand procurement tools for fair trade.** This includes:
  - a. Exploring the legislated and voluntary expansion of procurement tools to include fair and preferential treatment for Canadian steel products where feasible and 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.
  - b. Consider assessing and implementing procurement policy models used in other jurisdictions, including Europe and California, that incorporate domestic content provisions rewarding bidders for leveraging domestic content by improving their bid scores. Such provisions could be explored to encourage local suppliers and domestic steel content be used more in provincially and federally funded projects if the materials can be supplied from domestic sources.
  - c. Working with all levels of government to urgently revise and proactively develop flexible procurement policies that prioritize Canadian steel

businesses and their supply chains, where feasible. The approach should aim to drive innovation, attract investments in steel manufacturing, and streamline government processes to maximize value for Canadians through procurement.

3. **Implement a Border Carbon Adjustment (BCA).** This includes:
  - a. Working with the Government of Canada to study a border carbon adjustment regime that would protect our domestic industry from international firms not subject to the same climate change targets.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## F. Ensuring Access to In-Person Banking Services in Small and Rural Ontario Communities

**Submitted by:** Georgina Chamber of Commerce

**Co-sponsored by:** Prince Edward County Chamber of Commerce, Belleville Chamber of Commerce, Muskoka Lakes Chamber of Commerce and the St. Thomas & District Chamber of Commerce

### Issue

Small and rural communities across Ontario are experiencing the steady closure of local bank branches, resulting in reduced or eliminated access to in-person banking services for residents and businesses.

According to the Bank of Canada, 67.7% of rural census subdivisions had no financial institution branch in 2019, increasing to 70.8% by 2022—demonstrating a growing gap in access to financial services. As closures continue, they disproportionately impact seniors, small businesses, farmers, not-for-profits, and individuals without reliable access to digital banking or transportation.

While banking regulation is a federal responsibility, the economic and social impacts of branch closures fall within areas of provincial jurisdiction, including rural economic development, consumer protection, infrastructure, and oversight of credit unions. Without targeted provincial action, these closures will continue to erode local economic capacity and community well-being.

### Background

Ontario's small, rural, seasonal, and tourism-based communities depend on reliable access to in-person banking services to support local commerce, employment, agriculture, and community development.

Although digital banking continues to expand, it does not meet the needs of all Ontarians. Many rural communities face barriers including aging populations, limited public transportation, and inconsistent broadband connectivity. As a result, in-person banking remains essential for financial inclusion and economic participation.

The loss of bank branches also represents more than a reduction in services—it signals disinvestment, weakens local business environments, and reduces opportunities for growth and investment attraction.

## **Populations Most Impacted**

### **Seniors**

- Seniors are more likely to rely on in-branch services for everyday transactions and financial guidance.
- In rural areas, limited transportation options increase barriers, safety concerns, and vulnerability to fraud.

### **Small and Medium-Sized Businesses**

- Local businesses depend on nearby branches for cash handling, deposits, and access to credit.
- Closures increase travel time, costs, and security risks, particularly for cash-based operations. With three banks closing in Georgina in the past three years, businesses are having to travel 30 minutes or more (one-way) for deposits and in-person banking.

### **Non-Profit and Community Organizations**

- Many non-profits rely on in-person banking for cheque processing, governance, and financial oversight.
- Bank branches also play a key role in sponsoring and supporting local community initiatives.

### **Migrant and Temporary Foreign Workers**

- Workers in agricultural regions such as Prince Edward County rely on physical banking services to manage finances and send remittances.
- Language barriers, limited transportation, and lack of digital access increase their reliance on in-person services.

### **Rural Residents Without Reliable Transportation**

- Residents may be required to travel 20–40 kilometres or more to access banking services, disproportionately impacting low-income individuals, seniors, and people with disabilities.

### **Growing Communities and Future Residents**

- Communities experiencing population growth are seeing a reduction—not expansion—of financial services, undermining long-term planning, housing development, and investment confidence.

## Indigenous and Neighbouring Communities

- Limited access to banking services restricts economic participation and entrepreneurship, creating barriers to growth and reconciliation-focused economic development.

## Broader Impacts on Communities

- Increased reliance on costly third-party ATMs and cash-back services
- Higher transaction fees for residents and businesses
- Reduced support for local events, sponsorships, and community initiatives
- Vacant bank buildings contributing to economic decline and reduced investor confidence. This is evident in areas like Muskoka Lakes where the TD Bank in Bala has sat empty since November 2025 and Port Carling, where they are about to lose the Scotiabank at the top of the main retail area downtown.
- Greater strain on residents who must absorb the time and cost of accessing essential services

Access to in-person banking services remains a critical component of economic inclusion and community sustainability in Ontario's rural and small communities. While the decisions to open or close branches are made by financial institutions, the Province of Ontario has a clear and important role to play in mitigating the impacts of these closures.

By leveraging its authority in economic development, infrastructure, and credit union regulation, the province can help ensure that all Ontarians—regardless of geography—have equitable access to essential financial services.

## Recommendations

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

1. **Address local service gaps with targeted solutions:** Work with municipalities and partners to identify underserved communities and implement place-based responses, including community hubs and service integration. Explore innovative service delivery through Service Ontario and other partners.
2. **Strengthen and expand Ontario's credit union system:** Expand the provincial regulatory and policy framework for credit unions to support innovation, shared-service delivery, co-location, and sustainable expansion into communities experiencing reduced access to in-person financial services.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

## G. Strategic Provincial Investment in Municipal Infrastructure and Tax Equity

**Submitted by:** Chatham-Kent Chamber of Commerce

**Co-sponsored by:** Windsor-Essex Chamber of Commerce, St. Thomas & District Chamber of Commerce, Greater Sudbury Chamber of Commerce, Belleville Chamber of Commerce, Greater Barrie Chamber of Commerce, Brockville and District Chamber of Commerce, and the Peterborough and the Kawarthas Chamber of Commerce.

### Issue

Ontario's business competitiveness depends on reliable, well-maintained municipal infrastructure and equitable tax policy. Currently, municipalities face a structural mismatch between responsibilities and revenues: they must deliver critical economic-enabling infrastructure from a narrow property tax base while business taxpayers carry disproportionate burdens and provincial funding formulas ignore the distinct cost structures of rural, agricultural, and urban communities. This undermines productivity, discourages investment, and constrains the GDP growth that benefits all Ontarians.

### Background

Ontario's business community views municipal infrastructure not as municipal expense but as provincial economic capital. Roads, bridges, water systems, industrial land, and broadband form the platform on which private enterprise operates: goods movement, manufacturing inputs, workforce access, digital commerce, and site selection all depend directly on infrastructure quality and reliability.<sup>29</sup> When the Province funds this infrastructure strategically, it generates multiplier effects that exceed initial expenditure through increased productivity, private capital attraction, employment growth, and expanded future tax capacity.<sup>30</sup>

<sup>29</sup> [Tassonyi, A. T. \(2022\). Financing Local Government and Development in Canada in the Aftermath of a Global Pandemic: Continuity and Change. \*Canadian Tax Journal\*, 70 \(supp.\), 97-132.; Côté, A., & Fenn, M. \(2014\). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. \*IMFG Papers on Municipal Finance and Governance No. 17\*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.](#)

<sup>30</sup> [Tassonyi, A. T. \(2022\). Financing Local Government and Development in Canada in the Aftermath of a Global Pandemic: Continuity and Change. \*Canadian Tax Journal\*, 70 \(supp.\), 97-132.; Côté, A., & Fenn, M. \(2014\). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. \*IMFG Papers on\*](#)

The current reality contradicts this investment logic. Ontario municipalities face an infrastructure deficit estimated at over \$60 billion, with one-third of assets in fair, poor, or very poor condition.<sup>31</sup> Deferred maintenance and deteriorating infrastructure impose direct costs on business through supply chain disruptions, higher logistics expenses, service unreliability, and reduced competitiveness relative to jurisdictions with modern infrastructure.<sup>32</sup> For firms making location and expansion decisions, infrastructure quality is a primary competitiveness factor—the Province's failure to ensure adequate, predictable municipal infrastructure funding is, fundamentally, a failure to invest in economic growth.<sup>33</sup>

Ontario's provincial-municipal fiscal relationship suffers from vertical fiscal imbalance: municipalities have been assigned expanding responsibilities—housing, homelessness responses, climate adaptation, social services—yet have limited access to growth-sensitive revenue sources.<sup>34</sup> The property tax, which funds 52% of municipal revenues, cannot sustainably support both traditional local services and province-driven mandates.<sup>35</sup> This creates two direct business impacts.

Facing revenue constraints, municipalities rely disproportionately on commercial and industrial taxpayers. In many communities, business properties pay tax rates 1.5 to 2.5 and in some communities 6-8 times residential rates on equivalent assessed value (e.g., commercial ratio 1.9 and industrial rates 6.0-8.4 versus residential 1.0), yet business does not consume local services proportionally.<sup>36</sup> Recreation facilities, local

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[Municipal Finance and Governance No. 17. Toronto: Institute on Municipal Finance and Governance, University of Toronto.](#)

<sup>31</sup> [Côté, A., & Fenn, M. \(2014\). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. IMFG Papers on Municipal Finance and Governance No. 17. Toronto: Institute on Municipal Finance and Governance, University of Toronto; Cooper, T., Downer, P., & Faseruk, A. \(2020\). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. \*Journal of Applied Business and Economics\*, 22\(8\), 11-30.](#)

<sup>32</sup> [Cooper, T., Downer, P., & Faseruk, A. \(2020\). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. \*Journal of Applied Business and Economics\*, 22\(8\), 11-30.](#)

<sup>33</sup> [Côté, A., & Fenn, M. \(2014\). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. IMFG Papers on Municipal Finance and Governance No. 17. Toronto: Institute on Municipal Finance and Governance, University of Toronto.](#)

<sup>34</sup> [Côté, A., & Fenn, M. \(2014\). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. IMFG Papers on Municipal Finance and Governance No. 17. Toronto: Institute on Municipal Finance and Governance, University of Toronto.; Papcunová, V., Hudáková, J., Štubňová, M., & Urbaníková, M. \(2020\). Revenues of Municipalities as a Tool of Local Self-Government Development: Comparative Study. \*Administrative Sciences\*, 10\(4\), 101.](#)

<sup>35</sup> [Côté, A., & Fenn, M. \(2014\). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. IMFG Papers on Municipal Finance and Governance No. 17. Toronto: Institute on Municipal Finance and Governance, University of Toronto.](#)

<sup>36</sup> [Municipality of Chatham-Kent. \(2025\). Tax Policy 2025. Report to Mayor and Members of Council. Chatham-Kent: Financial Services Department.; Côté, A., & Fenn, M. \(2014\). Provincial-Municipal](#)

roads, libraries, and many social programs primarily serve residents but are substantially funded through business property taxes. This structural inequity raises business operating costs, penalizes capital-intensive investment, and reduces Ontario's competitiveness against jurisdictions with more balanced tax structures.<sup>37</sup>

Unable to raise sufficient revenue without politically unsustainable tax increases, municipalities defer capital projects and maintenance. The result: declining infrastructure condition, service disruptions, and mounting long-term liabilities that threaten both municipal fiscal health and business productivity.<sup>38</sup>

Provincial funding formulas based primarily on population systematically disadvantage rural and agricultural municipalities. These communities face fundamentally different economics: vast geographic areas, dispersed populations, low-density settlement, extensive gravel and paved road networks, long linear water and wastewater systems, and heavy infrastructure (bridges, culverts) supporting agricultural equipment and resource extraction.<sup>39</sup> Per-capita and per-kilometre costs are significantly higher than in dense urban centres, yet per-kilometre assessment is far lower.<sup>40</sup>

Agriculture contributes over \$47 billion annually to Ontario's economy, yet farmland carries preferential tax treatment (typically 20-25% of residential rates) to preserve farm viability.<sup>41</sup> Rural municipalities must maintain farm-to-market roads, industrial land for agri-food processing, and rural broadband with constrained fiscal capacity.<sup>42</sup> Urban

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Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto

<sup>37</sup> Municipality of Chatham-Kent. (2025). Tax Policy 2025. Report to Mayor and Members of Council. Chatham-Kent: Financial Services Department.; Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto

<sup>38</sup> Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.; Cooper, T., Downer, P., & Faseruk, A. (2020). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. *Journal of Applied Business and Economics*, 22(8), 11-30.

<sup>39</sup> Vodden, K., & Hall, H. (2016). Bringing Municipalities into Rural Community Development: Issues and Prospects in Newfoundland and Labrador. *Journal of Rural and Community Development*, 11(4), 58-78. ; Cooper, T., Downer, P., & Faseruk, A. (2020). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. *Journal of Applied Business and Economics*, 22(8), 11-30.

<sup>40</sup> Vodden, K., & Hall, H. (2016). Bringing Municipalities into Rural Community Development: Issues and Prospects in Newfoundland and Labrador. *Journal of Rural and Community Development*, 11(4), 58-78. ; Cooper, T., Downer, P., & Faseruk, A. (2020). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. *Journal of Applied Business and Economics*, 22(8), 11-30.

<sup>41</sup> Municipality of Chatham-Kent. (2025). Tax Policy 2025. Report to Mayor and Members of Council. Chatham-Kent: Financial Services Department.

<sup>42</sup> Vodden, K., & Hall, H. (2016). Bringing Municipalities into Rural Community Development: Issues and Prospects in Newfoundland and Labrador. *Journal of Rural and Community Development*, 11(4), 58-78.;

municipalities, meanwhile, face congestion, intensification pressures, growth-related capital demands, and aging underground systems requiring massive renewal investment.<sup>43</sup>

Current provincial infrastructure programs fail to differentiate adequately between these realities. A funding formula that treats a rural municipality with 5,000 residents spread across 500 square kilometres the same as a dense urban suburb with 5,000 residents in five square kilometres ignores basic cost economics and guarantees inequitable outcomes.<sup>44</sup> Modern infrastructure policy must explicitly weight geographic factors, density, linear infrastructure per capita, agricultural land use, and economic function—not simply population headcount.<sup>45</sup>

### **The Path Forward: Strategic Reform in Four Dimensions**

From a business advocacy perspective, the Province must implement integrated reforms across four dimensions to create an infrastructure and tax framework that supports, rather than hinders, economic growth and competitiveness.<sup>46</sup>

**Dimension 1: Predictable, legislated infrastructure funding.** Multi-year funding envelopes—not application-based, politically driven project grants—allow municipalities to undertake strategic asset management, plan capital programs, and create the

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Municipality of Chatham-Kent. (2025). Tax Policy 2025. Report to Mayor and Members of Council. Chatham-Kent: Financial Services Department.

<sup>43</sup> Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.

<sup>44</sup> Vodden, K., & Hall, H. (2016). Bringing Municipalities into Rural Community Development: Issues and Prospects in Newfoundland and Labrador. *Journal of Rural and Community Development*, 11(4), 58-78. ; Cooper, T., Downer, P., & Faseruk, A. (2020). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. *Journal of Applied Business and Economics*, 22(8), 11-30

<sup>45</sup> Vodden, K., & Hall, H. (2016). Bringing Municipalities into Rural Community Development: Issues and Prospects in Newfoundland and Labrador. *Journal of Rural and Community Development*, 11(4), 58-78. ; Cooper, T., Downer, P., & Faseruk, A. (2020). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. *Journal of Applied Business and Economics*, 22(8), 11-30

<sup>46</sup> Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto

certainty needed for business investment decisions.<sup>47</sup> Legislated funding also enables private sector co-investment by reducing policy risk.<sup>48</sup>

**Dimension 2: Cost-based, equity-focused funding formulas.** Formulas must reflect the economic function of infrastructure (goods movement, industrial servicing, agricultural supply chains) and the cost drivers specific to municipal types (rural lane-kilometres and bridges, urban transit and intensification, agricultural land constraints).<sup>49</sup> Equal treatment does not mean identical treatment—it means proportional support relative to need and cost structure.<sup>50</sup>

**Dimension 3: Property tax rebalancing.** Provincial guidance on ratio ranges, transitional supports, and evidence-based impact analysis can enable municipalities to moderate extreme business tax ratios without destabilizing residential affordability.<sup>51</sup> This is not redistribution—it is aligning tax burden with service consumption and economic capacity.<sup>52</sup>

**Dimension 4: Revenue diversification.** Over time, modest provincial revenue sharing (e.g., a small, dedicated portion of consumption or income tax) or expanded user-fee authority tied to benefits-received principles can reduce over-reliance on property taxes and create fiscal space for infrastructure investment without unsustainable tax increases.<sup>53</sup>

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<sup>47</sup> Cooper, T., Downer, P., & Faseruk, A. (2020). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. *Journal of Applied Business and Economics*, 22(8), 11-30.; Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.

<sup>48</sup> Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.

<sup>49</sup> Vodden, K., & Hall, H. (2016). Bringing Municipalities into Rural Community Development: Issues and Prospects in Newfoundland and Labrador. *Journal of Rural and Community Development*, 11(4), 58-78. ; Cooper, T., Downer, P., & Faseruk, A. (2020). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. *Journal of Applied Business and Economics*, 22(8), 11-30.

<sup>50</sup> Vodden, K., & Hall, H. (2016). Bringing Municipalities into Rural Community Development: Issues and Prospects in Newfoundland and Labrador. *Journal of Rural and Community Development*, 11(4), 58-78

<sup>51</sup> Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.; Municipality of Chatham-Kent. (2025). Tax Policy 2025. Report to Mayor and Members of Council. Chatham-Kent: Financial Services Department.

<sup>52</sup> Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.; Municipality of Chatham-Kent. (2025). Tax Policy 2025. Report to Mayor and Members of Council. Chatham-Kent: Financial Services Department.

<sup>53</sup> Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and

## The Business and Fiscal Case for Reform

Strategic provincial investment in municipal infrastructure, coupled with property tax equity and revenue diversification, yields direct economic returns. Improved infrastructure reduces business operating costs, attracts private capital, raises productivity, and generates GDP growth that expands future provincial revenues through income, sales, and corporate taxes.<sup>54</sup> Fairer tax treatment improves Ontario's investment competitiveness and signals to firms that the Province values business capital and job creation.<sup>55</sup>

At the same time, equitable funding across rural, agricultural, and urban municipalities ensures that all regions can support economic activity: agricultural production and agri-food processing, resource extraction and value-added manufacturing, tourism and recreation, and the diverse industries that depend on reliable roads, water, broadband, and industrial land.<sup>56</sup> In a slow-growth, high-competition environment, Ontario cannot afford policies that disadvantage rural economies or penalize business investment through structural tax inequity and infrastructure underinvestment.<sup>57</sup>

This is not a municipal issue—it is a provincial economic competitiveness strategy that happens to be implemented through municipal infrastructure and tax policy.<sup>58</sup> The return on asset is measurable, the fiscal case is sound, and the business case is compelling.<sup>59</sup>

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Governance, University of Toronto.; Municipality of Chatham-Kent. (2025). Tax Policy 2025. Report to Mayor and Members of Council. Chatham-Kent: Financial Services Department.

<sup>54</sup> Tassonyi, A. T. (2022). Financing Local Government and Development in Canada in the Aftermath of a Global Pandemic: Continuity and Change. *Canadian Tax Journal*, 70 (supp.), 97-132. ; Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.

<sup>55</sup> Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.

<sup>56</sup> Vodden, K., & Hall, H. (2016). Bringing Municipalities into Rural Community Development: Issues and Prospects in Newfoundland and Labrador. *Journal of Rural and Community Development*, 11(4), 58-78. ; Cooper, T., Downer, P., & Faseruk, A. (2020). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. *Journal of Applied Business and Economics*, 22(8), 11-30.

<sup>57</sup> Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.; Papcunová, V., Hudáková, J., Štubňová, M., & Urbaníková, M. (2020). Revenues of Municipalities as a Tool of Local Self-Government Development: Comparative Study. *Administrative Sciences*, 10(4), 101.

<sup>58</sup> Côté, A., & Fenn, M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.

<sup>59</sup> Tassonyi, A. T. (2022). Financing Local Government and Development in Canada in the Aftermath of a Global Pandemic: Continuity and Change. *Canadian Tax Journal*, 70 (supp.), 97-132.; Côté, A., & Fenn,

## Recommendations

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

1. Lift the OCIF \$10 million cap for single-tier municipalities and allow the funding formula to determine the appropriate funding allocation for all recipients.
2. Adjust the funding formula to ensure the needs identified in municipal asset management plans and the variables of geography, climate conditions and soil conditions on construction costs can be properly addressed
3. Establish a formal table with business, rural and urban municipalities, and key ministries to co-design and monitor these reforms, assess economic and competitiveness impacts, and track progress in closing Ontario's municipal infrastructure gap.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

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M. (2014). Provincial-Municipal Relations in Ontario: Approaching an Inflection Point. *IMFG Papers on Municipal Finance and Governance No. 17*. Toronto: Institute on Municipal Finance and Governance, University of Toronto.; Cooper, T., Downer, P., & Faseruk, A. (2020). The Design, Funding, and Management of Infrastructure in Local Municipalities: A Study from Canada. *Journal of Applied Business and Economics*, 22(8), 11-30.

## H. Strengthening Ontario's Advanced Manufacturing Competitiveness Through Enhanced Investment Supports

Submitted by: The Oakville Chamber of Commerce

### Issue

Ontario's manufacturing sector is facing growing global competition as other jurisdictions offer more aggressive, longer-term investment incentives. While the province has introduced programs such as the Ontario Made Manufacturing Investment Tax Credit (OMMITC) and the Advancing Ontario Made Manufacturing Plan, existing supports lack the scale, duration, and firm-specific flexibility needed to attract major investments and help small and medium-sized manufacturers modernize and expand.

### Background

Ontario's manufacturing sector continues to be a foundational element of the provincial economy producing more than 40 per cent of Canada's total manufacturing output, generating over \$100 billion in annual exports, and supporting more than 700,000 direct jobs across the province. The sector is deeply interconnected with Ontario's innovation ecosystem, natural resource industries, and service economy, driving technological advancement and community prosperity across both urban and rural regions.<sup>60</sup>

However, global competition for advanced manufacturing investment has intensified sharply. U.S. states and other international jurisdictions are deploying highly competitive tax credits, direct grant programs, and long-term funding guarantees to attract new facilities and re-shoring projects. Many major capital investments now hinge on the availability of multi-year financial certainty, as investors weigh options between countries and regions with comparable infrastructure and workforce advantages.

Ontario has taken important steps in recent years to strengthen its industrial foundation by introducing the Ontario Made Manufacturing Investment Tax Credit (OMMITC),<sup>61</sup> launching the Advanced Manufacturing Council 2024 Final Report<sup>62</sup> and expanding

<sup>60</sup> <https://cme-mec.ca/initiatives/manufacturing-ontarios-future/>

<sup>61</sup> <https://www.ontario.ca/page/ontario-made-manufacturing-investment-tax-credit-and-expanded-ontario-made-manufacturing>

<sup>62</sup> <https://www.ontario.ca/page/2024-advanced-manufacturing-council-final-report>

regional economic development programs. These initiatives demonstrate a clear recognition of manufacturing's strategic importance. Yet, more can be done to provide the predictability, scale, and customization needed to remain globally competitive.

Manufacturers, particularly small and medium-sized enterprises (SMEs) continue to face challenges in financing technology adoption, scaling production, and maintaining productivity under rising capital and workforce costs. Programs are often complex, short-term, or geared toward larger firms with greater administrative capacity. At the same time, large-scale investors require a longer investment horizon to justify multi-million-dollar commitments in automation, clean technology, and digitization infrastructure.

Expanding and diversifying Ontario's investment support would address these gaps, enhance business confidence, and attract sustained private-sector investment. Strengthening tax incentives such as the OMMITC would send a strong signal that Ontario is committed to long-term manufacturing success. Establishing a dedicated SME stream would ensure that smaller firms can access early-stage capital and technology supports, helping them integrate into the broader advanced manufacturing ecosystem. Increasing grant and loan programs would make Ontario's support levels comparable to partner jurisdictions and help secure new investment cycles.

Modernizing the province's manufacturing incentive framework will position Ontario to capitalize on nearshoring trends, foster advanced technology adoption, and sustain the province's reputation as a North American leader in manufacturing excellence and innovation.

## Recommendations

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

1. Strengthen and broaden investment tax credits by extending the enhancing the Ontario Made Manufacturing Investment Tax Credit (OMMITC) rate of 15 per cent for a 10-year period (through to 2035) to align with the Advancing Ontario Made Manufacturing Plan, providing long-term certainty for large capital projects.
2. Develop and action an Ontario Advanced Manufacturing Build Strategy, leveraging recommendations from the 2024 Advanced Manufacturing Council final report and stakeholder consultations.
3. Expand direct financial support (grants and loans) by increasing grant amounts under existing manufacturing, technology, and regional economic development programs, such as the Ontario Together Fund, Trade Impacted Communities Program, and the Ontario Made Manufacturing Investment Tax Credit, to ensure

## COMPETITIVENESS

Ontario's support levels are competitive with leading U.S. jurisdictions and other Canadian provinces.

4. Increase repayment terms for interest free or low interest manufacturing loans by extending the standard repayment period beyond the current four-year post completion schedule used in programs such as the Advanced Manufacturing and Innovation Competitiveness (AMIC) stream, to better reflect the long asset life and payback periods of major manufacturing capital projects.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# FISCAL/TAXATION

## A. A New Deal for Ontario Municipalities

**Submitted by:** Greater Kitchener Waterloo Chamber of Commerce.

**Co-sponsored by:** Cambridge Chamber of Commerce

### Issue

Current fiscal arrangements between the Ontario government and municipalities are not resolving on-going challenges for provincial businesses.

### Background

The Association of Municipalities of Ontario (AMO) has indicated that current fiscal arrangements between the provincial government and municipalities are not working for communities or the businesses and industries at the foundation of local economies.

The system is not working for taxpayers during an affordability crisis and not addressing homelessness, gridlock, or declining infrastructure. A New Deal has been provided for the City of Toronto however challenges extend to every municipal government across Ontario.

The Association of Municipalities of Ontario has recommended a Social and Economic Prosperity Review. A detailed and objective analysis of current fiscal arrangements for services and infrastructure should ultimately provide options that are affordable for governments and taxpayers. Residents and businesses expect inter-governmental collaboration and appropriate decisions around effective delivery models.

The proposed review would include revenue options, costs and financial risks, detailed analysis around infrastructure investments and service delivery requirements.

An effective relationship between the Government of Ontario and 444 municipal governments is the foundation for collective prosperity and sustained economic growth. Ontario municipalities own and operate nearly half a trillion dollars of infrastructure that is the foundation of the provincial economy. Providing businesses and taxpayers with the best possible decisions to manage these assets is a core municipal focus.

Municipalities are consistently forecasting growth and accompanying activities to further understand supports required for sustained economic activity.

Property taxpayers, including small business and seniors on fixed incomes, cannot afford to continually pay for provincial costs covering health and social services that municipalities are increasingly responsible for administering. As noted by AMO, the property tax base was never implemented for income re-distribution.

## Recommendations

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

1. As recommended by the Association of Municipalities of Ontario (AMO), initiate a major review of provincial-municipal fiscal arrangements to ensure cost-effective program delivery and maintenance/expansion of infrastructure.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## B. Enforcing Fair Property Tax Ratios

**Submitted by:** Peterborough and the Kawarthas Chamber of Commerce.

**Co-sponsored by:** Barrie Chamber of Commerce, Thunder Bay Chamber of Commerce, Brockville and District Chamber of Commerce, Chamber of Commerce Brantford-Brant, Quinte West Chamber of Commerce, Belleville Chamber of Commerce, & Guelph Chamber of Commerce

### Issue

Businesses in Ontario pay much higher property tax rates than residents, despite using fewer services. The Ontario Municipal Act requires municipalities to tax commercial and industrial properties at a ratio of 0.6 to 1.1, but many municipalities have no plans to comply.

### Background

Commercial and Industrial property taxes in Ontario municipalities are calculated based on a ratio of what residential property owners pay. For example, if a municipality has a commercial tax ratio of 1.75, commercial property owners are paying 175% what a resident is paying for the same amount of property tax assessment.

The Ontario Municipal Act Reg. 386/98: Tax Matters – Allowable Ranges for Tax Ratios sets an allowable range for property tax on commercial and industrial properties at 0.6 to 1.1.

A quick look at tax ratios from a selection of municipalities from across Ontario from 2023 demonstrates that this range is not being followed:

	Commercial	Industrial
Barrie	1.43	1.51
Milton	1.46	2.09
Peterborough	1.5	1.5
Brantford	1.75	2.25
Guelph	1.84	2.2
North Bay	1.88	1.4
Woodstock	1.9	2.63
Sudbury	1.91	3.45
Belleville	1.92	2.4
Kingston	1.98	2.63
Thunder Bay	1.98	2.37
Clarington	1.98	2.49
Sarnia	2.02	2.4

Niagara Falls 2.15 2.95  
Sault Ste. Marie 2.31 4.38

Municipalities are coming under increasing financial pressure due to factors that include inflation in everything from capital projects to wages, increased demand for services, and an increased role in areas like public health and homelessness. Despite this pressure coming from a variety of sources, they essentially have one tool for raising the funds to do it — property taxes.

More financial pressure on municipalities is leading them to further increase tax ratios to the benefit of residents at the expense of the business community.

The City of Peterborough spent a decade lowering its commercial and industrial tax ratios to 1.5, achieving that several years ago. This year it voted to increase the tax ratios to 1.65, shifting \$3 million in taxation from residents to businesses. Businesses in the City of Peterborough will on average pay 22% more in property tax in 2024.

Similar stories are playing out across Ontario and businesses cannot continue to bear the brunt of property taxation on behalf of residents. Businesses use fewer services but are expected to pay significantly more for them.

It is clear Reg. 386/98 of the Ontario Municipal Act has no teeth. Municipalities across Ontario have been charging property tax ratios well outside the allowable range for decades with no plans to change. The Government of Ontario needs to put some teeth in the act and hold non-complying municipalities to account.

## Recommendations

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

1. Enforce existing property taxation ratios set out in the Ontario Municipal Act Reg. 386/98: Tax Matters – Allowable Ranges for Tax Ratios by withholding provincial support — including access to provincial funding streams — to municipalities that:
  - a. are not taxing commercial and industrial properties at the required rates or
  - b. are not actively transitioning to the required rates based on a plan that specifies gradual decreases on a timeline approved by the Province.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## C. Assisting Ontario Municipalities with Growth Related Challenges with Reallocated Land Transfer Taxes

Submitted by: Brampton Board of Trade

### Issue

Ontario municipalities are experiencing growing infrastructure needs, a strain on services, and population growth, with insufficient revenue sources. The province of Ontario collects a Land Transfer Tax (LTT) that could provide municipalities with a predictable and sustainable funding source tied to growth without burdening residents or homebuyers with new taxes.

### Background

The provincial government collected \$3.54 billion in land transfer tax in the 2023-24 financial year, with \$4.43 billion collected in 2022-23 and \$5.83 billion in 2021-22.<sup>63</sup> Ontario has some of the largest municipalities in the country that are experiencing significant growth and are accommodating this growth through various means, including additional residential units which require additional infrastructure and services.

The redistribution of a portion of the existing LTT would allow municipalities to better plan and invest in long-term infrastructure initiatives, supporting local economic growth and improving the quality of life for residents. Several municipalities, including Woodstock and Brantford, have passed motions supporting the redistribution of tax revenues from home sales to local governments.<sup>64</sup> Over 100 municipalities are formally requesting the Provincial Government to consider redistributing a portion of the LTT collected on property transactions to municipalities.<sup>65</sup> With interest rates decreasing and a predicted spike in home sales and valuations, LTT revenue is expected to increase.

Municipal finances were a key issue at the Association of Municipalities of Ontario's annual conference, with other political parties promising a "new deal" for stable

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<sup>63</sup> Bailey Moreton, "Aurora mayor rallying support for funding from tax on home sales," *AuroraToday.ca*, November 19, 2024, <https://www.auroratoday.ca/local-news/aurora-mayor-rallying-support-for-funding-from-tax-on-home-sales-7935297>.

<sup>64</sup> *Ibid.*

<sup>65</sup> *Ibid.*

municipal funding.<sup>66</sup> The mayors of Canada's largest cities are seeking a new, modernized fiscal arrangement with the federal government and their respective provincial governments, as they feel the current system is broken. These mayors, including those from the Big City Mayors' Caucus (BCMC), feel that cities can no longer shoulder responsibility for things that are not even in their jurisdiction and are looking for recognition that they are partners and not beggars ultimately reliant on transfers from senior levels of government.<sup>67</sup>

## Recommendations

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

1. Develop a plan to redistribute a portion of the increased value of the Land Transfer Tax (LTT) revenue collected on property transactions to municipalities in consultation with municipalities, ensuring that the fiscal capacity of provinces to meet costs is not adversely impacted.
2. Establishing criteria for providing predictable and sustainable funding to municipalities that face challenges related to growth, such as infrastructure and service delivery, allowing for better long-term planning and investment.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

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<sup>66</sup> Greg Crone, "Big city mayors seek new fiscal deal with Ottawa, provinces," *Municipal World*, May 2023, <https://www.municipalworld.com/2023/05/19/big-city-mayors-seek-new-fiscal-deal-with-ottawa-provinces/>.

<sup>67</sup> *Ibid.*

## D. Easing the Tax Burden on Ontario's Beer, Cider, and Wine Industries

**Submitted by:** The Guelph Chamber of Commerce.

**Co-sponsored by:** Chatham-Kent Chamber of Commerce.

### Issue

Canada's beer, cider, and wine industries faces one of the highest tax burdens among the G7 countries<sup>68</sup>, and Ontario has the highest tax of any of the provinces. For our beer, cider, and wine industries to become more competitive and resilient, the Government of Ontario needs to return to sustainable levels of taxation through the elimination of punitive taxes.

### Background

The transition of alcohol into corner, grocery and big box retailers across the province has provided more opportunities for the sale of alcohol in Ontario. The Government of Ontario's efforts to get beer into corner stores, the economic uncertainty that has resulted from rattled US-Canada relations, and the provincial government's current review of alcohol taxes, mark-ups and fees is an opportunity to create a fiscal framework that enables growth, competitiveness, and resiliency in our alcohol industry.

The brewing and sale of beer, cider, and wine is an integral part of Canada, and Ontario's economies. For example, across Canada, the beer economy contributes around \$13.5 billion to Canada's gross domestic product. Within Ontario, the provincial beer economy contributes around \$5 billion dollars and is directly responsible for over 50,000 jobs and supports over 38,000 jobs for beer related activities<sup>69</sup>. Brewers of all sizes struggle to navigate the high taxation and high cost of inputs for beer production<sup>70</sup>. In the last decade the number of Ontario Craft brewers has increased by 4.5x with nearly 90% of Ontarians having a craft brewery in their community<sup>71</sup>. Easing the tax burden on the beer sector will encourage entrepreneurship and growth for brewers of all sizes.

<sup>68</sup> Canadian Chamber of Commerce, *Freeze the Alcohol Escalator Tax: A Call for Fairness and Economic Recovery* (2024), <https://chamber.ca/freeze-the-alcohol-escalator-tax-a-call-for-fairness-and-economic-recovery/>.

<sup>69</sup> Greg Hermus, *Brewing Up Benefits: the Economic Footprint of Canada's Beer Economy* (2018). 1- 11.

<sup>70</sup> Matthew Kupfer, *Ontario Craft Breweries Struggle with Rising Costs* (2024).

<https://www.cbc.ca/news/canada/ottawa/ontario-craft-breweries-struggle-with-rising-costs-1.7294553>.

<sup>71</sup> Stiff, D., Stemtani, P., *The Significance of Craft Beer to Ontario's Economic Ecosystem* (2022). pp. 5-7

Ontario has an incredibly complex alcohol tax framework. Currently, in addition to the Federal Excise Tax and Sales Taxes, Ontario breweries pay a Basic Beer Tax, a Beer Volume Tax, and an Environmental Tax. Further, the LCBO charges a Cost-of Service (COS) fee on the sale of products warehoused by the LCBO, regardless of what retailer sells the product. These fees, paired with a decline in the consumption of beer per capita over the last 5 years has led to an incredibly challenging landscape for brewers of all sizes.

Brewers that pack their beverages in non-reusable containers, such as cans, pay an additional environmental tax for each non-reusable container utilized. Comparatively, non-alcoholic beverages that are packed in non-reusable containers do not have to pay an environmental tax. When only applied to one portion of the market, this punitive environmental tax serves as an additional barrier to growth for our brewers.

Although the provincial government decided to freeze the escalation of the basic beer tax at 2% until March 1, 2026<sup>72</sup>, a more permanent solution must be found. Due to its threat to the hospitality industry, the annual increase of the basic beer tax has been frozen since 2018. Despite being on the other side of the COVID-19 pandemic our hospitality and beer industry continues to struggle and is threatened by the high cost of doing businesses, including the escalation of the basic beer tax.

## Recommendations

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

1. Eliminate and reverse taxes to sustainable levels that encourage business competitiveness and growth, including the:
  - a. Elimination of the annual inflation-based automatic increase on the basic wine, cider, and beer tax.
  - b. Elimination of the per container environmental tax on all beverage alcohol products, aligning with other non-renewable canned beverages sold in Ontario.
  - c. Eliminate the LCBO Retail COS on sales made by other retailers.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

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<sup>72</sup> [Ryan Rocca, As feds set to increase alcohol tax, Ontario again stops its beer tax hike \(2024\).](https://globalnews.ca/news/10284250/fed-increase-alcohol-tax-ontario-stops-its-tax-hike/)

## **E. Establishing a Retail-Accessible Ontario Emerging Entrepreneurs Fund (O-EEF) Pilot to Strengthen SME Capital Formation and Productivity**

**Submitted by:** Whitby Chamber of Commerce

**Co-sponsored by:** Burlington Chamber of Commerce, Peterborough and Kawarthas Chamber of Commerce, Barrie Chamber of Commerce, Halton Hills Chamber of Commerce, Milton Chamber of Commerce, Orillia and District Chamber of Commerce, Greater Oshawa Chamber of Commerce, Chamber of Commerce Brantford-Brant and the North Durham Chamber of Commerce

### **Issue**

Ontario faces a persistent capital-formation gap for small and medium-sized enterprises (SMEs), particularly at the early and growth stages. This gap constrains domestic ownership, limits productivity growth, and reduces the ability of Ontario firms to scale.

Unlike peer Canadian jurisdictions—including British Columbia, Manitoba, and Saskatchewan—which offer investor tax incentives ranging from 30–45% to mobilize private capital into SMEs, Ontario has lacked a comparable investor-side mechanism since the cancellation of the Labour-Sponsored Venture Capital Corporation tax credit in 2011.

International competitors such as the United States and the United Kingdom actively incentivize long-term domestic investment in small businesses through mechanisms such as Qualified Small Business Stock and Venture Capital Trusts. These tools have contributed to stronger capital markets and higher SME productivity.

In Ontario, SME financing remains disproportionately intermediated through banks and institutional venture capital, leaving retail investors largely excluded from direct participation in the growth of Ontario enterprises. This over-reliance on debt financing and foreign capital weakens SME balance sheets, increases risk exposure, and limits local retention of economic upside.

Despite strong entrepreneurial capacity and evident investor interest, business investment and productivity growth in Ontario remain weak- indicating a structural policy gap rather than a lack of market demand. Ontario households hold substantial investable assets but lack practical, diversified, and tax-efficient pathways to deploy capital into Ontario-based SMEs.

Strengthening SME capital formation therefore requires crowding in private capital from a broader range of actors, rather than substituting public funding for private risk.

## Background

SMEs are a foundational driver of Ontario's economic growth, innovation, and employment. However, early-stage and growth-stage firms face chronic challenges accessing patient, equity-based capital. Existing financing channels skew toward debt or institutional venture capital, which may not align with the long-term reinvestment and productivity objectives of domestic SMEs.

Other Canadian provinces have successfully mobilized private capital by offering targeted investor incentives, while maintaining fiscal discipline through program caps and oversight. Similarly, international models demonstrate that well-regulated, long-term retail participation in SME equity can strengthen domestic capital markets, improve productivity outcomes, and broaden economic participation.

Ontario's absence of a modern, retail-accessible SME investment framework places its businesses at a competitive disadvantage and limits opportunities for Ontarians to invest directly in the province's economic growth. A time-limited, tightly governed pilot program would allow Ontario to test a balanced approach—mobilizing private capital while protecting investors and public finances.

## Recommendations

That the Ontario Chamber of Commerce urge the Government of Ontario to:

1. **Establish a time-limited, capped pilot Ontario Emerging Entrepreneurs Fund (O-EEF)** designed to mobilize long-term, patient private capital into eligible Ontario SMEs.
2. **Structure the O-EEF pilot to enable participation beyond banks and traditional venture capital**, including retail investors, through regulated and diversified investment vehicles.
1. **Provide targeted investor incentives for certified O-EEF investments**, including:
  - a. A non-refundable provincial investment tax credit for equity invested in certified O-EEF vehicles;
  - b. A provincial personal income tax exemption on dividends derived from certified O-EEF investments, time-limited and conditional on compliance; and

- c. Targeted provincial capital gains relief for long-term holdings, subject to holding-period requirements and annual caps.
2. **Facilitate retail investor access exclusively through pooled, professionally managed structures**, including but not limited to:
  - a. Licensed fund managers;
  - b. Regulated financial institutions; and
  - c. Approved digital investment platforms, ensuring diversification, investor protection, and regulatory oversight.
3. **Require participating SMEs to comply with enforceable discipline**, including:
  - a. Minimum reinvestment thresholds for after-tax profits;
  - b. Restrictions on eligible uses of capital, including productivity enhancement, innovation, workforce growth, and export development; and
  - c. Clawbacks or penalties in cases of non-compliance.
4. **Implement explicit fiscal and governance guardrails for the pilot**, including annual program caps, independent oversight, public reporting, and a mandatory mid-term review prior to any program expansion.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

## F. Exempt Northern and Rural Ontario from the Non-Resident Speculation Tax

**Submitted by:** Thunder Bay Chamber of Commerce

**Co-sponsored by:** Greater Sudbury Chamber of Commerce, Muskoka Lakes Chamber of Commerce, North Bay & District Chamber of Commerce, and the Timmins Chamber of Commerce.

### Issue

The Non-Resident Speculation Tax (NRST), applied broadly across the province, imposes a significant and unintended barrier for foreign workers seeking to establish a home in the communities that need them most. While the tax was designed to curb speculative real estate investment, its provincewide application fails to reflect regional realities and is undermining economic growth outside major urban centres.

### Background

The 25% Non-Resident Speculation Tax (NRST) applies to the purchase or acquisition of an interest in residential property location anywhere in Ontario by individuals who are foreign nationals (individuals who are not Canadian citizens or permanent residents of Canada) or by foreign corporations or taxable trustees.<sup>73</sup> Implemented in 2017 under the Liberal government, it was intended to quell the trend of foreign speculators looking to turn a quick profit.

When first implemented, the NRST applied only to properties in the Greater Golden Horseshoe Region at a rate of 15 per cent. In March 2022, the government expanded the tax to cover the entire province and increased the rate to 20 per cent. Just months later, on October 24, 2022, the rate was raised again to the current 25 per cent.

At the time of the 2022 expansion, the Minister of Finance described the measure as “the most comprehensive Non-Resident Speculation Tax in the country,” arguing it was necessary to help young families, seniors, and workers struggling to find suitable housing. Yet despite these intentions, Ontario continues to face a severe housing shortage and escalating costs that have pushed home ownership further out of reach for many.

<sup>73</sup> <https://www.ontario.ca/document/non-resident-speculation-tax#section-6:-text=the%20Act%20applies.->

Exemptions to the NRST are limited. The Ontario Immigrant Nominee Program (OINP) provides relief to foreign applicants seeking gainful employment in Ontario. However, OINP processing can take months or years, does not cover all critical shortage occupations, and many foreign workers who would contribute meaningfully to Northern communities do not meet the program's strict eligibility criteria. This leaves a significant gap where skilled workers willing to establish permanent roots face a prohibitive tax barrier. The province also offers exemptions if the foreign national has refugee status or is purchasing property with a Canadian spouse.

While discouraging speculative investment is a reasonable policy goal, the Ministry of Finance has overlooked the unintended consequences of expanding the NRST across the entire province.

Northern and rural communities face a very different housing landscape than major urban centres, and the NRST fails to account for these regional realities. Rather than speculative buying, Northern and rural communities contend with long-term population decline, aging demographics, and persistent workforce shortages. Non-resident ownership supports workforce development, strengthens local economies, and contributes to municipal tax bases that support local infrastructure and fund essential services. A one-size-fits-all tax ignores these realities, discouraging investment and further constraining housing availability in communities already working to attract people and economic opportunity.

Attracting and retaining skilled labour is already a major challenge for employers in Northern and rural Ontario, and the expansion of the NRST has only made this harder. Businesses in these regions have long struggled to find qualified Canadian candidates for a wide range of roles - including healthcare, mining, forestry, hospitality and tourism - leaving them increasingly reliant on international talent to fill critical positions. By imposing a significant tax burden on foreign workers seeking to establish a home in the communities that need them most, the NRST directly undermines employers' ability to recruit and retain the workforce essential to sustaining local economies and community stability.

## Recommendations

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

1. Exempt Northern and rural communities from the Non-Resident Speculation Tax for foreign nationals who commit to occupying the property as their primary residence or hold permanent employment in the community.
2. Conduct a regional impact assessment of the Non-Resident Speculation Tax in jurisdictions where it remains in effect to determine whether it is meeting its intended objectives and evaluate additional regional exemptions.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

## G. Tax Credit Reform: A Catalyst for Ontario's Film and Television Sector Growth

**Submitted by:** The Greater Kingston Chamber of Commerce

**Co-sponsored by:** Belleville Chamber of Commerce, The Brockville & District Chamber of Commerce and the North Durham Chamber of Commerce

### Issue

Ontario's film industry is a significant driver of regional economic activity and growth, generating large economic returns. Despite an expanding film industry, small and mid-sized towns capture only a limited share of production activity. In 2024, Ontario's film and television production industry grew to \$2.65B and employed over 35,000<sup>74</sup> with most of this economic activity centered around Toronto and Northern Ontario which benefit from a dedicated stackable film fund. Small and mid-sized towns in Ontario, who are actively working to develop this important sector, have limited incentives unlike other provinces.

With independent producers increasingly being priced out of the GTA, it is a growing concern as we observe increasing competitiveness with nearby U.S. states like New Jersey, New York, and Illinois who now offer higher credits (up to 35–40%) that also stimulate rural growth. Without targeted adjustments, Ontario faces a growing risk of production leakage, as producers increasingly pursue more affordable and regionally supported ecosystems in jurisdictions such as Manitoba and Nova Scotia and elsewhere, who have proactively positioned themselves to capture both domestic and foreign productions.

### Background

Ontario's film and television sector is now approaching \$3 billion in annual production spending and roughly 40,000 high-value full-time equivalent jobs.<sup>75</sup> The industry has seen significant growth in recent years with the number of productions nearly doubling

<sup>74</sup> Actratoronto. [https://actratoronto.com/film-and-television-facts/?utm\\_source=chatgpt.com](https://actratoronto.com/film-and-television-facts/?utm_source=chatgpt.com)

<sup>75</sup> Ontario Creates Film and Television Production Impact.

<https://www.ontariocreates.ca/assets/images/research/statistics/eng/2022-film-and-television-production-statistics-background-final.pdf>

in Ontario from 232 in 2020 to 419 in 2022.<sup>76</sup> During the production of the Ontario-created series *Murdoch Mysteries*, for every dollar of the Ontario Film & Television Tax Credit (OFTTC), \$5.58 were generated in economic output and added \$4.13 in GDP and \$3.15 in labor income. With every \$100,000 of the OFTTC, 4.6 full-time jobs were created and for every dollar of the Canadian Film or Video Production Tax Credit (CPTC), production generated C\$15.97 in economic output, C\$11.81 in GDP and \$9.02 in labour income.<sup>77</sup>

Furthermore, there are proportionality variances within the current OFTTC Regional Bonus Program. For example, a city like Hamilton which falls within the ON Creates Regional Bonus map, will qualify for the 10% OFTTC bonus. However, rapid agglomeration since the map was created has effectively folded Hamilton into the broader Greater Toronto production ecosystem. In contrast, Cities more than 200 – 300 Kilometers from Toronto with populations under 500,000, don't actualize comparable proportional incentive support<sup>78</sup>. Additionally, the (OFTTC) Regional Bonus of 10%, currently only applies to Canadian productions, while the Ontario Production Services Tax Credit (OPSTC) applied to US/foreign service productions does not, which further limits the growth and prospects for sustained production in distant municipalities.

Ontario's film tax credits have been adjusted to great appreciation, many times through normal legislative or regulatory changes with little impact to the underlying framework. Ontario's 2022 Budget and regulatory updates extended credits to digital-only releases and broadened eligible expenses to include on-location site fees. The 2024 Budget similarly restructured the animation VFX credit to simplify eligibility.<sup>79</sup> In each case, the changes were handled as targeted amendments to the existing framework, not as wholesale rewrites. Extending the existing 10% OFTTC Regional Bonus to also apply to OPSTC, and adding a new stackable 5% Distance Bonus, the government would simply expand current language and eligibility. Crucially, these are funded credits (the government reimburses a percentage of spending), not upfront grants, so they function within budgetary controls. Economic analyses confirm these incentives have outsized payoffs. Because of this high return, a carefully scoped 5-year pilot (as proposed) could be enacted via regulatory amendment and monitored for impact

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<sup>76</sup> [Ontario Creates Film and Television Production Impact. https://www.ontariocreates.ca/assets/images/research/statistics/eng/2022-film-and-television-production-statistics-background-final.pdf](https://www.ontariocreates.ca/assets/images/research/statistics/eng/2022-film-and-television-production-statistics-background-final.pdf)

<sup>77</sup> [Worldscreen, Murdoch Mysteries Economic Impact. https://worldscreen.com/tvdrama/murdoch-mysteries-drives-over-c1-billion-in-economic-output-in-ontario/](https://worldscreen.com/tvdrama/murdoch-mysteries-drives-over-c1-billion-in-economic-output-in-ontario/)

<sup>78</sup> [Attracting Film . https://www.ontariocreates.ca/assets/images/research/Attracting-Film-Production-to-Small-Town-Ontario.pdf?](https://www.ontariocreates.ca/assets/images/research/Attracting-Film-Production-to-Small-Town-Ontario.pdf?)

<sup>79</sup> [Ontario budget. https://budget.ontario.ca/2022/annex.html?](https://budget.ontario.ca/2022/annex.html?)

A similar framework has seen proven success elsewhere. In Victoria BC, there is both a higher regional bonus of 12.5 percent for films produced outside of Vancouver, but also a 6 percent distant location bonus depending on subsequent kilometres from the city.<sup>80</sup> Consequently, Victoria saw around 60 million in film and television production.<sup>81</sup> Other mid-sized towns like Kelowna and Kamloops saw 10 million and 90 million in film production, respectively.<sup>82</sup> If the provincial government were to increase incentives for smaller towns and cities further from Toronto, similar success could be experienced here.

Ontario's Regional Bonus framework now requires targeted modernization to remain competitive in an increasingly aggressive North American production market. Extending Regional Bonus eligibility to OPSTC productions and introducing a modest stackable Distance Bonus for municipalities with populations under 500,000 located more than 200 km from Toronto would align Ontario's incentives with proven models used successfully in competing jurisdictions. Implemented as a time-limited pilot, this approach would distribute economic activity more proportionally across the province while strengthening Ontario's overall production competitiveness globally.

## Recommendations

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

1. A 5-year pilot to expand the existing 10 percent regional bonus of the OFTTC to include service productions as part of the OPSTC.
2. Providing a stackable additional 5 percent distance bonus to municipalities more than 200km or more from the greater Toronto area that have populations under 500,000 to eligible local production companies that have been in business for at least two years within the region, and have delivered at least one feature film or series that with a minimum budget of \$500,000 and that engaged at least 50% local hires.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

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<sup>80</sup> [British Columbia Provincial Film and Television Tax Credit](https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/corporations/provincial-territorial-corporation-tax/british-columbia-provincial-corporation-tax/british-columbia-film-television-tax-credit.html)

<https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/corporations/provincial-territorial-corporation-tax/british-columbia-provincial-corporation-tax/british-columbia-film-television-tax-credit.html>

<sup>81</sup> Vancouver Island South Film and Media Commission

[Microsoft PowerPoint - F.6 Presentation Vancouver Island South Film Commission](#)

<sup>82</sup> [Kamloops Film Impact Report](#)

[TNFC says economic impact from movie shoots in 2025 'on par' with prior year - CastanetKamloops.net](#)

# INFRASTRUCTURE/TRANSPORTATION

## A. 2+1 Roads Save Time, Lives and Taxpayers Dollars

**Submitted by:** Thunder Bay Chamber of Commerce.

**Co-sponsored by:** Chamber of Commerce Brantford-Brant, Greater Sudbury Chamber of Commerce, North Bay & District Chamber of Commerce, Orillia District Chamber of Commerce, Sault Ste. Marie Chamber of Commerce, Tillsonburg District Chamber of Commerce, and the Timmins Chamber of Commerce

### Issue

The highway network in Ontario plays a vital social and economic role in the transportation of goods and people. Yet in rural and northern regions it consists primarily of two-lane roads that limit passing opportunities and produce high rates of serious and fatal collisions, especially on primary roads with high traffic volumes. The typical approach to resolve these issues has been twinning – creating a four-lane road by building an additional road platform alongside the existing one. The findings of the recent Northern Policy Institute Paper “Closing the Gap: How 2+1 Roads Can Save Time, Lives, and Taxpayer Dollars” reveals that the 2+1 road model reduces fatalities and serious injuries while requiring relatively little new construction, thereby delivering substantial benefits at a limited cost.

### Background

Highways connect people to communities, services, and economic and recreational opportunities. Gaps in the highway network throughout Northern Ontario represent gaps in access to such opportunities. These gaps do not only exist in the form of an absence of roads. Road inadequacies that compromise the speed and safety of transportation should also be understood as 'gaps' that need closing. Notably, most of the highway network in the regions that make up Northern Ontario consists of two-lane roads that offer few safe passing opportunities. Consequently, this highway network sees many serious collisions, road closures, and delays for motorists. An elevated risk of severe collisions and collision-related delays on northern highways harms the economies of communities that rely on these roads.

2+1 roads offer a favourable benefit-cost ratio, with substantial benefits and limited costs. For example, upgrading one stretch of two-lane road on Highway 11 between North Bay and Temiskaming Shores to a 2+1 configuration would deliver a benefit-cost ratio of 1.01 after 20 years, 2.20 after 40 years, and 3.64 after 60 years. Any value of 1 or higher means a project is worthwhile.

These roads comprise three-lane roads with one lane in each direction and a passing lane alternating direction every few kilometres. Globally, 2+1 roads usually include, but do not always include, a median barrier to divide traffic. They address the major shortcomings of two-lane roads at a relatively low cost. They provide regular passing opportunities and a median barrier, significantly reducing dangerous head-on collisions. 2+1 roads also reduce delays for motorists. Fewer drivers become stuck behind slow-moving vehicles as they are able to pass, and roads are closed less often because there are fewer collisions. Finally, 2+1 roads cost less than highway twinning since they can be built entirely on the existing platforms used for two-lane roads.

If introduced in Northern Ontario, 2+1 roads will save lives. They will also improve Northerners' access to other communities and strengthen national supply chains.

As they achieve these benefits at a relatively low cost, we recommend that 2+1 roads be implemented widely across the Ontario highway network in Northern and rural areas with specific attention paid to sections that are a critical transportation link for regional and cross-country travel and where alternative routes are limited or non-existent in the event of road closures.

Using costing guidelines from Ontario's Ministry of Transportation, it is estimated that upgrading these roads in Northern Ontario to a 2+1 configuration would cost approximately \$1.5 billion. Costing has not yet been undertaken for roads in rural Southern, Eastern and Western Ontario.

## Recommendations

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

1. Implement 2+1 roads widely across the Ontario highway network in Northern and rural areas on sections with annual average daily traffic between 3,000 and 20,000.
2. Expedite implementation of 2+1 roads by 2034 on sections of the Northern Ontario highway network where the roads are a critical transportation link for traffic travelling within these regions and across Canada, and where alternative routes are limited or non-existent in the event of road closures.
3. Expedite implementation of 2+1 roads by 2039 on sections of the Ontario highway network in rural Southern, Eastern and Western Ontario where the roads are a critical transportation link for traffic travelling within these regions and across Canada, and where alternative routes are limited or non-existent in the event of road closures.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## B. Building Ontario Fund

**Submitted by:** Greater Kitchener Waterloo Chamber of Commerce

**Co-sponsored by:** Cambridge Chamber of Commerce

### Issue

The Building Ontario Fund was recently established to reduce taxpayer risks on major infrastructure projects and expedite construction.

Strategic investments and the capacity to deliver in an efficient and cost-effective framework will benefit all provincial economic sectors. The new bank should provide sustainable growth across all regions of Ontario.

### Background

The 2023 Ontario Economic Outlook and Fiscal Review (Fall Economic Statement) formally launched the Building Ontario Fund, a new board governed agency to enable public sector pension plans and other institutional investors to participate in large-scale infrastructure across the province. Projects will be focused on long-term care homes, affordable housing, and infrastructure in the municipal, community, energy and transportation sectors. The Fund has also been provided a \$3 billion funding allocation from the provincial government.

Ontario currently supports major construction projects from borrowing and financing through the Fund will reduce provincial risks. An analysis compiled by Desjardins Financial Group economists Marc Desormeaux and Marc-Antoine Dumont (November 2, 2023) indicated the need for improved infrastructure in Ontario is well established and will become more pressing if delays continue against population increases. An appropriate assessment of the new bank will require analysis related to investments generating optimal returns for taxpayers and models for private sector support.

The Association of Municipalities of Ontario (AMO) indicated on November 2, 2023, that further details are required on how the Fund can meet infrastructure needs across Ontario.

Ehren Cory, CEO of the Canada Infrastructure Bank (CIB), indicated in a November 2, 2023, news release that the creation of the Building Ontario Fund is a positive step forward in getting more infrastructure built in the province. He noted that a growing number of similar funds globally are focused on creating innovative private-public partnerships for the purpose of accelerating project construction.

The CIB consulted with the Ontario Ministry of Finance and Ontario Financing Authority on options for initiating and expediting major projects. Cory further believes there are significant opportunities for the CIB and the Building Ontario Fund to partner and deliver value for all taxpayers.

The national bank is investing in infrastructure that will positively impact the long-term strength of the national economy. Their five key sectors are clean power, green infrastructure, trade and transportation, public transit and broadband.

In a November 7, 2023, Toronto Sun editorial, Cory further notes that a new Fund in Ontario is not surprising since the province faces a significant infrastructure deficit and cannot afford to support projects through the tax base alone.

A release from the Ontario Chamber of Commerce (November 30, 2023) noted that infrastructure is key to increasing productivity and growing the economy. Strategic investments are required now more than ever in low-carbon transit, broadband, housing, energy grids and retrofits. The current Canada Infrastructure Bank (CIB) is leading the way in demonstrating how private and public stakeholders can collaborate on innovative financing options that produce positive infrastructure outcomes while generating economic efficiencies.

The Ontario Teachers' Pension Plan, in a November 2, 2023, statement, noted that as a pension plan providing retirement security for 336,000 working and retired members in Ontario, they invest in global markets to provide the diversification and long-term performance to ensure that the plan remains fully funded. They welcome opportunities to add to their \$25 billion investment portfolio in Ontario and look forward to engaging with the provincial government to learn more on new projects created by the Building Ontario Fund.

## Recommendations

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

1. Establish timelines for the Building Ontario Fund to commence investments into projects.
2. Ensure the Building Ontario Fund formulates and follows a strategy to ensure investments in major projects in municipalities and regions across all of Ontario.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

# C. Support Essential Infrastructure in Ontario with a New Municipal Funding Framework

Submitted by: Greater Niagara Chamber of Commerce

## Issue

Business growth and success depends on infrastructure, yet the state of infrastructure in the province is in an increasingly poor state of repair. Most infrastructure is municipally-owned, but municipal governments do not have sufficient financial resources to maintain their current infrastructure stock, much less close the multi-billion-dollar backlog of infrastructure that has fallen into disrepair. It is imperative that a new funding model for municipal government be found so that the infrastructure that supports economic growth can be maintained.

## Background

Municipal governments have, over previous decades, become responsible for more and more public goods, and yet must do so with broadly declining revenues. To deliver the services we need for prosperity, growth, and social well-being in a changing world, we need a changed approach to municipal financing.

Municipal governments are responsible for 52% of Ontario’s infrastructure, with the Province responsible for 38%, and the Government of Canada for 10%.<sup>83</sup> This distribution places the lion’s share of the responsibility for essential infrastructure on municipal governments, yet of all three levels of government, municipalities have the fewest financial tools and the smallest sources of revenue to build and maintain infrastructure.

The financial pressures on municipalities are only growing. Over the next quarter century, Ontario’s population is expected to grow by 43.6%.<sup>84</sup> This growth will be front-loaded, with the rate of increase at its highest point in current years and forecast to slowly decline until 2046.<sup>85</sup> That increase alone represents a massive new demand on roads, utilities, schools, healthcare, and emergency services. In addition, Ontario’s

<sup>83</sup> [Financial Accountability Office of Ontario, \*Provincial Infrastructure, 2020\*. Retrieved from https://www.fao-on.org/en/Blog/Publications/provincial-infrastructure-2020 on 2024-01-15.](https://www.fao-on.org/en/Blog/Publications/provincial-infrastructure-2020)

<sup>84</sup> [Government of Ontario, \*Ontario Population Projections, 2022\*. Retrieved from https://www.ontario.ca/page/ontario-population-projections on 2024-01-15.](https://www.ontario.ca/page/ontario-population-projections)

<sup>85</sup> [Ibid.](#)

aggressive housing targets are placing additional pressure on municipal governments to build new infrastructure, frequently without the financial support of the Province.

The Financial Accountability Office of Ontario (FAO) has reported that 45.3% of municipal infrastructure in the province is in a poor state of repair.<sup>86</sup> The exact cost to address this backlog cannot be accurately estimated since even a comprehensive municipal asset dataset does not exist, however, the FAO believes the current backlog is between \$45B and \$59B.<sup>87</sup>

Business depends upon this infrastructure. The cost to repair the province's municipal roads, water, and wastewater infrastructure alone would cost over \$33B.<sup>88</sup> The Province currently transfers approximately \$2.9B per year for infrastructure not under their control, but this is woefully insufficient for the maintenance of infrastructure assets in their current condition, let alone their repair to an acceptable level.<sup>89</sup>

The FAO reports that a medium-emission scenario for climate change will add another \$4.1B to annual infrastructure maintenance costs, and municipally-owned infrastructure will incur about four times the climate-related infrastructure costs than the Province.<sup>90</sup> The backlog of crumbling infrastructure will only grow under the pressures of population growth, extreme weather, and budget shortfalls.

Municipal governments themselves do not have the budget to deal with this increasing backlog of deteriorating assets. Provincial tax fortunes have been good in recent years, with revenue increases of 6.5% in 2022-23 and 12.2% in 2021-22.<sup>91</sup> Annual corporate tax revenues rose 81% between 2019 and 2022, while annual income tax revenue rose 40% in that same period.<sup>92</sup> Municipal revenue, however, has grown only 17% in four

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<sup>86</sup> [Financial Accountability Office of Ontario, \*Municipal Infrastructure\*, 2021. Retrieved from https://www.fao-on.org/en/Blog/publications/municipal-infrastructure-2021](https://www.fao-on.org/en/Blog/publications/municipal-infrastructure-2021) on 2024-01-15.

<sup>87</sup> [Ibid.](#)

<sup>88</sup> [Ibid.](#)

<sup>89</sup> [Financial Accountability Office of Ontario, \*Provincial Infrastructure\*, op. cit.](#)

<sup>90</sup> [Financial Accountability Office of Ontario, \*Costing Climate Change Impacts to Public Infrastructure: Summary Report\*, 2023. Retrieved from https://www.fao-on.org/web/default/files/publications/EC2302%20CIPI%20Summary/CIPI%20Summary%20Briefing%20Deck-EN.pdf](https://www.fao-on.org/web/default/files/publications/EC2302%20CIPI%20Summary/CIPI%20Summary%20Briefing%20Deck-EN.pdf) on 2024-01-15.

<sup>91</sup> [Financial Accountability Office of Ontario, \*Economic and Budget Outlook, Spring 2023\*. Retrieved from https://www.fao-on.org/en/Blog/Publications/EBO-SP2023](https://www.fao-on.org/en/Blog/Publications/EBO-SP2023) on 2024-01-15.

<sup>92</sup> [Mike Crawley, "As Ontario rolls in tax dollars, why are its cities so cash-strapped?" \*CBC\*, 2023. Retrieved from https://www.cbc.ca/news/canada/toronto/ontario-cities-municipal-finances-revenue-1.6792990.](https://www.cbc.ca/news/canada/toronto/ontario-cities-municipal-finances-revenue-1.6792990)

years.<sup>93</sup> Across the country, when adjusted for inflation, municipal tax revenue growth between 2016 and 2021 has been negative, at an average annual rate of -1.1%.<sup>94</sup>

The last full-scale review of how municipalities are funded in Ontario was conducted sixteen years ago.<sup>95</sup> Without a new model for municipal funding in the province, the alternatives are either the continued deterioration of infrastructure to the point where it can no longer support business and population growth, or swingeing property tax increases that will impoverish businesses and residents alike. With far deeper pockets and many more revenue options available to them, the governments of Ontario and Canada must re-examine their fiscal relationship with municipal governments.

We suggest the Municipal Growth Framework model proposed by the Federation of Canadian Municipalities (FCM) as a potential option for the provincial and federal governments. These proposals would allow municipal governments to maximize their existing revenue-generating tools and grant them new ones, enhance current federal and provincial/territorial transfers, and create new transfers. Additionally, the framework seeks to tie municipal revenue to economic growth and population growth in support of the targets that the Government of Ontario has set for housing and population growth, and that the Government of Canada has set for immigration.<sup>96</sup>

Whether or not the Government of Ontario chooses to adopt this framework, a new funding model is needed for municipal governments, and with each passing year, the cost of failing to do this increases.

## Recommendations

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

1. Work with the Association of Municipalities of Ontario, the Federation of Canadian Municipalities, and the Government of Canada and adopt the FCM Municipal Growth Framework model for municipal government funding and inter-governmental transfers.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

<sup>93</sup> [Ibid.](#)

<sup>94</sup> [Federation of Canadian Municipalities, \*FCM Municipal Growth Framework Backgrounder\*, 2023. Retrieved from <https://media.fcm.ca/municipal-growth-framework-backgrounder.pdf> on 2024-01-15.](https://media.fcm.ca/municipal-growth-framework-backgrounder.pdf)

<sup>95</sup> [Association of Municipalities of Ontario, \*Provincial-Municipal Fiscal and Service Delivery Review\*, 2008. Retrieved from <https://www.amo.on.ca/sites/default/files/assets/DOCUMENTS/PMFSDR/FacingtheFutureTogetherProvincialMunicipalReviewReport.pdf> on 2024-01-15.](https://www.amo.on.ca/sites/default/files/assets/DOCUMENTS/PMFSDR/FacingtheFutureTogetherProvincialMunicipalReviewReport.pdf)

<sup>96</sup> [Federation of Canadian Municipalities, op. cit.](#)

## D. Bridging the Digital Divide by Supporting Rural, Remote, and First Nations Communities Broadband Accessibility Through Coordinated Dig Once Policies

**Submitted by:** Timmins Chamber of Commerce.

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

### Issue

Rural, Remote, and First Nations Communities have historically lacked access to reliable broadband connectivity. With broadband infrastructure becoming increasingly costly for communities with smaller populations and great distances between them, more efficient strategies are needed to ensure equitable access to reliable, affordable broadband services. While Ontario has made significant progress in broadband expansion, current policies do not fully mandate fibre deployment during public infrastructure projects, leaving these communities at risk of being underserved. Expanding the availability of conduit through Public-Private Partnerships (P3s) will enable telecommunications providers to more easily enter previously underserved regions. A coordinated provincial "Dig Once" strategy and mandate can significantly reduce future fibre deployment costs, especially when combined with infrastructure-sharing provisions benefiting these isolated areas.

### Background

A "Dig Once" policy is designed to reduce the cost of broadband deployment by installing conduits (plastic pipes for fibre-optic cables) during public infrastructure projects. This proactive approach minimizes excavation and restoration costs, allowing fibre-optic cables to be added later without disruption. Embedding conduits in public works projects reduces the future costs of broadband installation, fosters competition among Internet Service Providers (ISPs), and accelerates efforts to close the digital divide.

Ontario has made significant progress in bridging the digital divide, particularly for rural, remote, and First Nations communities, through legislative actions and financial

investments aimed at expanding broadband infrastructure. With a \$4 billion commitment to close the digital divide by the end of 2025, the provincial government has introduced several key legislative measures to streamline broadband deployment and encourage innovative solutions.

The Getting Ontario Connected Act, 2022<sup>97</sup> and the Building Broadband Faster Act form the foundation to the provincial strategy of accelerating broadband expansion across Ontario. These legislative changes focus on removing regulatory barriers<sup>98</sup> and streamlining the permitting process<sup>99</sup> for broadband infrastructure projects<sup>100</sup>. By simplifying processes and promoting coordination between municipalities and telecommunication companies, these amendments have significantly reduced time and costs, particularly in underserved and remote communities.

Despite these advances, current legislation does not fully incorporate the 'Dig Once' concept, which could seamlessly integrate broadband infrastructure into provincial growth while reducing excavation costs. While advancements have been made, the absence of a mandatory, uniform provincial 'Dig Once' policy limits opportunities for future fibre deployment, particularly in geographically challenged areas where installation costs are a barrier. Without a mandated 'Dig Once' policy, Ontario risks higher long-term infrastructure costs, fragmented broadband expansion, and continued disparities in internet access<sup>101</sup>.

To fully capitalize on Ontario's broadband investment and close the digital divide, it is essential that the provincial government considers the adoption of a comprehensive 'Dig Once' policy, further mandating conduit installation in public infrastructure projects, while continuing to support alternative connectivity technologies, such as the recent Ontario Satellite Internet (ONSAT) Program<sup>102</sup>. Further policy refinements are needed to ensure a cohesive and balanced approach to broadband expansion across all regions, improving efficiency and lowering project costs.

With the right legislative framework, Ontario will remain a leader in telecommunications deployment, ensuring all communities—especially those in rural, remote, and last-mile areas—are equipped with the digital tools they need to thrive.

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<sup>97</sup> [Getting Ontario Connected Act, 2022, S.O. 2022, c. 9 - Bill 93](#)

<sup>98</sup> [Ontario Underground Infrastructure Notification System Act, 2012, S.O. 2012, c. 4](#)

<sup>99</sup> [O. Reg. 410/22: ELECTRICITY INFRASTRUCTURE - DESIGNATED BROADBAND PROJECTS](#)

<sup>100</sup> [Supporting Broadband and Infrastructure Expansion Act, 2021, S.O. 2021, c. 2 - Bill 257](#)

<sup>101</sup> [2024 Northern Ontario Broadband Report, Blue Sky Economic Growth Corporation, 2024](#)

<sup>102</sup> [Ontario and Starlink to Bring High-Speed Satellite Internet to Remote Communities, Infrastructure Ontario, November 14, 2024](#)

## Recommendations

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

1. Establish a standardized provincial 'Dig Once' framework and mandate conduit and fibre installation in all public infrastructure projects, ensuring broadband infrastructure is proactively integrated, especially in rural, remote, and First Nations communities.
2. Strengthen and expand best practices for constructing telecom networks in rights-of-way, ensuring that municipal assets are protected through permitting and Municipal Access Agreements, while promoting streamlined and cost-effective broadband expansion across all regions
3. Continue to work with the federal government to develop and enhance financial tools that incentivize private-sector investment and reduce costs for broadband expansion, ensuring affordable and equitable access for underserved communities.
4. Continue to prioritize the deployment of alternative broadband technologies, such as satellite internet and fixed wireless, to connect communities where ground-based infrastructure is unfeasible.
5. Provide enhanced supports and resources to help municipalities streamline the dig once process, making infrastructure deployment more cost-effective, coordinated, and efficient.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

# E. Encouraging Municipal Government Collaboration to Address Transit Needs and Gaps

**Submitted by:** Halton Hills Chamber of Commerce and the Chamber of Commerce Brantford-Brant.

**Co-sponsored by:** Milton Chamber of Commerce

## Issue

The absence of adequate 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 talent, industry, and investments. Access to affordable and reliable public transit would allow local businesses to remain more competitive, and residents to maintain independence with greater access to healthcare providers, employment, and community hubs.

The Sinclair and Armstrong Avenue industrial area of Georgetown is a significant employment hub, housing approximately 180 companies and 4000 jobs. However, it faces consequential accessibility challenges for workers without vehicles. The area is only serviced by a GO bus originating from the Guelph or Mount Pleasant GO stations, leaving employees with an additional 20-30 minute walk to reach their workplaces. This lack of direct public transit limits access to talent, particularly for those who cannot afford a car. Many potential workers are unable to access job opportunities in this industrial area, forcing businesses to contend with a limited talent pool. This situation contributes to increased traffic congestion and higher commuting costs for employees who must rely on personal vehicles or ride-hailing services. Some businesses have resorted to using third-party transportation solutions at their own cost, further impacting their revenue, competitiveness, and growth potential. This additional expense not only affects the bottom line of these companies but also hinders their ability to expand and contribute more significantly to the local economy.

Another example demonstrating insufficient transit is the [County of Brant industrial parks](#) located in the Cainsville (eastern) and Rest Acres Road (western) areas of the county. These critical employment lands draw employees from the City of Brantford, but the City's municipal transit system is unable to efficiently extend its services to employment lands in the County due to the conflicting single-tier governance structures of each municipality.

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 urged to put in place the necessary policies, infrastructure, and/or funding to encourage neighbouring municipalities to develop and implement innovative solutions that address transit challenges and gaps across municipal boundaries. This is especially important given the rapid population growth taking place in many parts of the province.

This includes, utilizing pre-existing cross-municipal collaboration between adjacent municipalities to expand transit systems to service a wider geographic area, specifically into regions that lack transit options and service key employment zones. Addressing cross-municipal transit needs has spillover benefits for surrounding municipalities and their economies as workers, commuters, and residents can more easily and seamlessly travel between regions and strengthen local connectivity.

Moreover, while "micro transit" solutions are being developed and implemented by municipalities to address some of these gaps, they lack frequency and do not address mass transit needs to industrial parks.

Collaboration between municipal governments – with the support of the provincial government – to address transit gaps in underserved regions would help enhance last-mile connectivity, offering residents, employees, and commuters a greener, more cost-effective alternative to the use of personal vehicles.

## Recommendations

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

1. Incentivize policies and regulatory frameworks to encourage and streamline transit project collaboration between municipalities, and First Nations communities. For example, work with insurance companies to better understand and support the extension of transit services into neighbouring municipalities, or addressing jurisdictional boundaries and different funding models to ensure adequate coverage for newly serviced areas.
2. Support planning initiatives that identify transit gaps and establish funding to build the infrastructure needed to expand existing transit services across

municipal boundaries and into adjacent municipalities and First Nations communities that lack adequate transit options.

3. Update provincial planning strategies to identify regional transit gaps and overlooked transportation corridors, such as those outlined in the Southwestern Ontario and Greater Golden Horseshoe plans.
4. Prioritize strategic links between municipal and provincial transit systems, including first-mile and last-mile connectivity solutions to enhance system accessibility, integration, and optimization.
5. Continue investing in the Community Transportation Grant Program to encourage and specifically support municipal collaboration.
6. Expand transit funding from the provincial government to include predictable operational funding in addition to support capital funding for fleet expansion.
7. Collaborate with the federal government to invest in multi-municipal and/or regional transportation projects and initiatives.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## F. Funding to Municipalities for Critical Long -Term Infrastructure Development towards Water and Wastewater Systems, Electrical Infrastructure and Municipal Roadways

**Submitted by:** The Greater Kingston Chamber of Commerce.

**Co-sponsored by:** Quinte West Chamber of Commerce, Peterborough and the Kawarthas Chamber of Commerce, Belleville Chamber of Commerce, Brockville and District Chamber of Commerce, and the Prince Edward County Chamber of Commerce

### Issue

Lack of funding available to municipalities to meet the continued and rapidly expanding demand for critical infrastructure development due to rapid population growth, particularly in urban and suburban areas, which is driven by expanding housing needs. Municipal budgets are increasingly strained, with current provincial government funding not being able to fully address long term planning and development for water and wastewater systems, electrical grids, and roadways and this jeopardizes public health, safety, and overall quality of life for residents, while hindering economic growth. An article by RESCON in 2023 referenced the CMHC who had estimated at that time, that 5.8 million housing units must be built by 2030 to restore affordability to 2004 levels which is 3.5 million above the 2.3 million units projected on recent activity. The same article further referenced a study completed by the Federation of Canadian Municipalities (FCM) who had estimated that the cost of municipal infrastructure required to support the new builds would average out at \$107,000 per home across the Country.<sup>103</sup> Municipalities cannot build more houses without the necessary and adequate infrastructure needed to support them. Increasing property taxes and development charges as the primary source of revenue, simply makes the homes more unaffordable. The \$100 million increase to the Ontario Municipal Partnership Fund announced by the Provincial Govt. in Nov. of 2024, is welcome news however when that

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<sup>103</sup> RESCON Article <https://rescon.com/media/in-the-news/municipalities-handcuffed-when-it-comes-to-funding-critical-infrastructure>

amount is split across 390 municipalities, it falls short of meeting the demands for all.<sup>104</sup> Much more support is needed. Ontario's population is projected to reach 18.2 million people by 2041, a growth of at least 30%. Infrastructure needs to be updated to support this.

## Background

As of 2021, more than 20% of municipalities report having aging **water and wastewater infrastructure**, with some systems over 50 years old. According to the Federation of Canadian Municipalities (FCM), municipalities require a \$26.5 billion investment over the next 10 years to upgrade and repair existing water and wastewater systems to meet safety and sustainability standards.<sup>105</sup> A study of 30 municipalities completed in 2018 by the Ontario Sewer C Watermain Construction Association (OSWCA), reported that "... Collectively, 20% of water, wastewater, and stormwater linear infrastructure, valued at more than \$8 billion, is in poor to very poor condition...over \$1 billion of this infrastructure remains in operation beyond its recommended useful life". It would cost \$8 billion to replace this infrastructure deemed in poor or very poor condition.<sup>106</sup>

The Canadian Electricity Association reports that roughly 40% of the country's **electrical distribution** networks are outdated and at risk of failure. With demand for electricity growing, especially in fast-growing urban centers, the current electrical infrastructure cannot meet long-term needs without substantial investment.<sup>107</sup> As reported by IESO Pathways to Decarbonization and RBC Climate Action Institute, the Province's rapid population growth, electrifying industry, and aging nuclear reactors, will shift the Province's grid from decades of surplus to critical shortages. By 2030, soaring demand could outpace generation capacity.<sup>108</sup>

According to the Canadian Urban Institute, over 25% of **municipal roadways** require urgent repair or reconstruction. The lack of road maintenance leads to delays in transportation and increased costs for municipalities. According to a report furnished by the Rural Ontario Institute (ROI) in 2020, the majority of roads (but not highways), are owned by municipalities including 99% of local roads, 76% of collector roads and 52%

<sup>104</sup> [Government of Ontario Municipal Partnership Fund  
https://news.ontario.ca/en/release/1005385/ontario-increasing-ontario-municipal-partnership-fund-to-600-million](https://news.ontario.ca/en/release/1005385/ontario-increasing-ontario-municipal-partnership-fund-to-600-million)

<sup>105</sup> [FCM Waste Water report https://www.amo.on.ca/sites/default/files/assets/DOCUMENTS/Policy-Updates/2024/2024-07-02/AMOMFOAWaterandWastewaterMSCBGR20240702.pdf](https://www.amo.on.ca/sites/default/files/assets/DOCUMENTS/Policy-Updates/2024/2024-07-02/AMOMFOAWaterandWastewaterMSCBGR20240702.pdf)

<sup>106</sup> [OSWCA Article https://www.oswca.org/Files/2-the-state-of-ontario-s-water-and-wastewater-infrastructure\\_march29-min\\_001.pdf](https://www.oswca.org/Files/2-the-state-of-ontario-s-water-and-wastewater-infrastructure_march29-min_001.pdf)

<sup>107</sup> [Government of Canada https://www.cer-rec.gc.ca/en/data-analysis/energy-markets/provincial-territorial-energy-profiles/provincial-territorial-energy-profiles-canada.html](https://www.cer-rec.gc.ca/en/data-analysis/energy-markets/provincial-territorial-energy-profiles/provincial-territorial-energy-profiles-canada.html)

<sup>108</sup> [IESO/RBC  
https://www.rbccm.com/en/story/story.page?dcr=templatedata/article/story/data/2023/06/power-shift](https://www.rbccm.com/en/story/story.page?dcr=templatedata/article/story/data/2023/06/power-shift)

of arterial roads. Additionally, the report found that “...some are approaching the end of their useful life and require repair while population expansion in some areas is causing a demand for additional public infrastructure”.<sup>109</sup> It is clear that expanded financial supports are critical to support the vast majority of roadways that municipalities currently have to manage.

## Recommendations

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

1. Issue additional 25% increase in Provincial Funding allocations through Ontario Municipal Partnership Fund to address urgent repair and maintenance needs. Annual review to be conducted there forward.
2. Develop data-driven Critical Infrastructure Funding Strategy within 12 months to initiate province-wide data collection and demand forecasting. Allocate funding annually to be issued as a result of the above study to assist those municipalities facing high growth and aging infrastructure.
3. Develop the Provincial Electrical Grid Modernization strategy to achieve 25% adoption of smart grid technologies across Ontario by 2026 to prevent projected shortages.
4. Establish a dedicated municipal road expansion fund starting in 2025, to ensure that by 2030, road network expansion in high growth areas is in line with population growth projections and aligns with 90% of housing developments. Assess the amount allocated yearly based on provincial growth rates and targets to ensure population needs are being met and to help offload the burdens of high rates of municipality local road ownership.
5. Promote roundabouts as a key component of Ontario’s green transportation initiatives, demonstrating alignment with sustainability goals.
  - a. Prioritize roundabout installations at high-traffic and high-collision intersections where safety and efficiency improvements are most needed.
  - b. Establish partnerships between MTO and local governments to coordinate the design and implementation of roundabouts that serve both provincial and municipal transportation needs.

<sup>109</sup>ROI

[https://www.ruralontarioinstitute.ca/uploads/userfiles/files/Road%20Infrastructure\\_Vol%207%20No%209.pdf](https://www.ruralontarioinstitute.ca/uploads/userfiles/files/Road%20Infrastructure_Vol%207%20No%209.pdf)

- c. Seek funding through federal and provincial climate and infrastructure programs to support roundabout projects as part of Ontario's emissions reduction strategy.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

# G. Improving Access to Transportation Options in Rural and Northern Ontario Through Provincial Framework for Ride Sharing Services

Submitted by: Greater Sudbury Chamber of Commerce

## Issue

In Ontario, ridesharing is regulated at a municipal level, and these by-laws differ from one city to the next. The lack of a provincial standardized regulation or framework makes it difficult for companies to expand into rural and northern communities. Rural and northern communities have long been advocating for increased access to local transportation options to help with labour shortages, talent attraction and business expansion, boost tourism and increase competition.

## Background

Several other provinces have introduced legislative changes to allow ride-sharing services to more easily operate. The framework establishes a simple set of rules to enable ride sharing services to operate safely across the province. The goal is to establish **consistency in regulation and enforcement**.

Although the main goal of this policy resolution advocacy initiative is related to the needs of businesses, it should be noted that ride sharing services in rural and remote areas offers safe and reliable transportation to prevent incidents of drunk driving.

Northern areas often span multiple cities and towns, making it difficult for ride-sharing and other transportation options to navigate differing by-laws. This creates challenges with regional connectivity, as these residents often work, do business, and visit neighbouring town or cities, some of which are unorganized townships where by-laws do not exist. The differing requirements in these by-laws, such as age of vehicle, decals, background checks, licensing processes and other, present operational barriers to the expansion of transportation options in northern and rural areas, where population density is not as high as southern Ontario. **Some examples of provincial models include:**

Province	Legislation	Website / More Information
Newfoundland and Labrador	<a href="#">Transportation Network Company Regulations</a>	<a href="#">Transportation Network Companies (Ride-sharing Service) - Digital Government and Service NL</a>
Québec	<a href="#">Bill 17, An Act respecting remunerated passenger transportation by automobile - National Assembly of Québec</a>	<a href="#">Authorized drivers or drivers of a vehicle comparable to a taxi - SAAQ</a>
Alberta	<a href="#">Transportation Network Companies Regulation</a>	<a href="#">Ride-for-hire services   Alberta.ca</a>
Saskatchewan	<a href="#">Vehicles for Hire Act</a> <a href="#">Vehicles for Hire Regulations</a>	<a href="#">Ridesharing services - SGI</a>

It should be noted that other provincial regulations include protections to ensure healthy competition with established transportation companies and the safety and security of drivers and passengers.

## Recommendations

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

1. Establish a provincial ride-sharing framework to standardize services across Ontario that enables increased access to safe, reliable transportation, including in northern and rural communities.
2. Include protections to ensure existing transportation companies can continue to provide valuable local transportation options.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## H. Investing in Northern Ontario's Highway Infrastructure

**Submitted by:** The Greater Sudbury Chamber of Commerce.

**Co-sponsored by:** Timmins Chamber of Commerce

### Issue

Continuing investment to complete the four-laning of the remaining 68 kilometres of Highway 69 (Highway 400 North) should be the first step to rectifying a critical transportation infrastructure gap that has limited Ontario's economic potential, ability to attract and retain workers, and connectivity regionally, provincially and nationally.

### 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. It is a critical link in the Trans-Canada Highway, connecting the Greater Toronto Area and Northern Ontario to Western Canada.

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 2021, work was completed on the four-laning of a 14 km section of Highway 69, from Highway 607 to Highway 522. 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:

- Unlock Ontario's economic potential.
- Reduce highway closures due to accidents (often with fatalities) and weather.
- Help businesses that depend on this highway get their goods to market.
- Improve Ontario's inter- and intra-provincial connectivity.
- Support Northern Ontario's business expansion and labour recruitment and retention efforts.

*Unlocking Ontario's Economic Potential:*

Investment in highway infrastructure has long been recognized as a viable method of creating good-paying 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.

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. 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. 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 dependent on a safe, reliable, and convenient highway network that allows passengers, heavy transports and tourists to travel across the province and country. The Highway was designed at a time when the majority of freight traffic was still being transported by railway, and the two-lane highway cannot accommodate increased transport traffic. Frequent highway closures due to collisions, which often result in fatalities, can have a significant adverse impact on commercial activity, and act as an economic and tourist deterrent. Completing the four-laning of Highway 69 will help improve traffic flow, safety, and reliability. 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:*

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 lacking. With reduced flight service in Northern Ontario, and little to no passenger rail service, building an adequate highway connecting Northern and Southern Ontario is not only critical to the region's economy but to the sustainability of northern communities. 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, by committing to an expeditious completion timeline for the four-laning of Highway 69.
2. Adopt the recommendations of the connecting the North transportation plan for Northern Ontario, which include the need for connected, safe and reliable transportation systems in the region.
3. When prioritizing highway infrastructure investments, consider the impacts of collisions, injury, deaths, economic growth, and regional and northern development.
4. Include details about the four-laning of Highway 69 in provincial budgets.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

# I. Unlocking Ontario's Growth: Provincial Infrastructure Investment to Boost Agriculture and Housing

**Submitted by:** The Chatham-Kent Chamber of Commerce.

**Co-sponsored by:** Windsor Essex Chamber of Commerce, Leamington District Chamber of Commerce, Sarnia Lambton Chamber of Commerce, Wallaceburg Chamber of Commerce, St. Thomas Chamber of Commerce, Barrie Chamber of Commerce, Orillia & District Chamber of Commerce, and Amherstburg Chamber of Commerce

## Issue

Ontario's municipalities face significant financial strain in funding critical infrastructure—such as water, wastewater, energy, and transportation systems—required to support economic growth, housing development, and agricultural productivity. Development charges levied on businesses and residents often offset these costs, stifling affordability, discouraging investment, and delaying projects. The province must assume greater responsibility for financing economic-enabling infrastructure to reduce reliance on municipal development fees and property taxes to unlock sustainable growth across industries, including Ontario's \$2.3B greenhouse sector and housing development.

## Background

Ontario's infrastructure gap threatens its economic competitiveness. The greenhouse sector alone contributes \$2.3B annually to provincial GDP and supports 35,000 jobs but faces bottlenecks due to aging water/wastewater systems, insufficient energy capacity, and poor rural connectivity. Municipalities, particularly in rural and high-growth areas, lack the fiscal capacity to fund these projects without development fees, which inflate costs for businesses and homebuyers. For example, greenhouse operators report that 59% increases in electricity costs (2017–2021) and unreliable water access hinder expansion<sup>110</sup>. Meanwhile, Infrastructure Ontario identifies intergovernmental collaboration and innovative financing as key to closing the \$52B provincial infrastructure deficit<sup>111</sup>. Without provincial leadership, municipalities cannot meet the

<sup>110</sup> <https://ppl-ai-file-upload.s3.amazonaws.com/web/direct-files/36837154/c6275398-bcf1-4ca2-af8a-565869e06aec/Growth-Sustainable-Prosperity-Study.pdf>

<sup>111</sup> <https://canadianfoodfocus.org/on-the-farm/greenhouses-increasing-vegetable-production-in-canada/>

demands of population growth, climate resilience, or sector-specific needs like controlled environment agriculture to achieve food security.

Ontario's greenhouse sector generates a 2.83–3.06 economic multiplier, meaning every \$1 in direct output stimulates up to \$3.06 in provincial GDP through indirect (supply chain) and induced (worker spending) activity<sup>112 113</sup>. For example, the sector's \$1.3B farm gate value in 2023 supported \$2.3B in provincial GDP and 32,000+ jobs, with additional ripple effects in transportation, energy, and retail sectors<sup>114 115</sup>. This multiplier surpasses industries like automotive manufacturing, where investments of \$500M typically yield smaller cascading economic benefits.

Greenhouse growth spurs new businesses in packaging, equipment manufacturing, and logistics. For instance:

**Precision agriculture tech firms:** Adoption of automated climate control and hydroponic systems drives demand for AI-driven sensors and robotics.

**Renewable energy providers:** Greenhouse adoption of combined heat/power systems creates opportunities for solar and biogas suppliers, reducing grid reliance.

**Cold storage/logistics:** Perishable produce exports (\$1.6B annually) require specialized storage and transport networks, supporting 22,000+ indirect jobs<sup>116 117</sup>.

Greenhouse production strengthens Ontario's food security by enabling year-round, climate-resilient harvests, reducing reliance on imported produce vulnerable to global supply chain disruptions (e.g., 59% of U.S.-imported vegetables face seasonal shortages<sup>118</sup>). With yields up to 15–20 times higher per acre than field farming, Ontario's greenhouses can sustainably meet 71% of Canada's fresh vegetable demand while using 90% less water.

This productivity creates a sustainable competitive edge against U.S. markets through:

<sup>112</sup> <https://www.innovatingcanada.ca/campaigns/ontarios-greenhouse-sector-heralds-a-new-era-of-sustainability-innovation-and-food-security/>

<sup>113</sup> <https://www.innovatingcanada.ca/technology/agricultural-innovation/greenhouse-grown-vegetables-good-for-economy-consumers-and-planet/>

<sup>114</sup> <https://ppl-ai-file-upload.s3.amazonaws.com/web/direct-files/36837154/c6275398-bcf1-4ca2-af8a-565869e06aec/Growth--Sustainable-Prosperty-Study.pdf>

<sup>115</sup> <https://sageuniversity.edu.in/blogs/greenhouse-farming-and-its-impact-on-sustainable-food-production>

<sup>116</sup> <https://www.innovatingcanada.ca/campaigns/ontarios-greenhouse-sector-heralds-a-new-era-of-sustainability-innovation-and-food-security/>

<sup>117</sup> <https://canadianfoodfocus.org/on-the-farm/greenhouses-increasing-vegetable-production-in-canada/>

<sup>118</sup> <https://canadianfoodfocus.org/on-the-farm/greenhouses-increasing-vegetable-production-in-canada/>

**Lower Carbon Footprint:** Adoption of renewable energy systems (e.g., combined heat/power) reduces emissions by 40% compared to traditional farming, aligning with EU/Asia’s strict import standards<sup>119 120</sup>.

**Trade Diversification:** While 86% of Ontario’s \$1.6B in exports currently go to the U.S., precision-grown greenhouse produce meets phytosanitary requirements for new markets like Japan and the UAE, where demand for pesticide-free, “clean label” foods is rising 12% annually<sup>121 122</sup>.

**Value-Added Innovation:** Byproducts (e.g., plant biomass) enable \$500M in new bioproduct markets, including plant-based proteins and biodegradable packaging, leveraging Ontario’s \$2.3B Agri-Tech Hub<sup>123 124</sup>.

By investing in water/wastewater infrastructure and on-farm renewable energy, Ontario can cement its position as a global leader in sustainable CEA (Controlled Environment Agriculture), attracting \$6B in sector expansion while cutting import dependence by 34% by 2030<sup>125 126</sup>.

### **Municipal Government Revenue Opportunities**

While greenhouses benefit from agricultural tax rates, municipalities gain revenue through:

**Ancillary industrial/commercial growth:** Suppliers and processors locating near greenhouse clusters expand the property tax base.

<sup>119</sup> <https://ppl-ai-file-upload.s3.amazonaws.com/web/direct-files/36837154/d2a60bef-c7c4-490d-b657-61ad058eb004/2025-01-27-MOF-Pre-Budget-Consultation-Letter-to-Minister.docx>

<sup>120</sup> <https://www.innovatingcanada.ca/campaigns/ontarios-greenhouse-sector-heralds-a-new-era-of-sustainability-innovation-and-food-security/>

<sup>121</sup> <https://ppl-ai-file-upload.s3.amazonaws.com/web/direct-files/36837154/d2a60bef-c7c4-490d-b657-61ad058eb004/2025-01-27-MOF-Pre-Budget-Consultation-Letter-to-Minister.docx>

<sup>122</sup> <https://farmonaut.com/canada/ontarios-greenhouse-sector-balancing-2-billion-growth-with-regulatory-challenges-in-2024/>

<sup>123</sup> <https://www.innovatingcanada.ca/campaigns/ontarios-greenhouse-sector-heralds-a-new-era-of-sustainability-innovation-and-food-security/>

<sup>124</sup> <https://sageuniversity.edu.in/blogs/greenhouse-farming-and-its-impact-on-sustainable-food-production>

<sup>125</sup> <https://ppl-ai-file-upload.s3.amazonaws.com/web/direct-files/36837154/d2a60bef-c7c4-490d-b657-61ad058eb004/2025-01-27-MOF-Pre-Budget-Consultation-Letter-to-Minister.docx>

<sup>126</sup> <https://farmonaut.com/canada/ontarios-greenhouse-sector-balancing-2-billion-growth-with-regulatory-challenges-in-2024/>

**Value-added facilities:** Biofuel plants using organic waste or packaging facilities increase taxable industrial land use<sup>127 128</sup>.

**Utility partnerships:** Municipal-owned energy/water infrastructure serving greenhouses can generate user fees and not development charges, (e.g., Essex County's wastewater partnerships with growers)<sup>129130</sup>.

By investing \$2B in water/wastewater and energy infrastructure, the province could unlock \$6B in greenhouse sector expansion, enabling municipalities to recover costs through expanded tax bases and fee structures over 5–10 years<sup>131 132 133</sup> while addressing infrastructure needs housing development.

## Recommendations

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

1. Expand the Provincial-Municipal Infrastructure Fund and dedicate \$2B over five years to specifically co-fund water, wastewater, and energy infrastructure in high-growth and agricultural regions, prioritizing projects that reduce development fee reliance.
2. Accelerate water/wastewater project approvals, streamline permitting processes while respecting Source Water Protection initiatives, agricultural permits to Take Water and impacts on Stormwater Management.
3. Fund 100% of capital costs for critical upgrades in rural municipalities with both single- and two-tier municipal governments, aligning with the greenhouse sector's need for sustainable water solutions.
4. Incentivize and invest in on-farm renewable energy infrastructure, providing a combination of grants and zero interest loans covering up to 40% of capital costs for greenhouse operators adopting combined heat/power systems, reducing grid dependency and enabling surplus energy sales to offset municipal costs.

<sup>127</sup> <https://www.innovatingcanada.ca/technology/agricultural-innovation/greenhouse-grown-vegetables-good-for-economy-consumers-and-planet/>

<sup>128</sup> <https://www.innovatingcanada.ca/technology/agricultural-innovation/greenhouse-grown-vegetables-good-for-economy-consumers-and-planet/>

<sup>129</sup> <https://ppl-ai-file-upload.s3.amazonaws.com/web/direct-files/36837154/d2a60bef-c7c4-490d-b657-61ad058eb004/2025-01-27-MOF-Pre-Budget-Consultation-Letter-to-Minister.docx>

<sup>130</sup> <https://sageuniversity.edu.in/blogs/greenhouse-farming-and-its-impact-on-sustainable-food-production>

<sup>131</sup> <https://www.innovatingcanada.ca/campaigns/ontarios-greenhouse-sector-heralds-a-new-era-of-sustainability-innovation-and-food-security/>

<sup>132</sup> <https://canadianfoodfocus.org/on-the-farm/greenhouses-increasing-vegetable-production-in-canada/>

<sup>133</sup> [https://greeninfrastructureontario.org/app/uploads/2020/07/Economic-Impact-Assessment-of-GI-Sector-in-Ontario\\_UPDATED\\_july20-20.pdf](https://greeninfrastructureontario.org/app/uploads/2020/07/Economic-Impact-Assessment-of-GI-Sector-in-Ontario_UPDATED_july20-20.pdf)

5. Create a trade-readiness infrastructure mitigation fund and allocate \$500M to rapidly deploy infrastructure (e.g. transportation corridors, truck transportation holding and staging areas, storage facilities) in sectors like agriculture facing U.S. trade disruptions, ensuring retaliatory tariffs do not stall projects.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

# J. Drive Ontario's Automotive Future by Integrating Critical Minerals, Advanced Manufacturing, and Dual-Use Supply Chains

**Submitted by:** Windsor-Essex Regional Chamber of Commerce

**Co-sponsored by:** Chatham-Kent Chamber of Commerce, Guelph Chamber of Commerce, Orillia Chamber of Commerce, Halton Hill Chamber of Commerce, Leamington Chamber of Commerce, Burlington Chamber of Commerce, St. Thomas & District Chamber of Commerce, and the Greater Sudbury Chamber of Commerce

## Issue

Ontario's automotive and advanced mobility ecosystem is being reshaped by electrification, software-defined vehicles, and intensifying global competition. Provincial supports remain fragmented and too narrowly focused on final assembly rather than the full value chain - including critical minerals, processing/refining, battery materials, automation, cybersecurity, and dual-use commercialization. Without an integrated strategy linking Northern critical-mineral assets to Southern manufacturing and aligning with federal measures, Ontario risks losing investment, intellectual property, and high-value jobs.

## Background

Ontario's auto sector supports more than 100,000 workers and has attracted over \$46 billion in EV-battery and vehicle manufacturing investment in the past five years.<sup>134</sup> The province is home to deposits of 34 critical minerals, and the Ring of Fire contains one of the world's largest chromite deposits.<sup>135</sup> The launch of Ontario's \$500-million Critical Minerals Processing Fund provides a strong foundation for in-province refining and processing, supported by necessary enabling infrastructure and Indigenous partnership.<sup>136</sup>

<sup>134</sup> [Ontario Vehicle Innovation Network \(OVIN\). Driving Trade Forward: Annual Comprehensive Sector Report 2024–25 \(Executive Summary\), 2025.](#)

<sup>135</sup> [Government of Ontario. Ontario's Critical Minerals Strategy 2022–2027. ;Government of Ontario. Mineral exploration and production values and commodities \(incl. Ring of Fire/chromite\).](#)

<sup>136</sup> [Ontario Newsroom. Ontario Launches \\$500 Million Critical Minerals Processing Fund \(O-AMP\), Dec. 12, 2025.](#)

At the federal level, Canada's 2026 National Auto Strategy reinstates consumer EV incentives, strengthens GHG standards, invests \$1.5 billion in charging and hydrogen infrastructure, and commits to doubling national grid capacity. Workforce supports, industrial transition funding, and tariff-response measures further enhance competitiveness.<sup>137</sup>

Suppliers require clearer multi-year pathways to adopt automation, AI, cybersecurity, and advanced materials, and to comply with CUSMA rules of origin, while preparing for dual-use markets.<sup>138</sup>

WHEREAS Ontario's automotive sector remains a cornerstone of the provincial economy and is undergoing a rapid transformation driven by electrification, advanced manufacturing, and global supply-chain realignment; and

WHEREAS critical minerals—including lithium, nickel, cobalt, graphite, and rare earth elements—are essential inputs to electric vehicles, batteries, and advanced automotive technologies, and Ontario possesses significant mineral assets alongside a globally competitive manufacturing base; and

WHEREAS Ontario's long-term competitiveness depends on stronger integration between Northern resource development and Southern manufacturing and battery supply chains, aligned with federal strategies and Indigenous economic participation; and

WHEREAS small- and medium-sized suppliers require sustained modernization support to meet CUSMA rules of origin, adopt advanced technologies, and remain competitive within North American automotive and industrial value chains; and

WHEREAS Ontario has initiated important actions through programs such as the Ontario Vehicle Innovation Network (OVIN), the Ontario Automotive Modernization Program (O-AMP), the Critical Minerals Processing Fund, and the Integrated Energy Plan, and further scale, coordination, and execution clarity are required to maximize their impact; and

WHEREAS talent shortages across automotive, battery, mining, and advanced-manufacturing sectors threaten the pace of investment and supply-chain localization, and post-secondary institutions play a critical role in workforce development and applied innovation.

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<sup>137</sup> [Government of Canada. Canada's New Automotive Strategy \(Feb. 5, 2026\) – announcement/backgrounders.](#)

<sup>138</sup> [Global Affairs Canada. CUSMA: Automotive rules of origin \(technical summary\).](#)

## Recommendations

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

### **Integrated Automotive–Critical Minerals Strategy**

1. Publish, within twelve (12) months, a single Integrated Automotive–to–Critical Minerals Strategy, led by a designated ministry and co-designed with industry, Indigenous governments, labour, municipalities, and post-secondary institutions, which:
  - a. Links Northern critical-mineral development, including processing and refining, with Southern Ontario manufacturing, battery, and automotive supply chains;
  - b. Aligns provincial actions with federal automotive, clean-technology, and critical-minerals strategies; and
  - c. Establishes clear multi-year targets for investment attraction, supply-chain localization, and workforce development.

### **Supplier Modernization and Supply-Chain Resilience**

2. Strengthen supplier competitiveness and resilience through a multi-year Supplier Modernization and Dual-Use Commercialization stream, delivered through existing programs such as OVIN and O-AMP, to support:
  - a. Adoption of automation, artificial intelligence, robotics, cybersecurity, and advanced materials;
  - b. Supplier compliance with CUSMA rules of origin and North American content requirements; and
  - c. Dual-use commercialization opportunities serving automotive, defence, mining, public safety, and critical-infrastructure markets.

### **Domestic Processing, Refining, and Energy Readiness**

3. Prioritize domestic processing and refining capacity for critical minerals by expanding and scaling existing programs, including the Critical Minerals Processing Fund, particularly where demand exceeds available funding, and by:
  - a. Co-investing with federal partners, Indigenous communities, and industry in enabling Northern infrastructure that connects mineral assets to Ontario manufacturing hubs; and
  - b. Clarifying Ontario’s role in energy readiness as implementation-focused, aligned with the Integrated Energy Plan, by advancing grid readiness,

storage, distributed energy resources, and smart-grid and vehicle-to-grid pilot projects that support industrial growth and electrification.

**Talent, Skills, and Workforce Development**

4. Scale talent-development pipelines aligned to automotive, battery, and critical-minerals supply chains, in partnership with industry and the post-secondary sector, including:
  - a. Post-secondary programs and work-integrated learning opportunities;
  - b. Micro-credentials, apprenticeships, and rapid up-skilling in battery manufacturing, recycling, mining automation, materials science, and automotive software; and
  - c. Alignment with federal workforce and industrial-transition supports.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

## K. Oppose Excessive OMVIC Fee Increases and Strengthen Oversight to Protect Ontario Consumers and Dealers

**Submitted by:** Windsor-Essex Regional Chamber of Commerce

**Co-sponsored by:** Chatham-Kent Chamber of Commerce; St. Thomas & District Chamber of Commerce; Leamington Chamber of Commerce; Guelph Chamber of Commerce, Peterborough and the Kawarthas Chamber of Commerce, Orillia Chamber of Commerce, Halton Hill Chamber of Commerce, Burlington Chamber of Commerce and the Belleville Chamber of Commerce

### Issue

The Ontario Motor Vehicle Industry Council (OMVIC) has introduced repeated and significant fee increases since 2024 — including lifting the per-vehicle transaction fee from \$12.50 to \$22.00 effective September 1, 2025, alongside higher registration/renewal and late fees — that cumulatively raise costs for dealers and consumers across Ontario. These increases arrive despite longstanding concerns documented by Ontario’s Auditor General, and amid substantial formal complaints from dealers and associations.<sup>139</sup>

### Background

Regulatory context and fee increases. OMVIC is the delegated administrative authority for motor vehicle dealers/salespeople. In June 2025, OMVIC issued a 60-day notice of new fees effective September 1, 2025, including dealer annual renewal to \$392, salesperson renewal to \$205, branch renewals to \$392, and a transaction fee increase to \$22 per retail sale/lease/fleet transaction.<sup>140</sup>

<sup>139</sup> [OMVIC – 60-Day Notice to the Profession: New fees effective September 1, 2025 \(Dealer Bulletin, June 27, 2025\)](#). ; [OMVIC – 2025 Fee Increase Consultation \(Dealer Bulletin, May 7, 2025\)](#). ; [Office of the Auditor General of Ontario – Value-for-Money Audit: Ontario Motor Vehicle Industry Council \(December 2021\)](#).

<sup>140</sup> [OMVIC – 60-Day Notice to the Profession: New fees effective September 1, 2025 \(Dealer Bulletin, June 27, 2025\)](#).

Prior consultation materials sought input on increasing the transaction fee from \$12.50 to \$22.00 and raising most registration fees by ~2.5% (reflecting escalation from \$10 in 2023 → \$12.50 in 2024 → \$22.00 in 2025).<sup>141</sup>

Performance concerns from the Auditor General (AG). The 2021 VFM Audit found that about 50% of ~5,400 consumer complaints (2016–2020) resulted in no resolution and identified weaknesses in inspections, investigations, dispute resolution, governance, and Ministry oversight. The 2023 AG follow-up reported OMVIC had fully implemented most recommendations directed at it and improved risk-based inspections, inspection oversight, and complaint-escalation frameworks — important progress but not a complete remedy to marketplace risks.<sup>142</sup>

Persistent consumer risks. Despite operational improvements, re-VINning (vehicle identity fraud) and violations of all-in price advertising continued to surface in 2024, illustrating that consumer risks remain significant even as OMVIC modernizes.<sup>143</sup>

Documented, formal complaints on pricing. The Used Car Dealers Association of Ontario (UCDA) mounted a formal, public campaign — “Dealers Can’t Afford OMVIC” — asserting fee hikes are excessive and urging formal objections.<sup>144</sup>

The government-recognized consultation process invited formal written submissions from registrants and stakeholders on the 2025 fee increases.<sup>145</sup>

Industry media also documented dealer backlash over compounding financial pressure and a perceived lack of accountability for fee growth; UCDA later issued an open letter questioning OMVIC’s expansion plans amid a provincial agency hiring freeze.<sup>146</sup>

Why is OCC action warranted now? OMVIC’s funding model draws almost entirely from registrant and transaction fees; sharp increases act like a quasi-levy that can be passed to consumers. Given the AG’s findings and the partial maturity of reforms, additional fee

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<sup>141</sup> [OMVIC – 2025 Fee Increase Consultation \(Dealer Bulletin, May 7, 2025\).; Government/OMVIC – Consultation portal invitation for fee submissions \(2025\).](#)

<sup>142</sup> [Office of the Auditor General of Ontario – Value-for-Money Audit: Ontario Motor Vehicle Industry Council \(December 2021\). ; Office of the Auditor General of Ontario – 2023 Follow-Up on 2021 VFM Audit: OMVIC \(Chapter 1, Section 1.12, October 20, 2023\).](#)

<sup>143</sup> [Automobile Protection Association / OMVIC – 2024 Year in Review: Top Consumer Challenges \(Dec 19, 2024\).](#)

<sup>144</sup> [Used Car Dealers Association \(UCDA\) – Dealer Alert: Dealers Can’t Afford OMVIC \(May 15, 2025\).](#)

<sup>145</sup> [Government/OMVIC – Consultation portal invitation for fee submissions \(2025\).](#)

<sup>146</sup> [Dealerpull blog/industry media – OMVIC and Ontario Auto Dealers: Balancing Protection with Pressure \(June 23, 2025\). ; UCDA – Open letter on OMVIC hiring freeze and fee increases \(LinkedIn, Oct 23, 2025\).](#)

escalation without stronger transparency, cost control, and oversight risks eroding affordability and competitiveness — especially for small and independent dealers.<sup>147</sup>

## Recommendations

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

1. Mandate an independent financial and operational audit of OMVIC (beyond internal action plans) to test cost drivers of fee growth, staffing expansion, and the value delivered to consumers; require public reporting and a corrective-action plan with milestones.<sup>148</sup>
2. Establish a provincial fee-setting framework and oversight mechanism (through the Ministry of Public and Business Service Delivery) tying any future OMVIC fee increases to demonstrable regulatory need, measurable outcomes (e.g., complaint resolution rates, investigation timeliness, compliance trends), operational efficiencies, and robust stakeholder consultation.<sup>149</sup>

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

<sup>147</sup> [Office of the Auditor General of Ontario – Value-for-Money Audit: Ontario Motor Vehicle Industry Council \(December 2021\).](#); [Office of the Auditor General of Ontario – 2023 Follow-Up on 2021 VFM Audit: OMVIC \(Chapter 1, Section 1.12, October 20, 2023\).](#)

<sup>148</sup> [Office of the Auditor General of Ontario – Value-for-Money Audit: Ontario Motor Vehicle Industry Council \(December 2021\).](#); [Office of the Auditor General of Ontario – 2023 Follow-Up on 2021 VFM Audit: OMVIC \(Chapter 1, Section 1.12, October 20, 2023\).](#)

<sup>149</sup> [Office of the Auditor General of Ontario – 2023 Follow-Up on 2021 VFM Audit: OMVIC \(Chapter 1, Section 1.12, October 20, 2023\).](#); [Government/OMVIC – Consultation portal invitation for fee submissions \(2025\).](#)

## L. 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, Simcoe & District Chamber of Commerce, St. Thomas & District Chamber of Commerce, Woodstock District Chamber of Commerce, Ingersoll District Chamber of Commerce, and the Township of Norwich Chamber of Commerce

### Issue

The Highway 401/403 network serves as a critical trade artery, supporting international commerce for manufacturing, agricultural and other business sectors spanning from Windsor to the GTA and beyond. However, traffic congestion on Ontario's 400-series highway, remains a primary barrier to economic productivity. With non-recurrent congestion, such as accidents causing over 50% of delays<sup>150</sup>, the province requires a transition from reactive clearing to a performance-based, incentive-driven recovery model to protect the "Just-in-Time" supply chains of Southwestern Ontario.

### Background

Since this policy was first adopted, Ontario has made strides in towing industry regulation through the Towing and Storage Safety and Enforcement Act (TSSEA). However, the province still lacks the successful, incentive-based clearance models seen in Georgia (TRIP) and Florida (RISC), which have achieved an 80% reduction<sup>151</sup> in clearance times by clearing major accidents in 90 minutes or less. Every dollar (\$) invested in rapid incident management - roving patrols/Traffic Incident Management (TIM) - yields \$6 to \$28 in recovered economic activity.

In Southwestern Ontario, the 401/403 junction in Woodstock remains a critical bottleneck, handling 60,000+ heavy trucks daily. This gridlock costs industry vehicles an estimated \$122 per hour per vehicle. Without specialized incident management pilots (including roving patrols and local reporting centers), Ontario businesses continue to lose over \$500M annually in lost productivity and fuel.

<sup>150</sup> [Transport Canada. \(2006\). \*The costs of non-recurrent congestion in Canada. Final Report.\* \[http://www.bv.transports.gouv.qc.ca/mono/0964770/01\\\_Report.pdf\]\(http://www.bv.transports.gouv.qc.ca/mono/0964770/01\_Report.pdf\)](http://www.bv.transports.gouv.qc.ca/mono/0964770/01_Report.pdf)

<sup>151</sup> [Georgia Department of Transportation. \(2023\). \*Georgia Department of Transportation's \(GDOT\) Towing and Recovery Incentive Program \(TRIP\) can reduce clearance times by 80 percent.\* ITS Knowledge Resources. <https://www.itskrs.its.dot.gov/2023-b01706>](https://www.itskrs.its.dot.gov/2023-b01706)

While the province has not yet extended the incentive-based "Georgia Model" specifically to the Oxford-to-Windsor corridor, they have implemented a Tow Zone Pilot Program<sup>152</sup> on sections of the 401 and other 400-series highways in the GTA.

Southwestern Ontario is a hub for automotive manufacturing (e.g. GM, Toyota supply chains). While the GTA has seen pilot programs, the international supply chain in Southwestern Ontario remains at risk of multi-hour shutdowns. One accident-related shutdown can cost industry sectors millions of dollars in Just-In-Time delivery delays. When an accident shuts down 401 or 403, for three, four (or more hours), it doesn't just delay a commute; it halts assembly lines and costs the industry \$122 per hour per truck. 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.
- 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 economic impacts.
- Local tourism impacts.
- Future potential land use impacts. (56)

Highway 401 Exit 250, the Drumbo / Innerkip stretch, and the 401/403 junction, remain the most accident-prone and congested sections of the provincial highway system.<sup>153</sup> The current clearing models often lead to secondary collisions and prolonged closures. Prioritizing a regional pilot program first in Oxford County, ahead of higher-volume segments like the Kitchener-Waterloo or Brantford-to-Toronto corridors – would allow the Province to fine-tune the process as it expands toward the GTA.

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<sup>152</sup> Ministry of Transportation of Ontario. (2021). *Tow zone pilot program*. Government of Ontario. <https://www.ontario.ca/page/tow-zone-pilot-program>

<sup>153</sup> CTV News Kitchener. (2025, December 11). *Four serious crashes in the last four weeks on Highway 401 west of Ayr*. <https://www.ctvnews.ca/kitchener/article/four-serious-crashes-in-the-last-four-weeks-on-highway-401-west-of-ayr-ont/>

## Recommendations

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

1. **Implement an 18-month "Freight-First" Pilot Program** on the Highway 401 corridor from Oxford County to Windsor using performance-based financial incentives like the successful programs in Georgia and Florida. Upon a successful 18-month evaluation, the program should be expanded to include the entire 400-series highway network. The estimated investment cost for this pilot would be between \$3.5M - \$6.5M, which is a fraction of the cost of physical highway expansion. For example, the widening of Highway 401 through the Kitchener-Waterloo and Cambridge corridors was completed in two primary phases over approximately **8 to 10 years**, with a total investment exceeding **\$300 million**.
2. **Establish a Highway-Specific Collision Reporting Centre (CRC)** in Oxford County to remove property-damage-only vehicles from the 401/403 live lanes immediately. This is "Zero-Cost" to the government as CRCs in Ontario are operated by Accident Support Services International (ASSI) and are funded entirely by participating insurance companies, not taxpayers.
3. **Expand Specialized Roving Highway Safety Patrols** from Oxford County to Windsor to provide direct service to motorists and clear debris. This mirrors the high-ROI safety models used on the 407 ETR routes. The estimated annual cost is \$2M - \$4M per every 200 km with 24/7 coverage across multiple zones upon provincial expansion.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# M. Shifting Gears on Northern Ontario's Freight Corridors

**Submitted by:** Timmins Chamber of Commerce

**Co-sponsored by:** Sault Ste. Marie Chamber of Commerce, Thunder Bay Chamber of Commerce, Muskoka Lakes Chamber of Commerce, North Bay and District Chamber of Commerce, Northern Corridor Chamber of Commerce, Cochrane Board of Trade and the Greater Sudbury Chamber of Commerce

## Issue

Ontario's economic competitiveness depends on reliable, safe, and resilient transportation corridors that connect regions, industries, and markets. Northern Ontario's highway network forms the backbone of east-west trade within the province and across Canada, linking Western supply chains to manufacturing, processing, and export hubs in Southern and Eastern Ontario. Much of this network remains built to outdated standards that no longer reflect modern freight volumes, safety risk, climate realities, or the province's economic ambitions.

## Background

Northern Ontario's primary highway corridors support an estimated \$200 million in daily commercial activity and carry nearly one million truck shipments annually.<sup>154</sup> Primary corridors such as Highways 11 and 17 serve as critical economic routes connecting Northern, Eastern, Southern, and Western Ontario, while also supporting key economic linkages with Northern Quebec. Despite their provincial and national significance, large portions of these corridors remain two-lane highways maintained under classifications that prioritize local passenger volumes rather than freight intensity, economic risk, or system-wide consequences of failure.

Disruptions on northern corridors create ripple effects well beyond the region. Highway closures and reliability issues delay manufacturing inputs, disrupt just-in-time inventory systems, constrain access to consumer goods, and increase costs for businesses and households across Ontario.<sup>155</sup> With limited redundancy, extended closures frequently force long-distance rerouting, including, in some cases, detours through the United States, adding travel time, operational costs, and regulatory complexity for Ontario-

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<sup>154</sup> [ONOM, Economic Impact of Northern Ontario Highways, 2023.](#)

<sup>155</sup> [Mordor Intelligence: Canada Road Freight Transport Market Size & Growth \(2026–2031\).](#)

based carriers. In 2026, this is no longer a simple detour; it is a major economic drain involving bonded freight complexities, driver visa restrictions, and increased border compliance costs.<sup>156 157</sup>

Stakeholder engagement conducted by the Timmins Chamber of Commerce reinforces these system-level impacts.<sup>158</sup> A targeted survey of large and industrial employers who rely on highway transportation daily found that 86% experience regular or occasional operational impacts due to highway conditions. More than half reported annual losses exceeding \$50,000 from unplanned closures, and one-third reported losses over \$100,000. While the sample is limited to specific businesses, the findings are consistent with long-standing feedback from logistics operators, municipalities, and industry associations across Northern Ontario, indicating that cumulative economic losses scale into the tens of millions of dollars annually.

When these disruptions occur, impacts are often concentrated in corridor communities including Cochrane, Kapuskasing, Hearst, Nipigon, Rainy River, Sudbury, North Bay, and further south, where truck staging and prolonged congestion can restrict local access and disrupt business activity for days after highways reopen. These operational challenges create compounding economic effects for both local enterprises and industries dependent on predictable transportation timelines.

These impacts manifest through delayed deliveries, spoiled goods, idle equipment, missed contracts, increased insurance costs, and workforce disruptions. For trucking operators, even short-duration closures can result in significant productivity losses across fleets.<sup>159</sup> Safety and reliability also affect labour availability, as employers report difficulty recruiting and retaining drivers willing to operate on northern corridors, compounding supply chain pressures throughout the province.

Safety outcomes further demonstrate that existing standards are misaligned with corridor function. Provincial road safety data consistently shows that Highways 11 and 17 experience a significant share of fatal and serious injury collisions relative to traffic volumes, higher than provincial averages.<sup>160</sup> While commercial vehicles are involved in a notable share of serious incidents, passenger vehicles account for many collisions and fatalities, reflecting increased traffic volumes and interaction between heavy freight and personal travel on infrastructure not designed for mixed, high-volume use.

Consumer behaviour has intensified these pressures. The growth of e-commerce and next-day delivery expectations has permanently increased freight traffic on northern

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<sup>156</sup> [Federal Register - FY 2026 Customs User Fees.](#)

<sup>157</sup> [KPMG \(2025/2026\), Impacts of US Tariffs on Canada's Transportation Industry.](#)

<sup>158</sup> [Timmins Chamber of Commerce, Northern Business Transportation Survey, 2025.](#)

<sup>159</sup> [Ontario Trucking Association Operating Cost Analysis and Driver Retention Survey, Q2 2025](#)

<sup>160</sup> [Ontario Road Safety Annual Reports \(ORSAR\). 2023.](#)

highways, particularly during winter weather events.<sup>161</sup> In regions with limited transportation alternatives, this has resulted in more trucks operating during active storms, increasing congestion, conflict points, and collision risk. Operational maintenance improvements alone have not offset these systemic pressures.

Climate variability further compounds reliability challenges. Northern corridors experience more frequent severe winter events and freeze-thaw cycles, placing stress on infrastructure built to earlier standards.<sup>162</sup> Unlike Southern Ontario, where multiple highway routes and modal alternatives provide redundancy, Northern Ontario businesses and communities remain highly dependent on single corridors, increasing economic and safety consequences when failures occur.

Modernizing Northern Ontario's highway framework also presents an opportunity to strengthen reconciliation and economic participation. Primary corridors traverse the traditional territories of many First Nations, whose communities are rights holders and essential partners in regional development. Advancing reclassification, maintenance reform, and long-term upgrades through meaningful engagement and collaboration can support employment, contracting opportunities, and improved access to markets and services.

Recent provincial investments, including targeted four-laning, 2+1 pilot segments, and enhanced winter maintenance standards, represent progress.<sup>163</sup> However, these initiatives remain incremental and corridor-specific, and collision and fatality rates on Northern Ontario's primary highway corridors remain disproportionately high. In the first five weeks of 2026, primary Northern corridors have faced over 130 hours of full closures, including a catastrophic multi-fatality closure on Highway 11 in late January, as well as multiple fatal head-on collisions on Highway 17 in early 2026.

With no viable domestic detours, these frequent failures physically sever Canada's east-west supply chain, resulting in millions of dollars in immediate productivity losses and reinforcing the urgent need for a statutory four-lane mandate.

Ontario's ambition to compete globally depends on the reliability of the infrastructure that supports its foundational industries. Northern Ontario's gold, metals, forestry, and critical minerals sectors are nationally and internationally significant, yet remain dependent on highway corridors designed for a different era. A coordinated, corridor-based approach is required to ensure these highways meet the demands of a modern, integrated provincial economy.

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<sup>161</sup> [Mordor Intelligence, Canada Road Freight Transport Market Size & Growth Analysis \(2025-2026\).](#)

<sup>162</sup> [Canadian Climate Institute - Due North Report.](#)

<sup>163</sup> [Government of Ontario, 2025-2026 Northern Highways Program Update \(Summer 2025 Edition\).](#)

## Recommendations

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

1. Mandate the MTO to reclassify and transition all primary northern corridors to a "Freight-Critical" Class 1 Standard maintenance as a single Class 1 economic unit, ensuring that maintenance funding and resources are scaled to provide consistent service across the entire corridor, regardless of local passenger volume.
2. Direct the Ministry of Transportation to develop a phased corridor twinning program within Ontario's Transportation Capital Plan, prioritizing the upgrade of primary Northern corridors to a divided four-lane standard with median safety barriers. The program should define clear freight-tonnage and safety performance thresholds that guide the sequencing of investments, with 2+1 configurations deployed as interim safety improvements on priority segments pending full four-lane upgrades. The province is asked to identify initial priority corridors, estimated timelines, and funding mechanisms, including potential federal partnership opportunities, as part of its next transportation capital planning cycle.
3. Modernize corridor operations by deploying automated road-weather monitoring and smart corridor technologies to optimize maintenance and incident response in real time. Additionally, the province should use its convening role to engage with the federal government and private operators to explore opportunities to strengthen complementary rail, air cargo, and intermodal logistics capacity along Northern corridors, supporting supply chain continuity during highway disruptions where rail infrastructure falls under federal or private jurisdiction.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# N. Strengthening Ontario's Airport System Through Provincial Leadership, Funding, and Planning

**Submitted by:** Sarnia-Lambton Chamber of Commerce

**Co-sponsored by:** Chamber of Commerce Brantford-Brant, Tillsonburg District Chamber of Commerce, St. Thomas & District Chamber of Commerce, and the Peterborough and Kawarthas Chamber of Commerce.

## Issue

Without provincial leadership, Ontario's airports - especially smaller regional facilities seeking to restore or attract scheduled air service - face increasing financial risk, declining infrastructure condition, and loss of connectivity that undermines economic development, health services, and regional competitiveness.

Ontario does not have a dedicated provincial airport capital or operating assistance program for regional and community airports.

Provincial support is largely limited to remote and northern airports and ad-hoc eligibility through general economic development programs.

Regional airports must rely disproportionately on municipal property tax bases, limited federal programs with restrictive eligibility, and airport-generated revenues that are often insufficient for major capital needs. This approach contrasts sharply with other provinces and territories.

Without action, Ontario risks the gradual erosion of its regional airport network and the economic, social, and transportation benefits those airports provide.

A coordinated provincial role is essential to protect, stabilize, and grow Ontario's airport system for the long term.

## Background

The province has already acknowledged the importance of airports:

- The Southwestern Ontario Transportation Plan (Connecting the Southwest) identifies airports as an integral component of a multimodal transportation system, supporting:
  - Economic development and trade

- Emergency response and health services
- Regional and interregional connectivity
- The Plan explicitly committed to assessing airport activity and infrastructure to better understand their role in supporting people and goods movement across Southwestern Ontario.

These actions establish a clear policy foundation: airports are essential public infrastructure, not optional or discretionary assets.

The Southwestern Ontario Transportation Task Force Final Report (2023) goes further by recommending that the province:

- Support the sustainability of municipal and regional airports
- Encourage collaboration across federal, provincial, and municipal governments to address airport financial challenges
- Help identify new investment mechanisms and funding solutions
- Promote awareness of the economic and social value of airports
- Encourage efforts to attract and retain commercial passenger and freight air services

These recommendations implicitly recognize that municipalities cannot sustain airport infrastructure alone, particularly when airports deliver benefits that extend well beyond municipal boundaries.

The Province of Ontario has already laid the policy groundwork through the Southwestern Ontario Transportation Plan and the Southwestern Ontario Transportation Task Force. What is now required is implementation.

#### Comparator programs in other Provinces and Territories

Most other Canadian jurisdictions have accepted a clear provincial role in airport sustainability:

- British Columbia: BC Air Access Program provides consistent capital funding to community airports.
- Alberta: Community Airport Program supports infrastructure rehabilitation and safety improvements.
- Saskatchewan: Community Airport Partnership Program delivers provincial cost-sharing.
- Manitoba and Atlantic provinces: Provide operational and capital assistance recognizing airports as regional infrastructure.

- Northern territories: Treat airports as essential public transportation assets with sustained territorial funding.

Ontario's absence from this list places its airports - and the communities they serve - at a structural disadvantage.

## Recommendations

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

1. Establish a clear provincial commitment to funding, strategic planning, and long-term sustainability for regional and community airports across Ontario, in consultation with local industry, elected officials, and stakeholders.
2. Respond to findings and actions identified by the Ministry of Transportation (MTO) through the Southwestern Ontario Transportation Plan and the Southwestern Ontario Transportation Task Force and address the growing competitiveness gap between Ontario and other Canadian provinces and territories.
3. Align action with existing provincial policy and national best practices by formally recognizing regional and community airports as critical provincial transportation infrastructure and establish a dedicated provincial airport support program focused on capital projects, asset preservation and rehabilitation, and readiness for scheduled passenger and cargo service.
  - a. This program should be designed to reflect the shared jurisdiction and shared benefits of airport infrastructure, leveraging cost-sharing partnerships between provincial, federal, and municipal governments, as well as opportunities for private-sector participation where appropriate.
4. Review and expand existing provincial economic development programs in Southern Ontario to ensure regional and community airports are consistently eligible for funding – similar to supports available in Northern Ontario – and consider enhancing these programs to provide more predictable and accessible funding streams for airport infrastructure and service development.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

## O. Supporting Ontario Contractors and Expediting Infrastructure Builds by Addressing the Backlog of Ontario One Call Locate Requests Through Adaptive Technological Innovation

**Submitted by:** Timmins Chamber of Commerce

**Co-sponsored by:** North Bay Chamber of Commerce, Sault Ste. Marie Chamber of Commerce, Northern Corridor Chamber of Commerce, Greater Sudbury Chamber of Commerce, Cochrane Board of Trade and the Muskoka Lakes Chamber of Commerce

### Issue

For any excavating of a new building, repairing buried infrastructure, landscaping, residential paving, building concrete slabs, or anything else that requires you to break ground, you must contact Ontario One Call at a minimum of five (5) days prior to your excavation. The provincial government and Ontario One Call have made meaningful progress since 2023, with Bill-153 granted Ontario One Call enforcement powers to ensure compliance with mandatory locate timelines.<sup>164</sup> However, critical challenges remain. Locator workforce shortages and the absence of instant digital locate solutions continue to cause delays. The system has not yet leveraged transformative technologies such as augmented reality, artificial intelligence, and algorithmic risk assessment that could provide near-instant clearance for low-risk excavations.

### Background

The Ontario One Call system is the primary method for identifying underground infrastructure prior to excavation and is essential for protecting public safety and maintaining the integrity of essential services. Significant legislative and operational progress has been made to address critical backlogs, including the passage of Bill-153 (Building Infrastructure Safely Act, 2024), the expansion of Dedicated Locator services<sup>165</sup>, launch of the Locate Sharing Service,<sup>166</sup> and digital infrastructure

<sup>164</sup> [Building Infrastructure Safely Act, 2024, S.O. 2024, c. 1 - Bill 153](#)

<sup>165</sup> [Ontario One Call – Dedicated Locator](#)

<sup>166</sup> [Ontario Underground Infrastructure Notification System Act, 2012, S.O. 2012, c. 4](#)

modernization with cloud-based systems and improved accessibility<sup>167</sup>, supported by \$25 million in transformation funding through 2026.

While these changes have improved on-time locate completion rates and enhanced accountability across the system from 2023 levels, current data and reporting indicates late locates persist, with enforcement actions taken as recently as late 2025 confirming ongoing delays.<sup>168</sup> Locator workforce shortages and the absence of instant digital locate solutions continue to cause project delays and cost overruns. The system has not yet leveraged transformative technologies such as augmented reality, artificial intelligence, and algorithmic risk assessment that could provide near-instant clearance for low-risk excavations, reduce field time, and fundamentally eliminate the backlog problem. These delays directly impact the province's ability to deliver on housing targets and critical infrastructure priorities.

Global case studies provide compelling evidence of what is possible. A vGIS field study demonstrated a 50% reduction in locate time for jobs over 20 minutes, with quality assurance validation time reduced by 66 to 85%.<sup>169</sup> Urbinit AI in New York uses predictive algorithms to prioritize tickets based on damage risk factors, contributing to measurable reductions in statewide damages.<sup>170</sup> telMAX in Ontario reduced mapping and locating timelines from three weeks to less than one week by using a centralized, cloud-based platform.<sup>171</sup> The City of Burnaby, British Columbia, automated its BC 1 Call process, reducing response time from 15 minutes to 3-5 minutes while providing 24/7 service and projecting \$500,000 in savings over five years.<sup>172</sup>

These examples demonstrate that prioritizing digital infrastructure, AI-driven decision-making, and immersive technologies can deliver measurable improvements in speed, accuracy, cost savings, and damage prevention. Beyond efficiency gains, these technologies make the locate profession more attractive to new workers by providing modern tools and reducing physical demands, helping address the persistent workforce shortage.

The Ontario Underground Infrastructure Mapping Strategy<sup>173</sup> (OUIMS), led by Ontario One Call and Infrastructure Ontario, provides a critical framework for the digital data standards necessary to support AR, VR, and AI systems. These technology improvements directly support the province's ability to deliver on housing development, manufacturing expansion, and critical minerals strategy.

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<sup>167</sup> [Ontario One Call - 2024 Annual Report](#)

<sup>168</sup> [OOC - Locate Delivery Performance by Region Report](#)

<sup>169</sup> [Measuring effectiveness of Augmented Reality in the locate services industry](#)

<sup>170</sup> [Urbinit - Emergency Preparedness & Response](#)

<sup>171</sup> [Case studies: Geolantis.360 success stories from the field](#)

<sup>172</sup> [Harnessing the power of automation for operational efficiency](#)

<sup>173</sup> [Ontario Underground Infrastructure Mapping Strategy Report](#)

Ontario has the legislative foundation and funding commitment in place. Now is the time to deploy these proven solutions at scale. The question is no longer whether to modernize, but how quickly we can deploy these solutions before we fall further behind.

## Recommendations

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

1. Build upon the foundation of the Ontario Underground Infrastructure Mapping Strategy and move beyond exploring emerging technologies by:
  - a. Working with Underground Infrastructure Owners to provide accurate digital mapping data while implementing Machine Learning algorithms that automatically triage and clear low-risk excavation requests and enable instant automated clearance where appropriate.
  - b. Establishing clear compliance timelines and provincial support mechanisms, such as a Municipal GIS Capacity Fund to update mapping and digitize legacy records, ensuring they can meet the data standards required to participate in next-generation automated clearance technologies.
  - c. Deploying augmented reality (AR) technology for field locators to enhance the accuracy of physical markings on the ground and enable the real-time digital capture of subsurface infrastructure during the locate process, preventing future locate backlogs.
    - a. Providing virtual reality (VR) and advanced GIS training modules for both new and current technicians, addressing the workforce shortage through faster onboarding and ensuring the existing workforce is upskilled to operate next-generation digital mapping and locate tools.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# P. Tripartite Agreement Renewal & Long-Term Transportation Prioritization

**Submitted by:** Toronto Region Board of Trade

**Co-sponsored by:** Timmins Chamber of Commerce

## Issue

Billy Bishop Toronto City Airport - Ontario's third-busiest airport - plays an essential role in connecting the Toronto region with other communities, supporting business travel, and enabling critical healthcare access, yet its ability to fully support Ontario communities and economy is increasingly constrained by an outdated operating framework. With the Tripartite Agreement expiring in 2045, and the federal government's decision not to advance the Pickering Airport confirming that the GTA will continue to rely solely on Pearson and Billy Bishop for future aviation capacity, the need for timely and decisive action to secure the airport's long-term role has become urgent.

## Background

Billy Bishop Toronto City Airport remains one of Ontario's most strategic transportation assets. Located approximately 3 km from Toronto's downtown core, it connects Toronto to major Ontario cities including Ottawa, Sault Ste. Marie, Timmins, and Thunder Bay, strengthening trade, tourism, workforce mobility, and regional development. The airport also supports vital public services: as the Toronto base for ORNGE, it enables thousands of medical transport flights each year, ensuring rapid access to specialized care.

In early 2025, the Government of Canada formally announced that it will not proceed with developing a new airport on the Pickering Lands, instead transferring most of the land to Parks Canada to expand Rouge National Urban Park. This confirms the GTA will continue relying on Toronto Pearson and Billy Bishop as its two core airports for future air travel and supply-chain needs.

With U.S. Customs and Border Protection (CBP) preclearance opening in early 2026, passengers will clear U.S. entry requirements before departure. This enables new 2026 routes to New York–LaGuardia, Boston, Chicago O'Hare, and Washington Dulles, deepening Ontario's business and cultural connectivity.

The airport is currently governed by the Tripartite Agreement, which imposes strict limits on the types of aircraft permitted. According to the Competition Bureau's 2025 airline market study, such restrictive governance reduces competition, limits passenger choice,

and slows the adoption of cleaner aviation technologies. Furthermore, the Q400s dominant at the airport are now out of production and operated by few carriers. These constraints restrict competition and limit route development, which is particularly felt by regional and northern communities.

Ontario's long-term economic strength and social well-being depends heavily on transportation connectivity. Aviation plays a uniquely essential role distinct from roads, rail, and transit. In Northern Ontario, aviation is often the only reliable year-round link to healthcare, jobs, education, and essential supplies. Without dependable air service, economic and social participation becomes severely limited.

Southwestern Ontario cities - including Windsor and London - depend on efficient air connections to support advanced manufacturing, cross-border trade, and academic and innovation ecosystems.

Ontario's broader ambitions, including development of the Ring of Fire, further rely on predictable aviation access. Resource development, Indigenous partnerships, environmental oversight, and emergency response all depend heavily on-air transport.

Aviation infrastructure is foundational to competitiveness, resilience, and quality of life. Ensuring airports like Billy Bishop have modern, flexible operating frameworks is essential to supporting economic development and community connectivity.

## Recommendations

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

1. Declare support for Billy Bishop Toronto City Airport as a critical transportation link for Ontario and a key piece of transportation infrastructure for the province's economic future.
2. Recognize that predictable, modern, and future-ready aviation and transportation infrastructure is a provincial priority, essential to connecting communities -including Northern Ontario and the Ring of Fire and Southwestern Ontario - to opportunity and essential services.
3. Work with all signatories to the Tripartite Agreement to urgently modernize and renew the agreement, ensuring the airport can adopt cleaner technologies, expand competitive service options, and support Ontario's long-term economic and connectivity needs.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

## Q. Turning Scrap into Strength: Provincial Metal Recycling Framework

**Submitted by:** Chamber of Commerce Brantford-Brant

**Co-sponsored by:** Cambridge Chamber of Commerce, Hamilton Chamber of Commerce, and the Greater Barrie Chamber of Commerce

### Issue

Businesses across Ontario are facing a surge in incidents of scrap metal theft, resulting in millions of dollars in repair costs, insurance increases, and operational downtime for manufacturers, constructors, utilities, and commercial property owners. Municipalities have responded with local bylaws that vary widely across the province in scope, enforcement tools, and expectations of salvage yards and scrap metal dealers. In practice, this creates opportunities to avoid scrutiny in some municipalities and scrap metal to be transported to and sold in jurisdictions with weaker rules, displacing the problem instead of resolving it. Municipal action alone cannot act as a meaningful deterrent to organized groups.

A province-wide, standardized framework is needed to close jurisdictional gaps, protect critical infrastructure, and create a level playing field.

### Background

Scrap metal theft has become a recurring business risk across Ontario, affecting manufacturers, construction firms, utility providers, and commercial property owners. Rising theft of copper wiring, metal fixtures, and utility components has led to significant financial losses, construction delays, production stoppages, and insurance premium increases.

The City of Brantford has documented repeated break-ins and copper wire theft affecting local employers and has directly stated that municipal regulations alone cannot deter organized theft operations capable of crossing city lines to avoid enforcement.<sup>174</sup> There have been over 443 reports of copper and metal thefts in the City of Brantford since 2019, some costing the victims upwards of \$100,000 to repair.<sup>175</sup>

<sup>174</sup> [City of Brantford – Advocacy for Stronger Scrap Metal Laws.](https://www.brantford.ca/en/business-and-development/advocacy-for-stronger-scrap-metal-laws.aspx)

<https://www.brantford.ca/en/business-and-development/advocacy-for-stronger-scrap-metal-laws.aspx>

<sup>175</sup> [City of Brantford – Report No. 2024-194.](#)

[Bylaw Restrictions for Copper and Metal Theft Occurrences \[Financial Impact: None\]](#)

The City of Brantford’s 2024 Salvage Yard bylaw 37-2024<sup>176</sup> demonstrates a more comprehensive regulatory model by strengthening its licensing and regulatory framework for salvage yards. The bylaw:

- identifies “Prohibited Items” targeted in thefts.
- defines “restricted scrap metal,” including copper and bronze components from HVAC systems, historical markers, marked metals, and stripped or burned wiring matching the most common forms stolen material takes when resold.
- requires that restricted scrap metal transactions be conducted using traceable, non-cash payment methods and 24 hours reporting, reducing anonymity and enabling faster investigations. Together, these measures have reduced anonymous walk-in copper sales and improved the speed of police investigations.

Across Ontario, municipalities regulate scrap metal inconsistently, creating predictable “escape routes” for stolen materials:

- Hamilton: exempts most metal scrap from documentation and reporting<sup>4</sup>
- Barrie: requires licensing but lacks definitions of high-risk metals, limits on cash transactions, or reporting rules<sup>5</sup>
- Cambridge: focuses on zoning and land use rather than theft prevention<sup>6</sup>
- Haldimand County: no traceable payment or reporting requirements<sup>7</sup>
- Norfolk County: treats scrap metal as a waste/property issue with no dedicated dealer oversight<sup>8</sup>

These inconsistencies enable theft displacement: when one municipality strengthens its rules, resale simply shifts to the next jurisdiction.

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<sup>176</sup> [City of Brantford – By-law 37-2024, Salvage Yard Licensing \(Prohibited Items, Restricted Scrap Metal, Traceable Transactions\).](#)

<sup>4</sup> [City of Hamilton – Business Licensing By-law 12-021.](#)  
<https://www.hamilton.ca/sites/default/files/2022-04/12-021.pdf>

<sup>5</sup> [City of Barrie – General Business Licensing By-law 2006-226.](#) <https://www.barrie.ca/General-Business-Licensing-Bylaw.pdf>

<sup>6</sup> [City of Cambridge – By-law 44-13: Zoning By-law Amendment. BY-LAW 44-13](#)

[Haldimand County – Salvage Yard Licensing By-law.](#)  
<https://www.haldimandcounty.ca/government-administration/by-laws-and-policies/by-law-directory/salvage-yard-licensing-by-law/>

<sup>7</sup> [Norfolk County – Business Licensing By-law & Lot Maintenance By-law.](#)  
<https://www.norfolkcounty.ca/council-administration-and-government/by-laws-and-policies/by-law-directory/business-licensing-by-law/>

<sup>8</sup> [Norfolk County Fire – Scrap Metal & Electronic Waste Bins.](#)  
<https://norfolkcountyfire.ca/scrap-metal-and-electronic-waste-bins/>

Regional crime data reinforces the need for a standardized approach. Police investigations across the Guelph and Waterloo Region recently reported large-scale copper thefts, including incidents involving rooftop entry and the dismantling of HVAC units to extract copper and aluminum. These copper wire thefts caused a loss of more than \$40,000 and were explicitly linked by police to resale through a black-market network that exploits cross-municipal gaps<sup>9</sup>

Police also noted that the stolen materials were transported across municipal boundaries before resale, directly illustrating the loopholes a provincial framework would close.<sup>10</sup>

Due to these variations, theft is easily displaced. Once one municipality tightens regulations, sellers can pivot to other areas with weaker rules. This not only undermines the intent of local bylaws but creates unfair competitive conditions, where compliant businesses face higher administrative costs while others operate under lower standards.

A notable framework comes from Alberta, which introduced the Scrap Metal Dealers and Recyclers Identification Act to create consistent provincial standards. The Act requires buyers to verify government-issued identification, record transaction details, retain records for at least two years, and use traceable currency for higher-value transactions.<sup>177</sup> It also requires certain high-risk or high-volume transactions to be reported to law enforcement within 24 hours. The implementation of this Act in Alberta demonstrates that province-wide regulation is administratively feasible and that a harmonized framework can set clear expectations for businesses without requiring complex new infrastructure.

Alberta's experience shows that a province-wide system is feasible and minimally burdensome for legitimate recyclers, many of whom already use similar practices.

While Brantford's approach meaningfully limits the resale of stolen metal, the absence of provincial standards leaves uneven enforcement and predictable displacement. A unified framework would support coordinated enforcement, reduce theft displacement, and provide regulatory predictability across Ontario.

For businesses, this would help stabilize insurance costs, reduce downtime, and support legitimate recyclers competing on equal regulatory footing.

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<sup>9</sup> [CBC News – Police in Guelph and Waterloo Region investigate copper wire thefts, Nov. 28, 2025.](#)

<sup>10</sup> [Province of Alberta – Scrap Metal Dealers and Recyclers Identification Act, Office Consolidation \(Sept. 1, 2025\). Alberta King's Printer:](#)

## Recommendations

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

1. Consult with AMO, OBCM, and ROMA to align existing municipal salvage yard and business licensing bylaws with provincial requirements, while preserving municipal authority.
2. Establish a province-wide scrap metal regulatory framework that standardizes:
  - a. definitions of high risk and prohibited materials;
  - b. licensing expectations, and;
  - c. core enforcement tools such as reporting and verification
3. In consultation with the scrap metal industry, consider new requirements for all scrap metal dealers to:
  - a. verify government issued ID for all restricted metal transactions
  - b. retain electronic transaction records for two years, and;
  - c. provide these records to police services upon request under a uniform provincial template that protects business privacy while maintaining an efficient legal process such as a warrant.
4. Mandate traceable, non-cash payments for copper and other high-risk materials.
5. Publish annual data on theft trends and enforcement outcomes and regularly review the list of prohibited and restricted materials in consultation with municipalities, utilities, and industry.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# HOUSING

## A. Accelerating Student Housing to Support Student Success and Local Economies

**Submitted by:** Sault Ste. Marie Chamber of Commerce, Greater Niagara Chamber of Commerce, Windsor Essex Chamber of Commerce, and the South Niagara Chamber of Commerce

### Issue

Foreign and domestic students don't buy homes, they rent, resulting in a demand impact on the rental part of the housing system. In the affordable rental side, you have low-income renters, all battling each other for a low number of spots on top of student rental demand. In some case landlords are preferring the student renter over the family household. Additional challenges arise from some investors buying large quantities of single-family homes and turning them into student rentals, legally and illegally, making it nearly impossible for first-time home buyers and family household renters to find a place to live.

In order to accommodate the growing demand for post-secondary education in Ontario, continue to meet Ontario's workforce needs and attract highly skilled talent to our province, it is important for the government to collaborate with universities and colleges as they work to provide housing for students, faculty and staff. At the same time leveraging best practices to and working with private sector partners to limit the impact of the rental market.

### Background

Ontario is well-positioned today to be the first choice when it comes to post-secondary education, but the demographic of the student is a very specific niche. Students don't only need affordable housing, but accommodations that are intentionally planned, designed, and built for this specific stage of their lives. Purpose-built student housing provides a solution to the issues surrounding affordable housing by fulfilling a specific need for students and by keeping that market pressure out of the mainstream residential market.

In the current market, students end up finding lodging that will suffice. But developers like WerkLiv know that the post-secondary education experience isn't just what happens in the classroom, but what happens outside of it. Purpose-built student accommodation creates an environment that allows students to get the most out of their education and daily life, while still getting the traditional college/university experience of living with their cohorts. Not only does purpose-built student accommodation fill a gap, but they create

practical function, design, and value for students, investors, and buyers of their purpose-built assets.

The ability to provide affordable housing options for college and university community members is critical to attracting and cultivating the highly skilled talent Ontario's local employers and economies need to fill critical labour gaps, build a stronger economy and develop its competitive advantage as a global market. Providing adequate housing is essential to ensure that students and post-secondary community members have the resources they need to thrive in their campus communities. This need will only grow in the years to come, with the Ontario population aged 18 to 24 projected to grow over the next five years.

To this end, post-secondary institutions across Ontario are taking steps to expand their supply of student housing, with many universities offering first-year residence guarantees for their students. In fact, a survey of 16 Ontario universities conducted in the summer of 2023 found that as of 2022-23, there were more than 62,000 residence spaces at Ontario universities – more than 6,400 of which were added in the last five years – in addition to 10,000 off-campus spaces. That number will continue to grow with more than 10,800 new spaces projected to be added over the next five to six years<sup>178</sup>.

In addition, Ontario colleges offer approximately 19,000 on-campus residences spaces in nearly 50 residences across Ontario. Previous to learning of the anticipated cuts to international student enrollment, colleges had plans to significantly expand on-campus student housing. The impact of revenue reductions from these plans are not yet fully known.

The construction of post-secondary housing can be costly, as institutions do not receive funding from government for housing development, maintenance or upkeep, and restrictions arising from planning regimes often complicate the construction of new housing projects.

In Ontario, universities and colleges that receive more than \$10M from the Government of Ontario are guided by Ontario's Broader Public Sector Procurement Directive, which mandates lengthy Request for Proposal (RFP) processes for all construction and service contracts. What's more, colleges cannot take on debt as their balance sheets roll up to the province, and universities are unable to assume and afford greater levels of debt.

Most often, a university or college will maintain day-to-day operations once the building is built. To execute these kinds of public-private agreements, universities and colleges must run an RFP process and then engage in contract negotiations; all before they can

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<sup>178</sup> [Council of Ontario Universities, "Partnering to Increase Access to Student Housing", August 2023, https://ontariosuniversities.ca/wp-content/uploads/2023/01/Student-Housing-One-Pager-Aug-2023.pdf](https://ontariosuniversities.ca/wp-content/uploads/2023/01/Student-Housing-One-Pager-Aug-2023.pdf)

go through entitlements and build the residence. The RFP and negotiation process alone can take years, delaying the delivery of much-needed student accommodations.

By partnering with the post-secondary sector to remove impediments and support the development of on-campus and off-campus housing, the province can reduce pressure on local housing markets, expand the sector's capacity to support a growing student population, and help attract highly skilled talent to regions across Ontario.

Furthermore, there is a need to expand private purpose-built student accommodation market in Canada which is nascent compared to other markets. The country's ratio of students to beds (also known as the provision rate) is 12 percent—among the lowest in the world. The U.K.'s provision rate of private PBSA beds is 34 percent; America's is 16 percent.

In comparison to on-campus student housing, there is also private purpose-built student accommodation where the developer owns the lands, assumes the finance and construction risk, and engages a third-party property manager, or the college/university, for day-to-day operations once built.

A niche asset class with a proven formula might be the next best way to diversify a commercial real estate portfolio and generate value. It's not for every investor, but this is an up-and-coming niche with room for a few more creative and proactive investors. There will always be the tried-and-true multi-family assets to build incremental value. But right now, this is an opportune time to invest in affordable student housing projects in Ontario and across Canada.

Developers who want to build purpose-built student accommodation still face numerous challenges such as escalating costs, extended approval timelines, sourcing equity capital, and navigating a risk adverse debt environment. As well the uncertainty surrounding interest rates is closely tied to valuation risk and investors must solve the dilemma of introducing new supply to the market while fulfilling their fiduciary responsibilities as investors.

## Recommendations

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

1. Identify leading/best practices that can be leveraged to enable the timely launch of critical housing projects, in consultation with municipalities, including new on- and off-campus residences and student housing.
2. Work with the federal government to implement programs through the Canada Mortgage and Housing Corporation that promote high-density Purpose-Built Student Accommodation developments.

3. Work with municipalities to develop appropriate zoning plans for transit-oriented development and implement zoning reforms that treat campuses similarly to major transit areas to support increased density on college and university campuses. This includes development process, streamline bureaucratic processes, fast-tracking applications for building permits, and encourage the construction of energy-efficient buildings for Purpose-Built Student Accommodations.
4. Work with the post-secondary sector to review potential amendments to the *Municipal Act, 2001*, to support post-secondary housing development.
5. Provide dedicated capital funding and financing to universities and public colleges for on- and off-campus residence and student housing projects.
6. Work with the Ministry of Economic Development and the Ministry of Colleges and Universities to attract domestic and international investors and incentivize public/private partnerships for projects related to the construction of on- and off-campus residences and student housing, where appropriate.
7. Review the Broder Public Procurement Directive to lessen restrictions and allow universities and colleges to proactively engage with the private sector to explore a variety of structured agreements to build and service housing on and off campus.
8. Work with Ontario's public colleges to amend Section 28 of the Financial Administration Act to create a fast tracking/guaranteed approval timeline for post-secondary housing development which would expedite Section 28 approvals and lift exemption thresholds.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## B. Building Faster Fund and Housing Starts: Strong Mayors don't Pour Foundations

**Submitted by:** Belleville Chamber of Commerce.

**Co-sponsored by:** Brockville & District Chamber of Commerce

### Issue

Funding provided through the Building Faster Fund should be based on a municipality's efforts to approve permits (that lead to foundations) rather than the current measure of housing starts (poured foundations). The power of municipalities to control or meet housing targets is limited to the permit approval process while funding is currently based on the number of housing starts (poured foundation) which applies additional pressure on the private sector, currently impacted by multiple barriers within the building industry.

### Background

***On August 21, 2023, Ontario announced the new Building Faster Fund, a \$1.2B three-year program that will provide funding to municipalities based on performance towards annual housing targets.***

Municipalities that fail to meet at least 80% of their annual target will receive no funding and those meet 80% to 99% of their target will receive reduced funding.

The Building Faster Fund and the assessment by the provincial government for funding municipalities for supporting housing growth assess this performance on the basis of housing starts. Neither Council or even Strong Mayors pour foundations.

The power of municipalities to achieve housing targets is within the permit approval process and funding should be based on municipal permit approvals rather than the current measure of housing starts. The power of a Strong Mayor is meant to counter NIMBYism and the red tape that play a role in delaying the land development and building process; but once the initial permit is approved, the next step towards a housing start is dependent upon the private sector.

Municipal permit approvals are typically required before construction can commence on a new housing project. Therefore, tracking and using municipal permit approvals as a basis for housing starts is a common and logical approach.

Building Faster Fund is based on CMHC definition of housing start :

*A housing start is defined as the beginning of construction work on the building where the dwelling unit will be located. This can be described in 2 ways:*

- *The stage when the concrete has been poured for the whole of the footing around the structure.*
- *An equivalent stage where a basement will not be part of the structure.*  
[\(<https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-data/data-tables/housing-market-data/monthly-housing-starts-construction-data-tables>\)](https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-data/data-tables/housing-market-data/monthly-housing-starts-construction-data-tables)

Housing starts refer to the number of new residential construction projects that have begun during a specific period and this action is dependent on the capacity of the builder to perform the work. The building sector may face multiple barriers post-permit approval that will prevent the defined housing start as noted above, not least of which is a skilled labour force.

Municipalities do not build houses, they approve applications. The private sector builds housing. It is important to consider the impact on the relationship between the municipality and the private sector when funding is deemed dependent on a private sector action that is vulnerable to multiple external forces.

It's also important to note that the current economy and rising interest rates greatly affect market demand, and there's been a decline in housing starts across the country. According to recent CMHC data, Canada's 254,966 starts were down 10 per cent in July from June of this year. Additionally, there are labour shortages, increasing material costs, rising municipal fees and charges, and changing legislation that add challenges to getting shovels in the ground.

One Ontario is a non-profit organization bringing together all levels of government, industry, experts, and academic leaders to streamline the development approvals process and make it more transparent and efficient. It is moving towards incorporating as a non-profit in order to bring together government, industry and academia to empower municipalities and regulatory agencies. Their vision is to break down silos to improve data exchange, streamline development approvals, and collaboratively address the housing crisis.

It is important to incentivize municipalities, through Council, to manage the permitting process efficiently but when housing starts are the measure, municipal councils with or without Strong Mayor powers are no longer in control of meeting the target that defines their success in approving development and the permits required to begin.

There are multiple layers to the housing crisis and many more phases within the approvals process from foundation to occupancy permit that warrant additional review. This resolution seeks only to adjust funding approval to performance measures in control of the municipality where it relates to the Building Faster Fund. Additional

recommendations below are submitted on behalf of council and private sector representatives consulted in the development of this resolution.

## Recommendations

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

1. Reassess how the performance of municipalities is measured in terms of housing starts to develop the most effective process to get more homes built.
2. Consult with One Ontario to streamline the development approval process to the benefit of all partners in the housing industry.
3. Provide an Ombudsman to the Building Industry to review disputes between municipalities and developers.
4. Improve the dispute resolution process between municipalities and developers.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## C. Enhancing Landlord and Tenant Relationships

**Submitted by:** Windsor-Essex Regional Chamber of Commerce.

**Co-sponsored by:** Leamington Chamber of Commerce.

### Issue

Challenges have emerged in the rental market since the COVID-19 Pandemic. Tenants and their advocacy groups have raised concerns around landlords evicting people on fraudulent grounds while landlords are stuck with tenants refusing to pay rent and relying on the backlog at the Landlord Tenant Board to avoid their removal from the residence.

### Background

The vast majority of landlords and tenants in Ontario are responsible actors within the real estate market. Tenants are looking for a place to live and landlords are looking for someone to occupy their space and pay rent. However, some bad actors have given both landlords and tenants a bad reputation.

Landlords who have owned and operated for years without complaint are grouped together with landlords who have tried to manipulate the system to defraud or exploit their tenants. This includes landlords who claim family or personal use of the space only to quickly return the unit to market ignoring the one-year occupancy requirement or fail to maintain a property or provide necessary repairs in a timely manner. Further landlords have been known to evict tenants to “renovate” spaces simply to relist the unit and increase the rent more in line with higher market prices (so-called “renovictions”)

On the other side, tenants are occupying spaces while waiting for the eviction process. In Ontario, this can take over a year in some cases<sup>179</sup>, meanwhile landlords must continue to pay the mortgage on the property. Reports have emerged of landlords paying significant sums for the tenant to vacate the property. There are also cases where tenants cause extensive damage greater than the value of their security deposit, leaving the landlord on the hook for potentially thousands of dollars in costs to repair the property.

To respond to these challenges, some cities in Ontario have taken steps to try and prevent bad landlords. The City of Windsor is running a pilot project that requires

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<sup>179</sup> [Landlord and Tenant Board Wait Times Continue to Grow | The Local](#)

landlords in certain areas of the city to possess a rental licence.<sup>180</sup> The City of Hamilton has recently passed a bylaw to prevent “renovictions” by requiring landlords to make arrangements with any tenant who wants to return after renovations are complete.<sup>181</sup>

These differing approaches can make it difficult for landlords to operate across municipalities even in the same region. By establishing universal guidelines for what can and how municipalities regulate landlords it will provide a uniform approach and stability for the sector across the province.

By establishing increased awareness, enhanced protections, and universality across the system, the province can foster stronger relationships between landlords and their tenants and potentially avoid increasing the burden on the already overburdened Landlord Tenant Board. Increasing education, enacting provisions for vexacious landlords and tenants, and implementing universal guidelines for municipal regulations permitted under the *Municipal Act* for rental units can foster stronger, and more productive relationships among property owners and their lessees.

There are also concerns around the enforcement of the Landlord Tenant Board with many rulings ending up in small claims court in order for landlords or tenants to receive any funds they may have been awarded. The lack of enforcement power means even greater delays for those seeking justice from their landlord or their renter.

## Recommendations

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

1. Create and implement guidelines similar to vexatious litigation standards to apply to landlords and tenants to prevent inordinate delays.
2. Develop and enhance educational materials for landlords and tenants to better understand their roles, responsibilities, and rights within the relationship to help avoid conflict and establish better partnerships between the two parties.
3. Create universal guidelines for municipalities under the *Municipal Act* that regulate how municipalities can regulate landlords and tenants in order to prevent a patchwork approach developing across Ontario municipalities that makes it harder for landlords to operate across municipalities.
4. Give the Landlord and Tenant Board enforcement powers to bypass the need for small claims court.

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<sup>180</sup> [Get a residential rental licence \(citywindsor.ca\)](http://citywindsor.ca)

<sup>181</sup> [Hamilton to become 1st Ontario city with bylaw to stop 'bad faith' renovictions \(msn.com\)](http://msn.com)

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## **D. Growing Airports & Building More Housing**

**Submitted by:** Mississauga Board of Trade

### **Issue**

The desire to quickly increase the supply of housing must be balanced with the protection of employment lands near Ontario airports. Considerations need to be made regarding the economic benefits of airports, the preservation of employment lands and the safe takeoff and landing of aircraft at airports. In urban areas, more housing will come mainly from high-rises and increased population on major transportation corridors. Those transportation corridors often are near airports. While more housing is constructed on these corridors, airports continue to be economic centres through which many jobs are connected. The goal of this resolution is to continue the growth of airports, and their local economic contribution, in parallel with increasing the supply of housing in a measured, responsible way.

### **Background**

The economic benefits of airports are well-documented. In the Pearson Economic Zone, it is estimated that there are 400,000 jobs in and around Toronto Pearson. It contributes six per cent to Ontario's GDP and has 50,000 workers at the airport.

We support the need for housing in Ontario and want to work collaboratively with the government to ensure there is a balanced approach between housing development, aircraft access to airports, and preserving employment lands near airports.

Currently there are many developments which if they proceed as proposed could have an impact on operations and could affect long haul flights to destinations such as India and China. This also directly impacts the economic contributions airports can make to Ontario. If obstacles are placed in and around airports without proper consideration of surrounding flight paths, this could lead to some runways being shut down and some flights being abandoned.

Employment lands around the airport are critical for job creation and for companies which rely on airports. It is therefore important that employment lands around the airport be preserved.

## Recommendations

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

1. Consult with airports regarding proposed developments in the vicinity of airports. Consideration need to be made for the economic benefits of airports and the safety issues in relation to the height of buildings.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## E. Maximizing Growth in Built Areas

**Submitted by:** Peterborough and the Kawarthas Chamber of Commerce. **Co-sponsored by:** Barrie Chamber of Commerce, Brockville and District Chamber of Commerce, Belleville Chamber of Commerce, Greater Oshawa Chamber of Commerce, and the Guelph Chamber of Commerce

### Issue

Historic downtowns in cities across Ontario are full of underused mixed-use buildings. These multi-storey buildings have commercial space on the bottom and un- or under-used residential space in the upper floors. Inquiring about updating to once again have people living in these buildings can trigger expensive inspection processes on buildings that were built long before building, fire, and accessibility codes. Those that do try to develop these spaces are often met with unrealistic costs to meet heritage preservation and accessibility regulations, leaving empty housing in the heart of our towns and cities.

### Background

The ability of the municipality and a property owner to understand the full scope of a renovation or upgrading required of a building early on in the process is imperative.

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 model 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.

Additionally, local policies around heritage preservation and accessibility can create barriers to refurbishing housing units that are both economically and practically unfeasible. We need a provincial policy that creates consistency between municipalities on these issues and provides reasonable and economical solutions that maximize heritage preservation and accessibility while also encouraging the refurbishment of existing housing stock in our communities.

In a time when there is a critical shortage of housing and our downtown cores are struggling, it's a shame we have empty housing units with the potential to revitalize our communities.

## 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. Implement a policy for municipalities that will allow for the redevelopment of upper floors of aging mixed-use downtown buildings for use as residences that takes a fiscally responsible approach to heritage preservation and accessibility standards.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## F. Act to Increase the Stock of Affordable Housing in Ontario

Submitted by: Greater Niagara Chamber of Commerce

### Issue

The cost of housing in Ontario has grown far in excess of inflation and remains elevated despite policies aimed at bringing it down. The 2025 Ontario Economic Report identified this cost as a major pressure point for the economy and businesses. Disproportionate income spent on housing siphons consumer dollars out of the rest of the economy, while the growing number of Ontarians on core housing need place an increasing burden on the government and on the charitable and non-profit sector charged with assisting them. Rising house prices translate into upward pressure on wages and encourage speculative action in the housing market.

### Background

At the end of 2024, the composite Ontario house price index remained at 330% of 2005 levels.<sup>182</sup> This growth has outpaced inflation by several times.<sup>183</sup> Despite policy changes over recent years, house prices in Ontario have stabilized at this high, with the average price of a resale home in January 2025 remaining slightly above January 2024, at \$834,050.<sup>184</sup> Any relief that might be offered by this stability was spoiled in 2024 by rising interest rates that took financing out of reach for many.

A Canada Mortgage and Housing Corporation (CMHC) report of 2023 projected a housing gap of 3.5 million units by 2030, of which 1.48 million will be in Ontario alone.<sup>185</sup> This means that, to restore Ontario housing affordability to 2004 levels, an additional 1.48 million homes will need to be built by 2030. However, the rate of construction is stagnant or even declining. CMHC records that the number of housing starts in Ontario

<sup>182</sup> [Canadian Real Estate Association, \*National Statistics\*. Retrieved from https://creastats.crea.ca/en-CA/on-2025-02-12.](https://creastats.crea.ca/en-CA/on-2025-02-12)

<sup>183</sup> [Bank of Canada, \*Inflation Calculator\*. Retrieved from https://www.bankofcanada.ca/rates/related/inflation-calculator/ on 2025-02-12.](https://www.bankofcanada.ca/rates/related/inflation-calculator/)

<sup>184</sup> [Ontario Real Estate Association, "Ontario MLS® home sales down, new listings up in January as economic uncertainty weighs on buyers," January 2025. Retrieved from https://creastats.crea.ca/board/orea on 2025-02-12.](https://creastats.crea.ca/board/orea)

<sup>185</sup> [Canada Mortgage and Housing Corporation \(CMHC\), \*Housing shortages in Canada\*. Retrieved from https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/housing-research/research-reports/2023/housing-shortages-canada-updating-how-much-we-need-by-2030-en.pdf?rev=3b66f87d-0bec-44d6-aa54-f8af71f9b2c4 on 2025-02-12.](https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/housing-research/research-reports/2023/housing-shortages-canada-updating-how-much-we-need-by-2030-en.pdf?rev=3b66f87d-0bec-44d6-aa54-f8af71f9b2c4)

population centres greater than 10,000 fell by 8% in 2024, despite policy changes aimed at increasing housing construction.<sup>186</sup>

The housing crisis is of grave concern to businesses. In the 2024 Ontario Economic Report, one-third of businesses surveyed identified it as a major pain point.<sup>187</sup> Higher housing costs create inflationary pressure on wages and make it harder to attract workers, especially in areas where housing costs are higher than provincial averages.

As long as Ontario does not have sufficient housing stock to meet the needs of the population, initiatives such as the Canada-Ontario Housing Benefit will not succeed in increasing housing affordability in the long-term. Government funds used to pay rent will bid up rental prices so long as supply remains dramatically less than demand; assistance thus offered will be temporary.

As of June 1, 2024, non-profit housing developments are now exempt from development charges, community benefits charges and parkland dedication; affordable and select attainable residential units are exempt from development charges; developments that include affordable/attainable housing are subject to reduced community benefits charges and parkland dedication; and purpose-built rental units receive discounts on development charges of up to 25% for family-friendly units.

However, this legislation poses a challenge for municipal governments already facing budget crises. The changes risk a perverse incentive wherein these types of development may go unserved altogether (and thus unbuilt) since municipalities can no longer fund servicing with development charges, and their only other option is to fund said development from the general levy at a time when property taxes are already rising steeply. The net effect of this legislation, absent any compensatory funding from the Province, is likely to lead to a decrease in affordable and purpose-built rental construction, rather than the increase which is sought and intended.

Government programs to assist with housing affordability, such as the Ontario Priorities Housing Initiative, the Canada-Ontario Housing Benefit, and the Canada-Ontario Community Housing Initiative, tend to address the problem at the demand end of the equation and assist households with affordability. Addressing the supply issue could be done with a guaranteed funding stream for municipal governments to service development that is now subject to reduced or waived development charges. By restoring this revenue, the Province would also restore the incentive for municipal governments to approve this type of development.

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<sup>186</sup> [CMHC, \*Monthly Housing Starts and Other Construction Data Tables\*, December 2024. Retrieved from <https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-data/data-tables/housing-market-data/monthly-housing-starts-construction-data-tables> on 2025-02-12.](https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-data/data-tables/housing-market-data/monthly-housing-starts-construction-data-tables)

<sup>187</sup> [Ontario Chamber of Commerce, \*2024 Ontario Economic Report\*. Retrieved from <https://occ.ca/interactive-oe2024/> on 2024-02-12.](https://occ.ca/interactive-oe2024/)

## Recommendations

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

1. Create a funding stream that will both compensate municipal governments for the loss of development charge revenue and support the servicing of new development for non-profit housing, affordable/attainable housing, and purpose-built family-friendly rental units across the continuum.
2. Develop distinct housing strategies tailored to address regional challenges in supply and affordability in rural, remote, northern, and Indigenous communities, ensuring their unique needs and circumstances are met.
3. Continue to incentivize and invest in the development of housing options to be inclusive but not limited to traditional site built, multi-unit, alternative, supportive, innovative, and shared along the continuum to meet diverse housing needs throughout the province, including purpose-built rental housing, missing middle housing, and affordable home ownership (e.g., through dedicated funding streams, tax credits and exemptions).

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## G. Fueling Housing Growth: Supporting Energy Supply and Affordability for Ontario's Build More Homes Faster Act

Submitted by: The London Chamber of Commerce

### Issue

Ontario is at a critical juncture in balancing its energy future while addressing the province's housing needs. The *Build More Homes Faster Act* aims to accelerate the construction of homes to meet Ontario's growing population, but achieving this goal requires affordable and reliable access to energy for new developments. While recognizing the need to transition to renewable energy sources, natural gas will remain a vital component of the province's energy mix during this transition. Without affordable access to energy sources such as natural gas for new homes and businesses, housing growth may be hindered, energy costs could rise, and Ontario's economic growth could be impacted. A balanced approach is essential to support housing growth and the Ontario economy.

### Background

Natural gas is an integral part of Ontario's energy system, accounting for nearly 40% of total energy consumption in the province. This affordable, reliable energy source serves more than 3.8 million customers, playing a crucial role in heating homes and supporting industries. It is particularly vital for Ontario's residential, commercial, and industrial sectors, including manufacturing and agriculture. Natural gas also supports the provincial electricity grid, helping meet peak demand, especially when renewable sources like wind and solar are insufficient.

As Ontario continues its push to build more homes and attract industrial investment, natural gas is a critical component in maintaining energy affordability and system reliability. However, recent regulatory changes, particularly the Ontario Energy Board's (OEB) decision to reduce the revenue horizon for new gas connections from forty years to zero, have raised concerns about the rising costs for new homebuyers. This policy, effective in 2025, could lead to significant up-front costs, potentially adding thousands of dollars to new homes, particularly in rural areas.

To address this, the Ontario government enacted the *Keeping Energy Costs Down Act, 2024*, which reinstates the 40-year revenue horizon for residential and small commercial connections. This act aims to prevent drastic cost increases and maintain the

accessibility of natural gas for Ontarians. However, challenges remain in expanding natural gas infrastructure to keep pace with the province's growing housing and economic needs, especially in rural and underserved areas.

A balanced approach is necessary to manage the gradual energy transition, ensuring that natural gas supports Ontario's long-term economic development while reducing emissions and introducing clean energy alternatives such as renewable natural gas (RNG), low-carbon hydrogen, and carbon capture and storage technologies.

## Recommendations

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

1. Pace the transition to a cleaner, more diversified energy economy to align with the needs of housing development – The buildout of energy infrastructure must proceed in a manner that meets the needs of homes, businesses, and economic investments without unnecessarily inflating energy costs. The transition to low-carbon, diverse, energy sources must be gradual, guided by real economic needs, not ideological timelines.
2. Ensure the continued viability of the natural gas network and other low-carbon energy sources to support growth and energy transition – Ontario must maintain and expand its natural gas network to support economic development, particularly in rural and industrial areas.
3. Focus on innovation and the integration of low-carbon and clean fuels within the natural gas system – Ontario should prioritize investments in energy efficiency such as renewable natural gas (RNG), and carbon capture technologies.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## H. Reducing Development Charges to Address Ontario's Affordability Crisis

**Submitted by:** Peterborough and the Kawarthas Chamber of Commerce.

**Co-sponsored by:** Burlington Chamber of Commerce, Quinte West Chamber of Commerce, Belleville Chamber of Commerce and the Guelph Chamber of Commerce

### Issue

The costs of development charges (DCs) have been increasing province wide. DCs are supported under the motto “growth pays for growth,” funding the expansion of municipal services such as water lines and transit, police, and childcare<sup>188</sup>. When a municipality increases DCs, the developer either passes these costs to homebuyers to cover the DCs or does not pursue housing projects at all. Amid a province-wide housing crisis, DC increases have become a significant barrier to housing development and affordability.

### Background

Development charges were first created in 1997 under the Development Charges Act, which permitted municipalities in Ontario to recover development-related costs from new development<sup>189</sup>. These development-related costs involve paying for the future reliance on public services and infrastructure in a proposed area for development. This involves public services like police, fire and infrastructure services such as wastewater and sewage. The DCs are meant to cover the costs of this reliance and expansion on services expected from population growth.

According to the Canadian Centre for Economic Analysis<sup>190</sup>, since 2020, the number of DCs in Ontario has increased substantially, with many municipalities raising their DCs by 20%. In the GTA, development charges have increased by 65% in places like Brampton, Mississauga, and Toronto<sup>191</sup>. Toronto's DCs have increased by 993% since 2010. Smaller towns like Peterborough have also significantly increased their DCs. With 80,000 residents, Peterborough is doubling its DCs for single-detached and semi-

<sup>188</sup>Open Council. (2024, November) *Development charges in Ontario and “Growth pays for growth.”* Open Council. <https://opencouncil.ca/development-charges/>

<sup>189</sup> Government of Ontario. (1997). *Development Charges Act*. S.O, c. 27, Part II <https://www.ontario.ca/laws/statute/97d27>

<sup>190</sup> The Canadian Centre for Economic Analysis (CANCEA) (2024, November). (rep.). *The Increasing Tax Burden on New Ontario Homes: 2024*. <https://www.cancea.ca/wp-content/uploads/2024/12/Increasing-Tax-Burden-on-New-Ontario-Homes-2024-Final-2024-11-29.pdf>.

<sup>191</sup> Open Council. (2024, November) *Development charges in Ontario and “Growth pays for growth.”* Open Council. <https://opencouncil.ca/development-charges/>

detached houses by 48% in the new year — from \$48,014 to \$70,953<sup>192</sup>. Many municipalities across Ontario are similarly increasing DCs.

While DCs are rooted in reasonable objectives, they still indirectly affect our housing objectives. The consequences of high DCs occur in two ways:

- Developers must increase their prices to accommodate the increased development costs to maintain a profit
- Developers do not pursue new builds due to higher costs

Each outcome has a ripple effect on our community and homebuyers. For instance, with more developers discouraged from committing to housing starts, this can indirectly impact job creation and local businesses that rely on development for revenue. Each crane represents employment for 50 people. That's 50 new jobs we miss out on with low housing starts<sup>193</sup>. In addition to stalled employment, the lack of housing development also affects our local businesses, which rely on growing populations to maintain operations and foster growth. When development slows, local populations remain stagnant and businesses struggle to gather new clientele.

Despite investment from the Ontario Government to reduce bureaucratic delays and funding in wastewater to offset the cost of infrastructure development, high development charges continue to burden developers who either pass these costs onto buyers or back out of development, ultimately exacerbating housing affordability and housing supply challenges. This further places home affordability out of reach for homebuyers who already pay, on average, more than a third of the total price on taxes. Higher DCs will add another 5-7% on top of high taxes<sup>194</sup>. Higher prices on housing will only further shrink affordability for people buying a house.

High DCs are also discouraging and increasingly risky for developers pursuing housing projects. Developers generate an average 10.7% profit margin after taxes<sup>195</sup>. These margins are at the mercy of market conditions. If market decline occurs, profit margins will absorb this decline. Developers need to account for a potential market decline in

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<sup>192</sup> [Global News. \(2024, October\) Peterborough City Council votes to hike development charges for new homes by 48%. \[Video\]. https://globalnews.ca/video/10902185/peterborough-city-council-votes-to-hike-development-charges-for-new-homes-by-48](https://globalnews.ca/video/10902185/peterborough-city-council-votes-to-hike-development-charges-for-new-homes-by-48)

<sup>193</sup> Lyall, R. (2024, October). *Residential report: Development charges are out of control as housing crisis teeters on the edge of a cliff*. Daily Commercial News - Construction News. <https://canada.constructconnect.com/dcn/news/government/2024/10/residential-report-development-charges-are-out-of-control-as-housing-crisis-teeters-on-the-edge-of-a-cliff>

<sup>194</sup> AMO (2019, January) *The importance of development charges*. AMO. <https://www.amo.on.ca/sites/default/files/assets/DOCUMENTS/Reports/2019/ImportanceofDevelopmentChargesSubmissionIncreasingHousingSupplyinOntario20190131.pdf>

<sup>195</sup> [The Canadian Centre for Economic Analysis \(CANCEA\) \(2024, November\). \(rep.\). The Increasing Tax Burden on New Ontario Homes: 2024. https://www.cancea.ca/wp-content/uploads/2024/12/Increasing-Tax-Burden-on-New-Ontario-Homes-2024-Final-2024-11-29.pdf.](https://www.cancea.ca/wp-content/uploads/2024/12/Increasing-Tax-Burden-on-New-Ontario-Homes-2024-Final-2024-11-29.pdf)

any project they pursue to maintain attractive profit margins like any other business. A combination of high DCs and a possible market decline disincentivizes developers from launching new projects to avoid bankruptcy.

Cities like Vaughan and Burlington are leading the way in reducing their development charges. Vaughan has taken the lead in significantly reducing their development charges<sup>196</sup>. In November of last year, Vaughan reduced their development charges by almost 50%, paving the way for more housing and reducing the cost burden on homebuyers.

To tackle our housing crisis and address affordability, it is imperative to reassess development charges to reduce financial burdens currently being transferred to homebuyers. Encouraging development is an opportunity to benefit our local businesses through increased consumer spending and providing more work opportunities for our workforce. At a time when Ontario is not on pace to reach its 1.5 million homes by 2031, more construction needs to be encouraged rather than discouraged to achieve our housing goal.

## Recommendations

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

1. Work with municipalities to refine what is necessary growth-related costs to include in DCs with the goal of reducing unnecessary burdens on home buyers.
2. Assist municipalities with growth-related infrastructure costs to reduce municipal reliance on development charges.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

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<sup>196</sup> Sliz, T. (2024, November 21). *Vaughan “dramatically” drops development charge rates*. STOREYS. <https://storeys.com/vaughan-drops-development-charge-rates/>

# I. Preserving and Strengthening Ontario's Affordable Rental Housing System

**Submitted by:** Chatham-Kent Chamber of Commerce

**Co-sponsored by:** London Chamber of Commerce and the Sault Ste. Marie Chamber of Commerce

## Issue

Ontario's rental housing system is under growing pressure due to two interconnected challenges:

1. the lack of a standardized and reliable mechanism for assessing tenant rent payment behaviour.
2. limited access to capital financing for repairs and renovations in aging rental housing subject to rent control.

The absence of consistent rent payment data has contributed to increasingly risk-averse tenant screening practices, higher levels of fraud and misrepresentation in rental applications, and reduced access to housing for tenants with limited, damaged, or non-traditional credit histories.

At the same time, Ontario's aging rental housing stock — predominantly owned by small and medium-sized landlords — faces significant barriers to financing essential repairs. Without access to capital, buildings deteriorate, units are lost from the rental market, tenants are displaced, and pressure on municipalities and provincial housing systems increases.

## Background

Ontario's rental housing supply is overwhelmingly private-sector and small-owner driven. Approximately 80% of Ontario rental homes are owned by landlords with fewer than 100 units, and roughly 70% are owned by landlords with fewer than 20 units, indicating that the majority of rental housing is not controlled by large corporate landlords but by small and medium-sized investors with limited access to capital markets.<sup>197</sup>

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<sup>197</sup> [Canada Mortgage and Housing Corporation \(CMHC\), \*Rental Market Report – Ontario\* ; Statistics Canada, \*Profile of Residential Property Owners\*; Statistics Canada, \*Profile of Residential Property Owners\*](#)

At the same time, Ontario's rental housing stock is aging. Over 60% of purpose-built rental units were constructed before 1980, and nearly one-third were built before 1960, particularly in small and mid-sized municipalities.<sup>198</sup> These buildings increasingly require major capital investment, including roof replacements, plumbing and electrical upgrades, heating system replacements, and structural repairs to meet current building and safety standards.

Rent is the largest monthly financial obligation for most Ontario households yet rent payment history is not consistently reported to credit bureaus. As a result, tenants who pay rent on time receive no formal credit recognition, while landlords must rely on incomplete credit files or self-reported information. In the absence of a trusted, standardized "source of truth," landlords tighten screening criteria, which disproportionately impacts newcomers, individuals rebuilding credit after divorce or bankruptcy, and lower-income renters.

While voluntary rent reporting programs exist through private platforms reporting to national credit bureaus, uptake remains limited due to tenant opt-in requirements, administrative burden, and lack of landlord incentives. As a result, rent reporting has not reached the scale necessary to improve trust or reduce fraud across the rental market.

For aging rental buildings, financing barriers compound these challenges. Rent control has limited revenue growth, while operating costs — including insurance, utilities, property taxes, and interest rates — have risen sharply. Many small and medium-sized landlords are unable to increase rents sufficiently to unlock equity or qualify for traditional financing. Alternative and private lending options often carry interest rates between 7% and 15%, making repairs financially unviable.<sup>199</sup>

When capital is unavailable, repairs are deferred. Deferred repairs increase the likelihood of unsafe conditions, building orders, and eventual displacement of tenants. In these circumstances, applications for major renovations or redevelopment are often mischaracterized as "renovictions," despite being driven by financial necessity rather than displacement intent. Addressing the underlying financing gap would reduce the need for such outcomes by enabling landlords to complete repairs while preserving tenancies.

Existing provincial and federal tools — including CMHC repair programs and long-term forgivable loans — demonstrate that targeted financing can preserve housing stock. However, current funding is disproportionately directed toward new construction, while the preservation of existing affordable rental housing remains under-supported, despite housing the majority of Ontario renters.

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<sup>198</sup> [CMHC, \*Housing Stock by Period of Construction\*](#)

<sup>199</sup> [Financial Services Regulatory Authority of Ontario \(FSRA\), \*Mortgage Lending and Capital Requirements\*](#)

## Recommendations

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

### 1. Implement Standardized Rent Reporting

- a. Require rent payment reporting to credit bureaus for all residential landlords.
- b. Implement a phased approach:
  - Phase 1: Landlords and property managers with four (4) or more rental units
  - Phase 2: Landlords with one (1) to three (3) rental units, supported by simplified reporting tools.

### 2. Support Landlord Participation in Rent Reporting

- a. Introduce tax credits or deductions to offset reporting costs.
- b. Enable government-supported or bulk reporting platforms.
- c. Provide education and guidance on reporting standards and credit impacts.

### 3. Establish a Provincial Rental Housing Repair and Preservation Fund

- a. Leverage provincial housing allocations alongside federal CMHC programs.
- b. Provide low-interest loans, forgivable loans (10–20 year terms), and matching grants for essential repairs to existing rental housing.

### 4. Enable Financing Models that Preserve Affordability

- a. Permit tenant-based rent supplements or housing supports to flow through rent, allowing landlords to qualify for financing while maintaining affordability.
- b. Tie financing to tenant protections, affordability commitments, and measurable building condition outcomes.

### 5. Streamline Approvals and Reduce Administrative Barriers

- a. Avoid duplicative municipal regulations that delay essential repairs without addressing financing constraints.

### 6. Improve Data Collection and Policy Coordination

- a. Collect and publish data on rental housing age, condition, financing barriers, and unit loss.
- b. Establish a Provincial Rental Housing Advisory Committee with representation from landlords, tenants, municipalities, lenders, and business.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# J. Supporting Ontario's Small Landlords to Strengthen the Rental Housing Market

**Submitted by:** The London Chamber of Commerce

**Co-sponsored by:** Cambridge Chamber of Commerce

## Issue

Ontario is experiencing a generational housing supply and affordability crisis that is now widely recognized as one of the most significant threats to economic competitiveness. High housing costs and a lack of available rental supply are driving up labour expenses, constraining workforce mobility, and making it increasingly difficult for Ontario businesses to attract and retain talent. Small landlords—who provide a large share of Ontario's rental housing—face regulatory, financial, and administrative challenges that discourage their participation in the market, further aggravating the province's housing shortage. Supporting small landlords is therefore not only a housing policy imperative but also a critical economic priority for Ontario's business community.

## Background

Ontario's rental housing market has become deeply strained, with demand far outpacing supply, contributing directly to affordability pressures across the province. The housing crisis is no longer just a social or urban planning issue—it has become a central economic concern. Recent research from KPMG Canada shows that 94 per cent of Canadian business leaders now view housing affordability and lack of supply as the top risk to the economy. Businesses report that high housing costs are forcing them to increase wages simply to help workers absorb escalating living expenses, with 87 per cent of companies noting they have had to boost compensation as a direct response to the cost of housing. These wage pressures raise operating costs, fuel inflation, and create challenges for businesses already navigating high interest rates and uncertain economic conditions.<sup>200</sup>

The Ontario Chamber of Commerce has also highlighted that employers across sectors increasingly cite housing constraints as a major barrier to talent attraction and retention. When workers cannot afford to live near their jobs, employers face higher turnover, reduced productivity, and diminished competitiveness. This is especially acute in high-

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<sup>200</sup> [Housing should be priority No. 1 in the federal budget - KPMG Canada](#)

growth regions, where limited rental options make recruitment more difficult and drive-up overall labour market volatility.<sup>201</sup>

At the same time, households are experiencing unprecedented financial strain. High housing costs and elevated interest rates are leaving many families vulnerable, limiting their mobility, and reducing their capacity to engage in the economy. These pressures create broader systemic risks, particularly in periods of economic slowdown.

Small landlords play a vital role in addressing these challenges. They are responsible for a significant share of Ontario's rental supply, particularly secondary suites, basement apartments, garden suites, and other forms of "gentle density" that are essential to meeting the province's long-term housing needs. Despite their importance to the housing ecosystem, small landlords face an outdated regulatory framework, administrative burdens, and slow dispute-resolution processes that can discourage them from offering units or keeping them on the market.

Bill 60, the Fighting Delays, Building Faster Act, 2025, has taken meaningful steps toward improving transparency, fairness, and efficiency at the Landlord and Tenant Board (LTB). However, REALTORS®, housing stakeholders, and many in the business community agree that a more comprehensive modernization of Ontario's rental housing system is needed. Persistent LTB backlogs—though improved from their peak—continue to delay dispute resolution and disrupt rental availability. The current digital-first hearing model has reduced opportunities for informal "hallway mediation," contributing to lower mediation success rates and slower case resolution.

The data shows that in-person hearings deliver faster, more effective outcomes than virtual ones, even as the LTB reports a backlog reduction from 53,057 to 41,465 cases. Despite this improvement, landlords are still waiting three to seven months for hearings, compared to just three to seven weeks in 2018, when in-person hearings were the norm. With far fewer adjudicators, the pre-Tribunals Ontario, in-person system resolved nearly the same number of cases through hearings, highlighting how the shift to virtual proceedings has reduced efficiency and prolonged financial risk for landlords—especially small property owners dealing with non-payment.<sup>202</sup>

Additionally, the Residential Tenancies Act, 2006 (RTA) no longer reflects the realities of today's rental market, particularly the needs and risks of small landlords. Issues such as privacy concerns, procedural complexity, and outdated eviction rules discourage participation and contribute directly to supply shortages that ultimately harm employers and the broader economy.

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<sup>201</sup> [Home Stretched: Tackling Ontario's Housing Affordability Crisis Through Innovative Solutions and Partnerships](#)

<sup>202</sup> <https://tribunalwatch.ca/2025/the-landlord-and-tenant-board-annual-report-progress-but-still-a-long-way-to-go/>

Recent polling conducted by Abacus on behalf of OREA underscores the depth of Ontario’s rental housing challenges and the degree to which they affect both renters and small landlords. Over half of Ontarians (56%) believe the rental market is fundamentally unbalanced, with nearly two-thirds describing it as unaffordable. Renters report significant pressure, with 82% citing high prices and 62% pointing to a shortage of suitable units, even though satisfaction with their current housing remains relatively high. On the supply side, small landlords face mounting barriers that discourage their participation in the market: 70% report difficulty finding reliable tenants, 53% struggle with screening, and among those who have interacted with the Landlord and Tenant Board, 77% have experienced delays or other issues. These challenges directly reduce rental availability—27% of landlords have chosen to leave a unit vacant due to difficulties managing tenants, and 18% of homeowners have space they could rent out but opt not to. With only 32% of Ontarians satisfied with LTB dispute resolution, the need for a more efficient, balanced, and predictable rental system is clear. Together, these pressures limit rental supply, drive up housing costs, and weaken Ontario’s ability to attract talent and support a competitive business environment.<sup>203</sup>

Other jurisdictions, including British Columbia, New Zealand, Spain, and U.S. states such as California and New York, provide examples of modernized rental frameworks with formalized mediation services, updated tenancy legislation, and targeted incentives for small landlords. Ontario has an opportunity to adopt similar measures to improve rental supply, support affordability, and strengthen the province’s economic competitiveness.

## Recommendations

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

1. Conduct a full modernization of the Residential Tenancies Act to reflect today’s rental market, reduce red tape for small landlords, and create a more predictable rental system that supports labour mobility and business competitiveness.
2. Strengthen and formalize mediation services at the Landlord and Tenant Board by adopting a structured pre-hearing mediation model—similar to British Columbia’s—that would resolve disputes faster, reduce the backlog, and return rental units to the market more efficiently.
3. Restore in-person hearings as the primary format at the Landlord and Tenant Board with virtual options by mutual consent, in order to support more effective mediation and improve the speed and fairness of case resolution.

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<sup>203</sup> [A-Fair-Rental-Market-for-a-Stronger-Ontario.pdf](#)

## HOUSING

4. Introduce targeted income-tax incentives for small landlords (five or fewer units) who bring previously unrented or underused space into the long-term rental market. Eligibility could be limited to landlords in good standing with no active LTB judgements.
5. Repeal the *Measures Respecting Premises With Illegal Drug Activity Act, 2025* as it relates to measures that place enforcement obligations on small landlords.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# WORKFORCE DEVELOPMENT

# A. Addressing Northern and Rural Labour Market Needs through the Ontario Immigrant Nominee Program

**Submitted by:** Thunder Bay Chamber of Commerce.

**Co-sponsored by:** Greater Sudbury Chamber of Commerce, North Bay & District Chamber of Commerce, Orillia District Chamber of Commerce, Peterborough and the Kawarthas Chamber of Commerce, Sault Ste. Marie Chamber of Commerce, Tillsonburg District Chamber of Commerce and the Timmins Chamber of Commerce

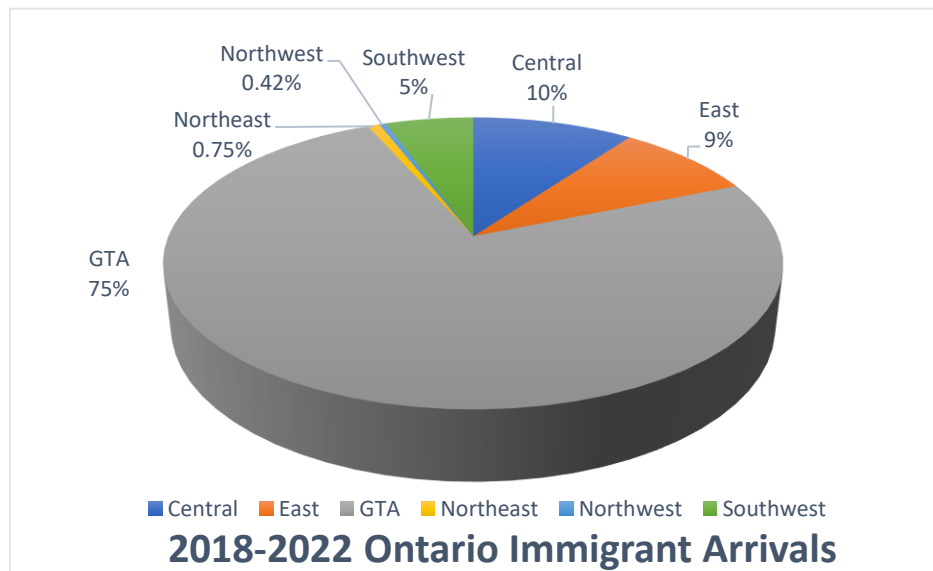
## Issue

Employers across Ontario, but particularly in Northern and Rural areas, are experiencing a shortage of qualified employees and a shrinking labour market. The Ontario Immigrant Nominee Program can help to address these challenges by allocating nominee spots to Northern and Rural communities.

## Background

Labour shortages are being felt across the province, but particularly in Northern and Rural areas where population growth is limited. Northern Ontario specifically is experiencing a demographic shift and a population decline that is fueled by natural aging, low fertility rates, a rising life expectancy and an increase of out-migration.

Population and migration trends to 2016, suggest that Northern Ontario needs 50,000 newcomers by 2041 in order to sustain current population levels. Furthermore, Statistics Canada's 2021 Census shows that 4 of the top 5 municipalities



in Ontario with the highest rate of population decline are in Northern Ontario<sup>204</sup>.

Newcomers represent potential growth and innovation for Northern and Rural communities, however, the vast majority of newcomers to Ontario settle in the Greater Toronto Area.

The federal Rural and Northern Immigration Pilot Program (RNIP) has proven highly successful in attracting new people to Northern Ontario specifically, and to rural and northern Canada generally. RNIP has proven to be such a success that the federal government is moving to make it a permanent program and an integral part of Canada's overall immigration strategy. Ontario should learn from and mirror this success through the allocation of Ontario Immigrant Nominee Program (OINP) spots for Northern and Rural Ontario communities.

Both Northern Policy Institute<sup>205</sup> and the Conference Board of Canada<sup>206</sup> have long observed that a portion of the OINP could easily be used to support a provincial rural and northern initiative. That point is even more valid today since the OINP has recently seen a massive expansion. From 9,750 nominees in 2022 to 16,500 in 2023 with the goal of growing that number to 18,000 in 2024.

Northern and Rural communities provide the food, forests and minerals that are essential to our daily lives. Providing an allocation of OINP spots will help to address the labour needs of Northern and Rural areas so that we can contribute to a vibrant economy for all Ontarians.

## Recommendations

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

1. Ensure that the Ontario Immigrant Nominee Program addresses labour market challenges by allocating 3,000 nominee spots to Northern Ontario and 6,000 nominee spots to Rural communities in Southern Ontario; and
2. Provide sufficient Newcomer Settlement & Language Training and Language Interpreter Services to address the growth of OINP nominees in Northern Ontario and Rural communities.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

<sup>204</sup> <https://www12.statcan.gc.ca/census-recensement/2021/as-sa/98-200-x/2021001/98-200-x2021001-eng.cfm>

<sup>205</sup> <https://www.northernpolicy.ca/northerndevelopment>

<sup>206</sup> <https://canapprove.com/canada-PNP-news/regional-immigration-to-Ontario/>

## **B. 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:** Prince Edward County Chamber of Commerce.

**Co-sponsored by:** Brockville District Chamber of Commerce, Muskoka Lakes Chamber of Commerce, Sarnia Lambton Chamber of Commerce, and the Peterborough and the Kawarthas Chamber of Commerce

### **Issue**

Ontario's marine industry lacks vital support and standardized safety regulations compared 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 an increase in the current number of technicians and the creation of two voluntary 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 and 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 unrelated to engines). Ontario could lead the way for boating safety and supporting the marine industry by expanding marine apprenticeship opportunities.

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."<sup>207</sup> 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.

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."<sup>208</sup> However, not all boats are purchased new and serviced/repaired 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' by the National Marine Manufacturers Association Canada (NMMA) tells us that about 12.4 million adult Canadians go boating yearly. Recreational boating adds \$5.6 billion to Canada's GDP, with over \$10 billion in revenues. About 75,000 Canadians are employed by the core of the recreational boating industry while boaters themselves spend \$1.4 billion annually in boat trips."<sup>209</sup> According to Rick Layzell, the CEO of Boating Ontario, "47% of all boats sold in Canada are sold in Ontario"<sup>210</sup>

Other mandatory certified skilled trades, such as electricians and millwrights, have specific training levels (year 1, year 2, etc.) and 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 few seats available in Midland, Ontario, a location that is inconvenient to attend the required in-class training. According to Boating Ontario, over two-thirds of 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

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<sup>207</sup> [About ABYC - American Boat and Yacht Council \(abycinc.org\)](http://abycinc.org)

<sup>208</sup> [2017 Best in Class: Best Training & Benefits | Boating Industry](#)

<sup>209</sup> [Canadian Boating Statistics | Pat's Boating in Canada \(ncf.ca\)](http://ncf.ca)

<sup>210</sup> [Buying a Boat | Pat's Boating in Canada \(ncf.ca\)](http://ncf.ca)

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 organization for this Policy Resolution: Swiftsure Vessel Solutions, Ltd., Consecon, Ontario

## Recommendations

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

1. Collaborate with the marine industry, associations, and post-secondary institutions to expand marine apprenticeship training programs and research ABYC courses recognized by Transport Canada.
2. Develop voluntary marine certifications for small vessel technicians and marine electricians through the Ontario Ministry of Labour, Training and Skills Development.
3. Improve access to marine apprenticeships across Ontario.
4. Work with industry partners to develop and improve certifications.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## C. Expanding Access to Employment Ontario

**Submitted by:** The London Chamber of Commerce.

**Co-sponsored by:** Sault Ste. Marie Chamber of Commerce

### Issue

Recent changes in federal law have made more international students, international graduates and individuals on temporary visas (e.g. spousal visas) eligible to work in Ontario, however many of these same individuals are not eligible for most provincial services. In 2022, the province opened up international student eligibility for the first time ever under the Skills Development Fund.<sup>211</sup> This however is limited in scope and does not include access to assisted services to these individuals such as employment counselling, job development, marketing to employers for employment opportunities, resume support etc.

### Background

Businesses are predicted to face several challenges in 2024. Cash flow constraints, heightened competition, and increased labor costs driven by a competitive talent market will be prominent issues.

One crucial component of addressing the competition for talent is for employers to utilize the skills of international students, international graduates and those in the province on temporary visas with authorization to work.

While the 2022 memorandum from the Ontario Ministry of Labour, Training, and Skills Development confirms that international students and graduates have access to self-directed services, it is important to note that what this means for most employment organizations is simply allowing these individuals to use their computer labs to access job boards. While some organizations will offer more personalized assistance when they can, international students and graduates are systemically restricted from almost all provincial employment services and all federal settlement services.

Through access to assisted services such as employment counselling, resume support, etc. many international students and graduates would be able to find employment more quickly which should be considered a win for employers and local economies.

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<sup>211</sup> <https://www.tcu.gov.on.ca/eng/eopg/publications/eo-memo-900-sin-policy-2022-en.pdf>

Expanding eligibility to the full suite of programming under Employment Ontario for international students and graduates would enable rising numbers of persons in Ontario the ability to access programming that they need while also enabling employers to access talent from all streams.

## Recommendations

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

1. Expand eligibility to the full suite of programming under Employment Ontario to international students, international student graduates, and persons on temporary visas (such as spousal visas with authorization to work).

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## D. Making Ontario more Competitive for Permanent Residency

**Submitted by:** Peterborough and the Kawarthas Chamber of Commerce.

**Co-sponsored by:** Barrie Chamber of Commerce, Brockville and District Chamber of Commerce, Belleville Chamber of Commerce, Greater Oshawa Chamber of Commerce, and the Guelph Chamber of Commerce

### Issue

Ontario is less competitive than other provinces when it comes to approving permanent residency for new Canadians. This impacts our ability to attract talent at a time when we desperately need to increase our workforce.

### Background

Ontario offers a lot for prospective new Canadians in terms of job opportunities and multicultural communities, but it has become less competitive when it comes to getting permanent residency.

For many people here on student and work visas, securing permanent residency is a major source of anxiety. Fear of not being accepted before their visas expire is driving people to other provinces that increase their chances of success.

Labour markets are softening, but access to labour remains one of the biggest barriers to business. The Ontario Chamber of Commerce 2023 Ontario Economic Report<sup>212</sup> found businesses reported investing in workforce development to be their second highest policy priority.

The slowing economy is likely to ease labour pressure, but the slew of impending retirements will further increase demand.

While unemployment increased in the second half of 2023, BDC reports<sup>213</sup> that it's because the active working population grew with about 430,000 jobs being created between January and November of 2023.

As much as Ontario has to offer newcomers, lack of access to housing and the rising cost of living are increasingly becoming barriers. Add this to the fact that other provinces

<sup>212</sup> OCC 2023 Ontario Economic Report <https://infogram.com/oer-2023-report-1hxj48pd90gx52v?live>

<sup>213</sup> BDC Monthly Economic Letter <https://www.bdc.ca/en/articles-tools/entrepreneur-toolkit/publications/monthly-economic-letter/2312>

make it easier to gain permanent residency while offering lower living costs and Ontario is increasingly becoming less attractive.

Currently, the Ontario Immigration Nominee Program (OINP) points system offers similar criteria to the Federal Express Entry program, which does not set the Province apart nor is it helpful for the candidates who fall outside the scope of the federal program. Our province should be targeting those who fall outside the federal criteria, especially if they are currently working or have a job offer in Ontario.

There is a lack of clarity on what National Occupation Codes will be invited in the future, pushing people from certain professions to other provinces that are more likely to sponsor them. Additionally, provinces like Alberta have had success by removing the requirement to select a specific job or occupation from a list, opening up more opportunities for new Canadians to work in any job or business sector.

We have small and microbusinesses in Ontario that have a desire to sponsor new residents but their business does not meet financial requirements. In the Greater Toronto Area, sponsoring businesses must have five employees and \$1 million in revenue. Outside the GTA that drops to three employees and \$500,000 in revenue. This financial threshold especially impacts small family businesses from immigrant communities.

Some candidates for residency have been working in Ontario for years with programs like the Labour Market Impact Assessment, but still do not qualify for residency here. Others are here studying for in-demand vocations like personal support workers, but don't qualify for the Student Job Offer stream because their program is less than two years.

It has been pointed out by a number of industry professionals that the online application system is not as user-friendly as it could be, especially when those trying to apply may have language barriers, technology barriers, and slow internet connections.

Ontario needs to make some strategic changes to its approach to immigration and sponsoring candidates for permanent residency.

## Recommendations

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

1. Make Ontario more competitive for securing permanent residency by:
  - a. Tailoring the Ontario Immigration Nominee Program to target candidates who fall outside the federal criteria with an emphasis on those already working in Ontario, including establishing a program for those with long-term work experience in Ontario as a pathway to residency.

2. Reducing employment criteria barriers, including:
  - a. Providing clarity on what NOC codes will be invited in the future or eliminating the requirement to select a specific job or occupation from a list altogether.
  - b. Lowering the revenue requirement and requirements for a specific number of employees for businesses to allow for smaller businesses to sponsor permanent residents.
3. Opening up the Student Job Offer Stream program to students in one-year programs.
4. Improving the functionality of the OINP website, providing a more up-to-date and user-friendly experience.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## E. Strengthening Long Term Economic Prosperity Through Post Secondary Education & International Study Permits and Work Permits After Graduation

Submitted by: Sault Ste. Marie Chamber of Commerce

### Issue

For the better part of four decades, Ontario has been a kind of post-secondary-education superpower. Our universities and colleges are among the best in the world, and the world has taken notice. Growth in foreign students have not only been the key to financial stability of the education sector they have diversified our communities, local economies, created entrepreneurial ecosystems, contributed to GDP and tax revenue at every level of government while bring a vibrancy to Canada's reputation as one of the most diversified and welcoming country's in the world. Limiting access of foreign students to post-secondary education and after graduation work permits, temporary or long term, will have significant impact on the viability of trusted post-secondary institutions, local economies, tax revenue and (Ontario's) Canada's brand as a destination for education.

### Background

Canada is often stereotyped as a land of hockey lovers and Tim Hortons coffee swirlers. And while those statements may be true, as a country, we're so much more than that.

What do an online marketplace that directly connects small business to B2B and B2C both domestically and globally, what is everyone's favourite go-to lunch spot at the mall food court, and who is the Dragon turned activist combating racism in business, all have in common?

- Tobias Lütke, CEO, Shopify
- Wes Hall, founder Kingsdale Advisors and the BlackNorth Initiative
- Karim Hakimi, Founder, Hakim Optical
- V. Prem Watsa Chairman and CEO, Fairfax Financial Holdings
- Shahrzad Rafati CEO, BroadbandTV (BBTV)
- Dimitrios "Jimmy" Antonopoulos Owner, Jimmy the Greek
- Robert Herjavec, CEO, Herjavec Group (Dragon)
- Maninder Dhaliwal, CEO, Lions Gate International

They are enterprises and initiatives of former international students and immigrants who have in some way, shape or form relied on post-secondary educators for their own personal growth, access to markets, labour and inspiration.

International students are extremely important to Canada's economy. The 640,000-strong international student community in Canada also creates a diverse environment on campuses across the country. They contribute a whopping \$22 billion to the Canadian economy every year; greater than exports of auto parts, lumber or aircraft, and they support 2,000,000 jobs.

International students have created jobs, built billion-dollar companies, and invented processes that have changed the way we live. Key Insights at a glance:

- Over 25% of the 583 US companies valued at a billion dollars or more in 2022 were founded by international students.
- International students will contribute £3.2 billion to the UK economy over 10 years through income tax and National Insurance payments alone.
- Immigrants are 40% more likely than Canadian-born individuals to own businesses in knowledge- or technology-based industries.
- In 2020, International students represented 24% of students in Canada's post-secondary education system, up from 12% in 2016.
- Canadian businesses led by immigrants are much more likely to export and derive a greater share of revenue from exporting. They rely less on the US as a market and export to more diverse markets, resulting in the growth and diversification of Canadian exports.<sup>5</sup>
- This growth is powered by the number of immigrant-led businesses that export at twice the rate of that of their Canadian-led competitors.<sup>214</sup>

The federal government has set the tone since 2015 and two factors that came into play in the post-2015 period may have influenced the international student trajectory in terms of numbers and characteristics.

First, international student program regulatory changes took effect on June 1, 2014, and, as described in the associated Regulations Amending the Immigration and Refugee Protection Regulations, the aim of these changes was “to strengthen the integrity of Canada's immigration program by explicitly requiring study permit holders to actively pursue their studies, reducing the number of non-genuine and poor quality educational institutions hosting study permit holders, and facilitating the entry into

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<sup>214</sup> The Impact of International Students on Destination Economies in 2023, Apply Board, March 9, 2023 <https://www.applyboard.com/applyinsights-article/the-impact-of-international-students-on-destination-economies-in-2023>

Canada of those foreign nationals that sincerely wish to obtain a Canadian education” (Government of Canada 2014). One major change that occurred under the amended regulations is that study permits are issued only to successful applicants who are pursuing studies at an educational institution that has been designated by the province or territory to receive international students. Prior to these changes, applicants could apply for a study permit to pursue studies at any educational institution in Canada. Another major change occurred with respect to opportunities for international students to work in Canada during their studies. Under the amended regulations, all international students with a Canadian study permit are automatically authorized to work off-campus for up to 20 hours per week without being required to apply for a separate work permit, which were suspended during the pandemic.

Second, in 2014, the Government of Canada launched the International Education Strategy (2014-2019) with the goal of doubling the number of international students in Canada by 2022 (Government of Canada 2014). The strategy argued that “a robust and forward-looking strategy to attract a significant proportion of these students to Canada will create new jobs and sources of prosperity, address key labour-force challenges and create new opportunities for Canadians in every region of the country” (Government of Canada 2014). The strategy further suggested that international students are an important future source of skilled labour, as they may be eligible for permanent residency through immigration programs after graduation (Government of Canada 2014). Viewed in this way, the choices made (such as those related to sex, age, source country, and level and field of study) by educational institutions when it comes to attracting and accepting international students have a downstream impact on the sociodemographic characteristics and spectrum of human capital associated with the pool of potential candidates for permanent residency and for the Canadian labour market.

The subsequent International Education Strategy (2019-2024) cited a need for diversification in the flow of international students to Canada. This more recent strategy highlighted the need to “diversify the countries from which international students come to Canada, as well as their fields, levels of study, and location of study within Canada” (Government of Canada 2019). The document argued that attracting students from a wider diversity of countries, as well as to a greater variety of regions and programs, would foster sustainable growth in Canada’s international education sector and distribute the benefits more equitably across the country.<sup>215</sup>

Looking forward, trends in the sociodemographic characteristics of international students have the potential to influence the sustainable growth of Canada’s international

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<sup>215</sup> International Students As A Source Of Labour Supply: The Growing Number Of International Students and Their Changing Sociodemographic Characteristics, by Eden Crossman, Youjin Choi and Feng Hou, Release date: July 28, 2021

education. This strategy, however, is about more than Ontario's economic competitiveness. It's about connection, and the ties we form as people.

When more students are able to learn in diverse parts of the world, they create bonds with different cultures, communities and ways of thought. The same could be said for international students who study in Ontario. These bonds do more than enhance one's learning, they lay the groundwork for a better way to work and live — one that is more empathetic, diverse and connected.

Colleges and their private partners, alongside all levels of government, must share in the responsibility for international students' experiences and well-being. A strategic approach can support institutions as they build safe, welcoming communities and can help protect Ontario's reputation as a destination for high-quality education and enterprise.<sup>216</sup>

## Recommendations

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

1. Work with the federal government to ensure rural and northern Ontario communities and the post-secondary institutions in those communities, as well as those ion communities delivering the Rural Northern Immigration Pilot, are allocated the current level of permits with no reduction in their allocations.
2. Work with the federal government to review demand for Attestation Letters and cash requirements doubling.
3. Work with the federal government as well as post-secondary institutions to protect and elevate Canada's brand as an international destination for foreign student education.
4. Support building more capability, capacity, and human resources for the Ontario College Quality Assurance Service (CQAAP) and Ontario Universities Council on Quality Assurance to ensure enforcement and compliance of post-secondary educators in meeting Quality Assurance Audits.
5. Adopt the following recommendations by The Higher Education Quality Council of Ontario:
  - a. Examine recruitment practices and incentive structures used to attract international students. Accurate information and ethical practice can help ensure student success.

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<sup>216</sup> Ontario's International Postsecondary Education Strategy 2018 Educating Global Citizens Mitzie Hunter Minister, Ministry of Advanced Education and Skills Development

- b. Revisit MCU’s “Public College-Private Partnerships: Minister’s Binding Policy Directive” (2019) to clarify college accountabilities related to enrolment management, program quality, advertising and student support requirements; monitor and enforce these directives.
- c. Develop a provincial strategy to guide colleges’ internationalization activities. Ensure alignment between labour market gaps and high intake programs and emphasize the variety of credentials needed to meet labour market priorities.
- d. Work with the Federal Government to review the goals and outcomes of the current program to ensure it is meeting federally identified priority programs, provide a PSE pathway for immigrants to become highly skilled workers, and is taken up across the full range of credential and programs offered by PSE institutions.
- e. Work with the Federal Government to examine international student work permits (and the 20-hour pilot project in place) to evaluate student experiences, outcomes, completion rates and time-to completion.
- f. Work with the Federal Government to evaluate the permits required for co-op opportunities to reduce barriers to access.
- g. Work with Ontario Colleges to review the academic requirements for international students’ admission — including language exam scores and assessment of prior learnings — and consider language programs for accepted students who lack adequate skills. Adhering to admission standards can help reduce pressure on students and staff.
- h. Work with Ontario Colleges to collect and publish international student satisfaction data related to available supports and resources to understand where there are persistent gaps and challenges; coordinate approaches with other colleges for comparability.
- i. Work with Ontario Colleges to leverage local community contexts for individual campuses (location, programming and populations); work closely with municipal governments to address some of the challenges facing students and institutions, including housing, health and wellbeing, inclusion and local employment.<sup>217</sup>

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

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<sup>217</sup> The Higher Education Quality Council of Ontario, How Colleges and Government Can Enhance International Student Experiences in Ontario. Colyar, J., Pichette, J., & Deakin, J. (2023). Matching Rapid Growth with Adequate Supports: Toronto: Higher Education Quality Council of Ontario

## F. Strengthening Ontario's Workforce and Innovation Ecosystem by Supporting a Financially Sustainable Post-Secondary Sector

**Submitted by:** Greater Niagara Chamber of Commerce, South Niagara Chamber of Commerce, and the Windsor Essex Chamber of Commerce

### Issue

Ontario's post-secondary institutions are critical partners, as the province works to build a strong economic future by filling labour market demands in key sectors, building the capacity of local industries and developing its innovation ecosystem to hone its competitive advantage in emerging markets. As such, a financially sustainable post-secondary education sector is vital to achieving these goals and creating a better future for Ontario.

### Background

Ontario has made strides in recent years to build its competitive advantage as a strong player in the global marketplace. Our ability to capitalize on recent successes and improve the province's economic outlook in the years to come will depend on the actions taken today to cultivate the highly skilled workforce and innovation ecosystem that will propel Ontario forward. As key drivers of growth, performance, prosperity, and competitiveness, Ontario's colleges and universities will play a vital role in fortifying our province.

However, growing financial pressures on the post-secondary sector, including rising costs to support students, the cut and freeze to tuition, declining real per student operating grants and the impact of the repeal of Bill 124, are jeopardizing Ontario's competitive advantage and are impacting the student experience, research output, and economic development. In fact, as of 2023-24, at least 10 of Ontario's universities are projecting operating budget deficits with a cumulative total of more than \$175 million, increasing to \$274 million in 2024-25.<sup>218</sup>

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<sup>218</sup> [Council of Ontario Universities, "The Council of Ontario Universities' Opening Remarks to the Standing Committee on Finance and Economic Affairs", January 2024. https://ontariosuniversities.ca/wp-content/uploads/2024/01/SCFEA-Remarks-Final.pdf](https://ontariosuniversities.ca/wp-content/uploads/2024/01/SCFEA-Remarks-Final.pdf)

In the college sector, average domestic tuition is just \$2,700 annually – higher only than Newfoundland and Labrador in tuition-fee charging provinces.

In 2021-2022, Ontario's funding per college student was \$6,891, 44% of the figure for the rest of Canada (\$15,615), and universities received \$11,471 per student, which represented 57% of the figure for the rest of Canada (\$20,772), according to the government's Blue-Ribbon Panel on postsecondary education. When combined, average tuition and per-student funding levels place Ontario as the only province in the country that requires its public college system to operate with less than \$10,000 per student.

The Ontario government had the foresight to commission the work of the Blue-Ribbon Panel, which lays out an action plan for the financial health of the sector – a plan that will benefit both Ontario's students and local economies.

The recommendations put forward by this Panel respond directly to key factors in the ongoing financial pressure experienced by the post-secondary sector. For example, implementing the Panel's recommendations in their entirety would inject a much-needed \$1.9 billion into the university sector, alone, over the next three years.

Taking immediate action on the recommendations of the Panel to provide stability to the sector will produce tangible economic benefits that will be enjoyed across sectors and in regions throughout the province, resulting in better student experiences and outcomes, and allowing post-secondary institutions to continue to deliver their highest potential for the good of Ontario.

## Recommendations

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

1. Invest in the postsecondary system by increasing multi-year base operating grants, immediately boosting operating grants by 10% and indexing them over time; and
2. Lift the tuition freeze for general programs at post-secondary institutions, beginning in Fall 2024.
3. Implement common sense changes to create the opportunity for students to study high-demand programs or to enrol part time.
4. Implement the Blue-Ribbon Panel recommendations on tuition, while protecting low-income students.

5. Engage with the federal government and postsecondary institutions to establish clear and reasonable guidelines and timelines for the implementation of the federal cap on international study permits and determine how the cap aligns with previous commitments to develop a Recognized Institutions Framework.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## G. Workforce Transitioning to Electric Vehicles

**Submitted by:** Windsor-Essex Chamber of Commerce.

**Co-sponsored by:** Leamington Chamber of Commerce

### Issue

As electric vehicles become an increasingly large share of the automotive market, certifications for mechanics need to have the relevant training to make sure they can service electric vehicles. Especially as the Canadian Government pushes for 100% electric vehicle sales by 2035, plans need to be put in place to transition the workforce for upcoming needs.

### Background

Electric vehicles require entirely different knowledge sets than traditional internal combustion engine vehicles. For example, electric vehicles do not possess transmissions, one of the most key components for internal combustion engine vehicles. 310-S and 310-T certifications are required to work on vehicles but don't have any required training for electric vehicles.

Thus, the education required to work on this component is irrelevant for mechanics that are working solely on electric vehicles and their drivetrains. As an increasing share of the automotive market transitions towards electric vehicles, those who are only trained and knowledgeable on internal combustion engines will have decreasing number of vehicles to work on, especially as the federal government requires all vehicles sold in Canada to be electric by 2035.

Not only do we need more technicians certified to work on electric vehicles but also need to transition the existing technician labour force away from internal combustion engines. Currently there is almost 50,000 Ontarians employed as automotive technicians working on both passenger vehicles as well as transport trucks.<sup>219</sup> They will need retraining in how to manage electric vehicle components such as battery fuel cells and charging ports. The risk for many auto shops is that they do not have the skilled workforce necessary to service electric vehicles and are excluded from working on these new vehicles until they can hire or have their personnel trained to work on electric

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<sup>219</sup> [Automotive Service Technician in Ontario | Job prospects - Job Bank](#)

vehicles. Retraining their existing technicians to work on electric vehicles could be a costly and prohibitive challenge facing the sector.

Beyond the questions of personnel concerns are the concerns that shops will have to upgrade their equipment to deal with electric vehicles and their unique needs. This will be a costly transition that will be hard to justify until the demand is present from their customer base. However there needs to be a proactive approach to help those businesses adjust to changing market conditions imposed by government initiatives.

Unless these challenges are addressed the mechanic shops of today could struggle to operate in the world of tomorrow.

## Recommendations

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

1. Provide financial assistance through loans and grants to help those already trained and 310-S, 310-T, and 421-A heavy duty equipment technician certified to get training to work on electric vehicles and equipment.
2. Provide financial assistance through loans and grants to help small auto mechanic shops adapt to electric vehicles and their unique needs including any specialized equipment purchases necessary.
3. Work with post-secondary institutions to develop and enhance certification programs for 310-S, 310-T, and 421-A heavy duty equipment technician to be inclusive of electric vehicles and equipment.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## H. Accelerate Youth Leadership Development in Ontario Through Technology and Cross-Sector Partnerships

Submitted by: Chatham-Kent Chamber of Commerce

### Issue

Ontario faces a critical shortage of youth leadership development opportunities, particularly among Indigenous and immigrant populations. This gap is exacerbated by limited access to technology-driven mentorship programs and digital literacy training. The provincial government must collaborate with businesses and community organizations to implement targeted leadership pipelines, skills training, and cross-cultural mentorship programs that leverage technology to address this crisis of opportunity.

### Background

Ontario's demographic landscape is rapidly evolving, with an aging workforce and leadership population creating urgent succession challenges across various sectors. This shift is particularly pronounced in rural areas, which face unique obstacles in developing and retaining young leaders compared to urban centers. The province's future economic prosperity and community vitality hinge on our ability to cultivate a new generation of diverse, technologically savvy leaders.

#### **Current State of Youth Leadership Development:**

Despite Ontario's Stepping Up framework advocating for youth civic engagement, only 22% of municipalities have formal youth councils with decision-making authority. Indigenous youth leadership development remains siloed, with just 8% accessing entrepreneurship programs despite representing 4% of Ontario's youth population. Immigrant youth face compounded barriers, with 42% reporting credential recognition challenges limiting leadership pathways.

The Canada-Ontario Job Grant (COJG), while supporting workforce training, allocated only 12% of its 2024 funds to youth-specific tech leadership development. This underinvestment is particularly concerning given the rapid digitalization of the economy and the critical need for tech-savvy leaders.

***Successful models demonstrate the potential for impactful interventions:***

- The Summer Company Program provided \$3,000 grants to 1,200 youth entrepreneurs in 2024, achieving a 68% success rate.
- Indigenous Youth Leading Youth trained 300 facilitators in anti-racism education through sport-based leadership.
- The Sister2Sister Program achieved an 85% career advancement rate for racialized immigrant women through paid internships.
- The T.E.A.R.™ Social Media Engagement Initiative equipped over 1,200 Toronto youth with digital advocacy skills through peer-led workshops.
- The Digital Executive Leadership Program (DELP) trained 250+ public sector leaders in AI, data ethics, and agile methods.

***Rural-Urban Divide in Leadership Development:***

Rural areas face distinct challenges in cultivating youth leadership:

1. Limited Opportunities: Smaller populations and fewer resources result in scarce leadership development programs.
2. Brain Drain: Youth out-migration to urban areas depletes the potential rural leadership pool.
3. Access Barriers: Rural youth often have limited access to higher education and specialized leadership training.
4. Economic Constraints: Fewer diverse job opportunities in rural economies make retaining young talent challenging.
5. Technological Gaps: Rural areas may lag in technological infrastructure, limiting youth exposure to digital leadership skills.

***These challenges are compounded by demographic trends. For instance:***

- In the energy sector, over a third of the workforce is already over 50 years old, expected to grow by 25% by 2020.
- The percentage of workers over 50 in financial services is projected to rise by 61% in the near future.

Similar trends are evident across Ontario's key industries, underscoring the urgent need for youth leadership development to ensure business continuity and community vitality.

***The Role of Technology in Leadership Development:***

Technology offers transformative potential in bridging the rural-urban divide and scaling leadership development initiatives:

- Virtual mentorship platforms can connect rural youth with diverse leaders across the province.
- Digital skills training can equip young leaders with the competencies needed for the future of work.
- Online collaboration tools can facilitate youth participation in decision-making processes, regardless of geographic location.

The DIGITAL Technology Leadership Program (Cycle 6) demonstrates the government's recognition of tech-driven solutions, offering up to \$7M in funding for projects addressing healthcare and natural resource challenges. However, youth-focused applications remain underrepresented, indicating a need for targeted initiatives.

### **Cross-Sector Collaboration:**

Businesses and community organizations are pivotal partners in this endeavor. Currently, 72% of Ontario's tech startups report mentorship gaps for young leaders, while chambers of commerce's digital upskilling programs reach just 8% of rural youth. Aligning efforts across sectors—government, business, education, and community organizations—is crucial for creating a comprehensive youth leadership development ecosystem.

By investing in youth leadership development, particularly in rural areas and among underrepresented groups, Ontario can better navigate demographic shifts, ensure knowledge transfer, and cultivate a new generation of leaders equipped to address future challenges and opportunities. This investment is not just about filling leadership positions; it's about driving innovation, enhancing economic resilience, and building more inclusive, sustainable communities across the province.

## **Recommendations**

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

1. To expand and integrate youth leadership development through technology and cross-sector partnerships and coordinate youth leadership development opportunities—particularly for Indigenous and immigrant youth—by investing in technology-driven mentorship, digital skills training, and cross-sector partnerships with businesses, educational institutions, and provincially funded community organizations. This should include targeted support for rural and underrepresented communities, with an emphasis on culturally sensitive, values-based, and Indigenous-led leadership training models that recognize and build on existing youth capacity.

2. Embed Leadership Training in the Ontario High School Curriculum and mandate the integration of culturally relevant, inclusive leadership training—including Indigenous governance perspectives and digital literacy—into the secondary school curriculum ensuring all Ontario youth have equitable access to foundational leadership development, formal education in preparation for civic engagement, workforce participation, and community leadership.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

# I. Addressing the Underfunding of Ontario's Community Colleges

**Submitted by:** Belleville Chamber of Commerce.

**Co-sponsored by:** Quinte West Chamber of Commerce, Orillia & District Chamber of Commerce, St. Thomas Chamber of Commerce, Port Hope and District Chamber of Commerce, Greater Barrie Chamber of Commerce, Brockville and District Chamber of Commerce, Chatham-Kent Chamber of Commerce, Peterborough and the Kawarthas Chamber of Commerce, and the Whitby Chamber of Commerce

## Issue

Ontario's public colleges are facing severe financial strain due to frozen operating grants, the provincially imposed tuition freeze in 2015 and rising costs. These financial pressures have led to campus and program closures, staff reductions, and diminished access to postsecondary education, particularly in rural communities.

## Background

Ontario's community colleges were established in 1969 to provide accessible, high-quality, applied, career-focused education and training, particularly in smaller, rural, and underserved communities.

These institutions offer a diverse range of programs, including:

- **Certificate and Diploma Programs** in sectors such as
  - healthcare (nursing, paramedic services),
  - education (ECE, social service and developmental service)
  - technology (software development, engineering),
  - business administration, and
  - creative industries.
- **Apprenticeship Programs** that combine in-class training with on-the-job experience to prepare students for certification in skilled trades.
- **Contract and Short-Burst Training Programs** designed to upskill the existing workforce and enhance employability.

Ontario's public colleges play a vital role in developing a skilled workforce that meets the evolving needs of businesses and industries across the province. This is particularly

critical in rural and northern communities, where colleges provide accessible education, workforce training, and economic development tailored to local industry and community needs. However, the cost of program delivery in these regions is significantly higher due to per capita enrolment limitations accompanied by geographic, infrastructure, and student support challenges which existing funding formulas fail to adequately address.

From the deficiencies of the current funding model, international student recruitment served a dual purpose; it increased population growth to address anticipated labour force needs and filled the funding gap created by the insufficient funding model. As the funding gap continued to grow, the government was complacent while colleges became over reliant on international tuition rates to support the shortfall presented by the funding deficit. This will have a much greater impact on the need for a skilled workforce in the long term.

The Ontario government has been able to avoid their responsibility to the community college system while their shortfall was masked by revenues generated through international student tuition. Of the \$1.4B in funding announced to support skilled training, none has been directed to the community college system and the imposition of the federal cap on international students along with the current messaging that international students are no longer welcome in Canada has had an immediate and devastating impact on community colleges' revenue streams.

Community colleges are deeply embedded in their regions, supporting local economies through partnerships with municipalities, healthcare providers, businesses, and cultural organizations. They play a crucial role in addressing labor shortages and providing education pathways for underrepresented and marginalized populations.

However, rural community colleges face severe funding challenges, including:

- **Flat or Frozen Operating Grants:** Provincial funding has remained stagnant in real dollars for over a decade, while domestic tuition has been frozen at 2015 levels. Ontario spends only \$0.44 for every dollar spent by the rest of Canada on post-secondary education. Ontario is by far the lowest funded system in Canada.
- **Increased Delivery Costs:** Rural and northern colleges face higher operational costs due to greater infrastructure needs, limited transit options, higher student support requirements, and competitive constraints in attracting faculty and resources.
- **Exclusion from Capital Investments:** Ontario has invested \$1.4 billion into the Skills Development Fund (SDF) as of January 2025. However, funding has disproportionately benefited private and union-affiliated training centers, excluding community colleges from essential infrastructure and capacity-building investments.

Recent capital investments have disproportionately favoured private and union-affiliated training centers, leaving community colleges without the necessary funding to expand capacity, upgrade infrastructure, or develop new programs. Private and union-affiliated training centres, while valuable for trade-specific training, do not offer the same breadth of education or regional accessibility as community colleges and are not generally located in more rural communities; forcing students seeking these certifications to find temporary accommodations outside their communities which also impacts completion rates.

As a result, rural students are increasingly forced to leave their communities to access education and individuals tend to stay where they study creating a brain drain or out-migration of young talent.

A well-funded college system is essential to fostering inclusive economic growth, addressing workforce shortages, and ensuring businesses across Ontario have access to a highly trained talent pool. Despite their pivotal role, Ontario's community colleges have been largely excluded from significant government investments, such as the Skills Development Fund (SDF).

The current funding model creates inequities in resource allocation, despite community colleges providing a more comprehensive approach to workforce development. Addressing these disparities is essential to sustaining Ontario's skilled labour pipeline and ensuring equitable access to education for all communities.

## Recommendations

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

1. Expand capital funding eligibility through programs like the Skills Development Fund to prioritize investments for Ontario's community colleges, ensuring they can access resources to upgrade facilities and expand both apprenticeship and diploma programs.
2. Increase core operating funding for Ontario's community colleges to reflect the costs of delivering a diverse array of programs. This includes:
  - a. Adjust funding annually to account for inflation, regional delivery costs, and the growing demand for both trades and diploma training.
  - b. Introduce performance-based funding incentives for programs that successfully address labour market gaps.
  - c. Provide direct funding and incentives for initiatives such as co-op placements, apprenticeships, micro-credentials, and industry partnerships.

3. Develop a funding formula that accounts for the higher costs associated with delivering education in rural and northern regions.
4. Ensure transparency and accountability in the allocation of workforce development funds. This includes:
  - a. Regularly publishing detailed reports on funding distribution, including the amounts allocated to Ontario's community colleges, private training providers, and union centres.
  - b. Establishing an independent oversight body to review and assess workforce development investments.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## J. Improving Workforce Supply in Ontario's Child-care Centres

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

### Issue

Child-care is a fundamental component of Ontario's social and economic infrastructure, by empowering parents, especially women, to engage in the workforce. Continued access to affordable child-care is a vital component of a resilient and productive economy. However, ongoing challenges in the recruitment and retention of workforce supply in the child-care sector has impacted the affordability and accessibility of child-care options across Ontario.

### Background

Currently, the province faces a dual crisis: an increasing demand for child-care services and a shrinking supply of Early Childhood Educators (ECEs) and Registered Early Childhood Educators (RECEs).

Current efforts from the Provincial Government have been inadequate in the creation of child-care spaces. Estimates show that the province will be short 8,500 childhood educators, and that the province has created less than a third of the spaces that it committed to by 2026<sup>220</sup>.

The growing demand on child-care options is outpacing the capacity of Ontario's child-care workforce supply. The inability to increase workforce supply has led to growing waitlists and the number of parents experiencing challenges with obtaining child-care. Recent statistics show that in 2023, 49% of parents reported challenges with obtaining child-care<sup>221</sup>.

In 2023, the Provincial Government announced that they would be launching a comprehensive Child-care Workforce Strategy<sup>222</sup>. The current strategy contains measures aimed at improving workforce development and retention in the space, including wage enhancements, increases to the wage eligibility ceiling and funding for

<sup>220</sup> Allison Jones, *Government officials estimate Ontario could be short 8,500 early childhood educators*. (2023). <https://www.cbc.ca/news/canada/toronto/ontario-early-childhood-educator-shortage-1.6714274>

<sup>221</sup> Stats Canada, *Child care arrangements, 2023* (2023). <https://www150.statcan.gc.ca/n1/daily-quotidien/231205/dq231205a-eng.htm>

<sup>222</sup> Government of Ontario, *Supporting Child Care in Ontario* (2023). <https://news.ontario.ca/en/backgrounder/1003832/supporting-child-care-in-ontario>

professional development. Since its development, the workforce strategy was updated in 2024 to increase funding allocations for wage floors and increases, and the professional learning guidelines<sup>223</sup>.

While there has been an increase in the number of RECE graduates since 2014, overall enrolment into the profession has declined by 7.2% annually<sup>224</sup>. Additionally, resignations from the sector remain high; RECEs working in child-care are twice as likely to resign when compared to those working in public education, with nearly a third of those leaving being aged 25-34, and nearly half of all RECEs leaving the sector in the first 5 years<sup>225</sup>. This poor retention has led to only 44% of total RECEs working in child-care<sup>226</sup>.

Despite the efforts of the province, the Child-care Workforce Strategy is limited in its success. Poor retention in child-care facilities has been tied to burnout and low wages<sup>227</sup>. To address these challenges, there is an opportunity for the Child-care Workforce Strategy to expand its scope to include the low wage floor, appropriate child-staff ratios, and workplace benefits.

The workforce shortage in child-care centres will continue to impact the availability of services and quality of care. During these challenging times, especially with rising uncertainty as the result of the recent election in the United States, Ontario needs a stable, resilient, and productive workforce. Access to affordable child-care is a vital component for inclusion of a wider range of workers, especially women, in the workforce, fostering an environment where all employees can join the workforce.

## Recommendations

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

1. Improve the retention of ECEs and RECEs, by updating the Ontario Child-care Workforce Strategy to expand its focus on appropriate staff-to-child ratios and enhancing benefits for childcare workers.

<sup>223</sup> [Government of Ontario, \*Ontario's Early Years and Child Care Annual Report 2024\* \(2024\).](https://www.ontario.ca/page/ontarios-early-years-and-child-care-annual-report-2024)

<https://www.ontario.ca/page/ontarios-early-years-and-child-care-annual-report-2024>

<sup>224</sup> [Alana Powell and Carolyn Ferns, \*Position Paper on a publicly-funded early learning and child care salary scale\* \(2023\). 4-5.](#)

<sup>225</sup> [College of Early Childhood Educators, \*Membership Data Report 2022-2023\* \(2023\) 4-9.](#)

<sup>226</sup> [Atkinson Centre, \*Canada's Children Need a Professional Early Childhood Education Workforce\* \(2022\). 3.](#)

<sup>227</sup> [Canadian Mental Health Association, \*The Burnout Crisis: A call to Invest in ECE and Child and Youth Workers\* \(2022\). 1-13.](#)

2. Develop additional incentives, in consultation with post-secondary institutions and the wider child-care business community, for the development and retention of skilled child-care professionals. Including:
  - a. Providing targeted tuition subsidies, and loan forgiveness for students pursuing ECE credentials.
  - b. Developing additional mentorship programs.
  - c. Expanding paid work placement opportunities for students obtaining ECE and RECE educations.
  - d. Establishing Incentives for RECEs and ECEs to work and live in rural locations.
3. Ensure that affordable and accessible child-care is provided to Ontarians regardless of potential changes to the Canada Wide Early Learning and Child-care (CWELCC) program.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## K. Meeting the Demands of Ontario's Students, Communities and Businesses

Submitted by: Richmond Hill Board of Trade

### Issue

Across Ontario, local businesses, industries and employers are calling for an increased supply of highly skilled labour to meet their respective needs. These needs are broad, ranging from advanced technical knowledge to essential soft skills that help employees thrive in a variety of working environments. Ontario's post-secondaries play a critical role in developing the talent and skills that service businesses across sectors and regions of Ontario.

At the same time, Ontario's high school students are showing a growing interest in a post-secondary education as they consider the next steps in their studies and career development.

However, the ability of Ontario's post-secondaries to meet the needs of both students and businesses alike is constrained by the current funding cap on domestic students, known as the corridor model, which limits the number of students that can enroll at their institutions. Lifting corridor funding caps to support domestic student enrolment will bring substantial benefits for Ontario's students, communities and businesses.

### Background

In today's innovation driven economy, the needs of Ontario's industries are undergoing continual change. New breakthroughs and technological innovations are transforming the operations, output and nature of work in many critical sectors across the province, such as health care, advanced manufacturing, energy, life sciences and artificial intelligence.

These changes in the province's critical industries are reflected in the talent demands of Ontario's business community. Now more than ever, Ontario's businesses need adaptable, highly skilled talent that is equipped to meet the challenges of today and tomorrow, and boost Ontario's economic growth and competitiveness.

For example, according to a study by Stokes Economics, from 2021-2030, Ontario will need 9,533 civil engineers, 3,653 architects, 2,096 urban and land use planners, in addition to thousands of other jobs that require a post-secondary education. These jobs

will be critical to deliver Ontario's critical housing and infrastructure projects<sup>228</sup>. Likewise, Canadian Manufacturers and Exporters projects that 18,5000 workers are estimated to leave the sector each year between now and 2031<sup>229</sup>. In order to fill these gaps, Ontario must support a robust talent pipeline that meets the needs of our industries.

The contributions of Ontario's post-secondaries are essential to bridge these gaps and meet the talent needs of Ontario's businesses. They will play a vital role in developing the province's future workforce and have been responding to shifting labour market demands, increasing enrolment in STEM programs by 74 per cent and health care programs by 40 per cent since 2010.

They are also seeing growing demand from Ontario high school students looking to attend university. From 2020-2025, universities saw an increase of 16.2 per cent in the number of high school students applying to an Ontario university<sup>230</sup>.

It is projected that up to 18 per cent more Ontario high school students will want to enroll in an Ontario university by 2030, when accounting for rising participation rates and changing demographics

However, the current funding cap on domestic students, known as the corridor model, limits Ontario student access to a post-secondary education in the province. This creates a significant barrier to increasing domestic enrolment in STEM and other high-demand programs in Ontario, with implications for the province's capacity for critical skills development.

There are already more than 28,100 domestic students above the funded level supported by universities across Ontario. The underfunding for these students is estimated at more than \$224 million per year. This means that funding for these domestic students falls short of what is needed to cover the costs and universities have to find other means to cover these additional seats.

By providing funding to support a greater number of domestic students at post-secondaries across the province, the government can fuel regional economic development, provide the highly skilled talent that attracts investment and builds a robust workforce and support better outcomes for Ontario's students.

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<sup>228</sup> [Stokes Economics, "Ontario' Future Labour Force Needs Study", 2021](#)

<sup>229</sup> [Canadian Manufacturers and Exporters, "Manufacturing Ontario's Future", 2024](#)

<sup>230</sup> [Ontario Universities' Application Centre data, 2024](#)

## Recommendations

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

1. Fully fund enrolment expansion and current unfunded domestic post-secondary students to reflect changing demographics and increased demand from Ontario high school students.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## L. Red Seal Certification for Mold Makers

Submitted by: Windsor-Essex Regional Chamber of Commerce

### Issue

Mold makers across Canada have long argued that their trade has been excluded from the benefits of Red Seal Certification. As the sector has long advocated at the national level for Red Seal Certification, it has had little success. The province of Quebec has taken an alternative approach and classified mold making as a Red Seal Certification trade under the designation of Tool and Die.

### Background

Canada has faced a long-term challenge of getting more skilled trades workers to meet the needs of its economy. This includes plumbers, electricians, mechanics and more. Mold making faces a similar situation seeking to expand its future workforce as much of its current workforce gets older and approaches retirement. Unlike the previous trades mentioned, mold making has a distinct disadvantage when it comes to recruiting that future workforce and that is the lack of Red Seal Certification.

The Red Seal Certification Program is a joint program between the Federal and Provincial Governments to create a standardized national system for the assessment of the skills of tradespeople. "Provinces and territories are responsible for apprenticeship training and trade certification in their respective jurisdictions, including the administration of the Red Seal Program in their jurisdictions (for example, Red Seal examinations). Most provinces and territories use the Red Seal examination as the final certification exam in designated Red Seal trades."<sup>231</sup>

Manufacturing contributes upwards of 10% to Canada's GDP and an even higher percentage of Ontario's GDP. Mold making is an essential part of the manufacturing process, especially advanced manufacturing. This includes the automotive, aerospace, construction, and medical and healthcare industries among others.

If Canada and Ontario are to remain key jurisdictions in the manufacturing sector, than a vibrant and dynamic mold making sector is key to their success. Which poses a challenge in comparison to other trades that already have Red Seal Certification such as the previously mentioned plumbers and electricians. Red Seal Certification provides key incentives for those looking at their career options including national mobility,

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<sup>231</sup> [Red Seal Program \(red-seal.ca\)](http://red-seal.ca)

competitive advantage and career progression. Without those incentives tied to Red Seal Certification it makes it harder for the sector to attract workers.

Quebec also has a significant mold making sector and has recognized the challenges associated with the lack of Red Seal Certification. In response to those challenges, the province has taken the approach to classify mold makers under the Tool & Die Maker certification. While this measure does not grant all the benefits that would come with national Red Seal Certification, it does provide mold makers in Quebec benefits within their jurisdiction.

## Recommendations

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

1. Emulate the approach of the Quebec Government and classify Mold Makers under the Tool & Die Makers Red Seal Certification until Mold Makers become nationally Red Seal Certified.
2. Work with the Federal Government and the other Provincial and Territorial Governments to obtain Red Seal Certification Status for Mold Makers across Canada.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## M. Support for the Trucking Industry

**Submitted by:** Windsor-Essex Regional Chamber of Commerce.

### Issue

The challenges of the Covid-19 pandemic have brought to light the operational difficulties in the trucking industry throughout Canada. The trucking industry is facing two major challenges:

- **Driver shortage:** Throughout Canada trucking companies are struggling to find drivers. This is more pronounced for smaller fleet companies.
- **High cost for training and insurance:** Current licensing rules mean that truck drivers who have international driving experience must completely re-train when they arrive in Canada. The additional costs for training drivers hurt smaller business more than the larger fleets. Insurance premiums for smaller trucking companies are significantly higher than the larger fleets. The issues related to retaining truck drivers, the rising costs of insurance premiums, and equipment shortage for smaller owner- operator businesses make it important to review and amend regulations and develop a strategy to implement support, both federally and provincially.

### Background

More than 55,000 truck drivers' jobs will need to be filled in Canada by March of 2023 according to the latest report and statistics gathered by Trucking HR Canada. Ontario was the first province to introduce mandatory entry-level training programs, which requires 103.5 hours of core training, and another 8.5 hours of training for an air brake endorsement, before testing for a Class A/Z license.

The turnover rates are lower for larger fleets while the smaller fleets struggle to retain drivers. The challenges of increased insurance costs, shortage of equipment and rising price in makes it challenging for smaller trucking companies to remain competitive.

When international drivers arrive in Canada, their driving experience is not considered, and they must retrain which can cost between \$7,000 and \$12,000 dollars. Smaller businesses are paying over \$15,000 a year in insurance costs and are unable to secure new drivers because of insurance policies that favour the larger trucking companies. Smaller fleets are disadvantaged because they do not have resources and cannot offer wages at par with larger fleets, thereby leading to driver retention challenges.

## Recommendations

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

1. Enhance provincial immigration programs to attract internationally trained truck drivers that would amplify the pool of workers available.
2. Implement targeted financial supports, with revenues generated from truck driver licensing and truck registrations to fleet companies, including owner-operators, so that they can offset high insurance costs, offer competitive wages, cover training, and hire more workers.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## N. Supporting Fiscal Sustainability for Ontario's Postsecondary Institutions and Municipalities

Submitted by: Brampton Board of Trade

### Issue

The current cap on international student visas and insufficient provincial funding, combined with the inadequacies of the Heads and Beds levy, are severely impacting Ontario's postsecondary institutions and municipalities. These issues threaten the financial stability of both, as well as their capacity to meet the growing demand from domestic students and provide necessary municipal services for the increase in student populations.

### Background

Ontario's colleges and universities are facing significant financial pressures due to low per-student funding, declining domestic tuition, and a cap on international student visas. Ontario postsecondary institutions receive the lowest per-student funding in Canada, with the province providing less than a quarter of their total revenue.<sup>232</sup> The province's 10 percent tuition cut and subsequent freeze on domestic tuition have further reduced revenues. At the same time, the number of international students has increased dramatically, with some of the province's learning institutions becoming reliant on international tuition fees.

However, the federal government's recent cap on international student visas is projected to lead to a significant drop in international student enrollment, creating a major loss of potential revenue for Ontario's postsecondary sector. This has exacerbated financial difficulties. Additionally, the province's funding model, particularly the domestic corridor model, does not incentivize public colleges and universities to grow domestic enrollment. The domestic corridor model sets a limit on the number of funded students per institution; since schools don't receive extra funding for enrolling more domestic students, they are discouraged from doing so. The combination of these factors has created an unsustainable situation for Ontario's postsecondary sector.

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<sup>232</sup> Ontario Confederation of University Faculty Associations, "Empowering Tomorrow: The OCUFA Blueprint for Revitalizing Ontario's Public Universities," January 2024, [https://ocufa.on.ca/assets/2024.01.26.OCUFA-PBS-FINAL-3\\_1.pdf](https://ocufa.on.ca/assets/2024.01.26.OCUFA-PBS-FINAL-3_1.pdf).

Furthermore, the Heads and Beds levy, which provides municipalities with a small amount of funding to provide municipal services for each post-secondary student, has not been updated since 1987, and it is paid to the municipality where students are registered to study, not where they live.<sup>233</sup> This misallocation means that a municipality may have a large number of students living there who commute elsewhere for school, yet it does not receive sufficient funding to support the local services those students rely on.

There are several reasons why a student might choose to live in a community outside the one where their school is located. They may prefer to live among their cultural community, seek a more urban environment, or opt for a more affordable area while taking advantage of online classes. This system fails to recognize that students living in a municipality create demand for local services such as transit, roads, sewers, parks and recreation.

Postsecondary institutions are important to the economy, providing a well-educated workforce, driving research and innovation, and contributing to local economies through employment and student expenditure. Municipalities also need the resources to be able to support student populations effectively.

## Recommendations

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

1. Increase annual provincial funding to public colleges and universities by 11.75% for five years, aiming to reach the national average for per-student funding. This will address the long-standing underfunding and provide colleges and universities with the necessary resources to operate effectively.
2. Review the current provincial funding formula, particularly the corridor model, to eliminate barriers to domestic enrollment growth.
3. Develop a plan in consultation with industry to reform the Heads and Beds levy to better reflect the cost of municipal services.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

<sup>233</sup> [City of Brampton, "City of Brampton advocates for enhanced Federal and Provincial support for International Students following keynote presentation," News Release, December 21, 2023, https://www.brampton.ca/EN/City-Hall/News-Releases/Pages/MediaRelease.aspx/3681.](https://www.brampton.ca/EN/City-Hall/News-Releases/Pages/MediaRelease.aspx/3681)

## O. Advancing Strategic Investment in Artificial Intelligence, Talent, Infrastructure and Commercialization

**Submitted by:** Greater Barrie Chamber of Commerce

**Co-sponsored by:** Orillia and District Chamber of Commerce, Brockville and District Chamber of Commerce, Greater Sudbury Chamber of Commerce, and the Chatham-Kent Chamber of Commerce

### Issue

Artificial Intelligence is transforming productivity, labour markets and global economic competitiveness. This is at a time when Canada continues to face a well-documented productivity gap relative to peer economies.<sup>234</sup> Jurisdictions that invest early in talent, research capacity, advanced infrastructure and commercialization pathways are poised for sustained economic growth.

Without deliberate provincial action focused on economic positioning, Ontario risks educating exceptional talent only to see it migrate to jurisdictions offering stronger research support, infrastructure and career pathways.

This is not a question of regulating technology itself. Technologies evolve faster than legislative cycles. It is a question of ensuring Ontario has the institutional capacity, workforce readiness and infrastructure necessary to capture the economic value generated by emerging technologies.

Strategic provincial leadership will be essential to ensure Ontario remains a destination for innovation rather than a source of talent for competing economies.

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<sup>234</sup> OECD - Raising Business Sector Productivity – OECD Economic Survey of Canada  
[https://www.oecd.org/en/publications/oecd-economic-surveys-canada-2025\\_28f9e02c-en/full-report/raising-business-sector-productivity\\_443bcd88.html](https://www.oecd.org/en/publications/oecd-economic-surveys-canada-2025_28f9e02c-en/full-report/raising-business-sector-productivity_443bcd88.html)

## Background

Data centres and AI computing infrastructure are increasingly recognized as foundational economic infrastructure. This infrastructure is comparable to broadband, transportation networks and energy systems in its ability to drive productivity and long-term growth.<sup>235</sup>

Data centres and high-performance computing systems are expanding globally to support innovation, yet these facilities require significant energy resources.<sup>236</sup> As Ontario expands its data centre and AI capacity, it has an opportunity to lead through environmentally responsible data centre infrastructure. This includes prioritizing energy-efficient design, low carbon power sources and sustainable cooling methods that protect natural resources while supporting economic expansion. This approach advances long-term environmental sustainability while strengthening Ontario's competitive position. Energy-efficient, low-impact infrastructure will be critical to scaling data centre capacity and meeting the growing power demands of AI development, positioning Ontario as a global jurisdiction of choice for sustainable, large-scale AI deployment.

Ontario employs over 400,000 information and communications technology workers, making it one of North America's largest technology labour markets.<sup>237</sup> This workforce supports a dynamic ecosystem of more than 22,000 technology businesses across the province.<sup>238</sup> A workforce of this scale is essential to productivity and long-term economic growth.

Ontario's future economic strength will depend not only on attracting global expertise but also on retaining and deploying the highly skilled talent developed within the province. Postsecondary institutions graduate advanced researchers, engineers and technical professionals each year, representing a significant public investment in human capital. The Ontario Research Fund supports this ecosystem by helping institutions cover operational and infrastructure costs associated with major research activity.<sup>239</sup> While this addresses the need for facilities and equipment, it does not establish a stable, long-term mechanism for attracting and retaining top research talent in Ontario.

<sup>235</sup> Council of Canadian Academies - Waiting to Connect: The Expert Panel on High-Performance Computing <https://cca-reports.ca/reports/high-performance-computing/>

<sup>236</sup> International Energy Agency - Data Centres and Data Transmission Networks - <https://www.iea.org/reports/data-centres-and-data-transmission-networks>

<sup>237</sup> Government of Ontario - Ontario's Long-Term Report on the Economy – ICT Workforce - <https://www.ontario.ca/document/ontarios-long-term-report-economy-2024/chapter-5-harnessing-sector-strengths-support-2024>

<sup>238</sup> Invest Ontario - Digital Services and Information Technology Sector Overview - <https://www.investontario.ca/digital-it>

<sup>239</sup> Government of Ontario - Ontario Research Fund - <https://www.ontario.ca/page/ontario-research-fund>

The federal Canada Research Chairs program supports the attraction and retention of research talent. However, as a nationally allocated initiative, it is not designed to deliver a scalable, sector-specific talent strategy aligned with Ontario's emerging economic priorities. A complementary provincial program is required to address this gap.

Provinces play a decisive role in shaping research ecosystems, workforce pipelines, applied training and commercialization environments. Coordinated provincial action will influence whether Ontario captures the economic benefits of innovation or sees those benefits realized elsewhere.

## Recommendations

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

1. Establish a Provincial Research Chairs Co-Investment Program for for Artificial Intelligence and Emerging Technologies. Create a stable and predictable funding stream that is competitive with federal funding streams and enables Ontario institutions to attract globally recognized researchers while strengthening opportunities for domestically trained experts to remain in the province. Retention should be treated with the same strategic importance as attraction.
2. Implement a Provincial Talent Retention Strategy for Highly Skilled Graduates. in Artificial Intelligence and data centre infrastructure. Work collaboratively with industry and postsecondary institutions to strengthen pathways from advanced education to employment in AI and data centre infrastructure roles, support industry-embedded research roles and reduce the outflow of top talent. Ontario already produces exceptional expertise in artificial intelligence and related fields. Policy should ensure the province benefits from that investment.
3. Expand AI and Data Centre Infrastructure Using Environmentally Responsible Technologies. Recognize data centre and AI computing capacity as essential economic infrastructure and prioritize development that incorporates: energy-efficient design, low-carbon power sources, heat recovery where feasible, advanced cooling technologies that minimize freshwater consumption. Strategic infrastructure investment will support economic growth, enable scalable expansion of data centre capacity and position Ontario as a global jurisdiction of choice for sustainable, large-scale AI development.
4. Accelerate Modernization of Post secondary and Applied Skills Training in Artificial Intelligence and related technologies. Support institutions in integrating applied AI and data-driven technology competencies across disciplines such as advanced manufacturing, health sciences, logistics, finance and skilled trades to reflect evolving industry needs. Preparing the workforce for technological change is essential to economic resilience.

5. Reform Provincial Procurement to Accelerate Commercialization. Leverage public procurement to pilot Ontario-developed technologies, reduce barriers for small and medium-sized innovators and create clearer pathways for emerging solutions to reach markets. Strategic procurement can serve as a powerful catalyst for homegrown innovation while strengthening public-sector effectiveness.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

## P. Creating Ways to Retain and Attract More Women to Careers in the Skilled Trades

**Submitted by:** Cambridge Chamber of Commerce

**Co-sponsored by:** Greater Kitchener-Waterloo Chamber of Commerce, Greater Barrie Chamber of Commerce, Halton Hills Chamber of Commerce, Chamber of Commerce Brantford–Brant, and the Guelph Chamber of Commerce

### Issue

An acute shortage of skilled workers continues to permeate Ontario's employment landscape, despite ongoing discussions among business, education, and government leaders on how to solve this issue. While part of the focus remains navigating federal and provincial immigration policy changes to attract newcomers with the necessary skills to address these shortages, particularly in construction and infrastructure, continued efforts should also be enhanced to create a conducive environment to encourage and retain more women in the skilled trades sector to help fill these growing gaps.

### Background

Current estimates indicate that more than 700,000 skilled trades workers nationwide are expected to retire by 2028. On the provincial side, BuildForce Canada predicts that Ontario will need to recruit more than 100,000 workers in the construction industry alone by 2030 to replace retiring workers and keep up with demand. This number encompasses a range of trades, including electricians, plumbers, welders, and mechanics.<sup>240</sup>

Immigration policies targeting the introduction of more skilled workers to fill these gaps has been in motion for several years. However, recent changes have created uncertainty. These include the Government of Canada's move to cut the number of provincial nominees' applications in half, as well as the Province's proposed plan to

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<sup>240</sup> [Why There's a Shortage of Skilled Trades Professionals in Ontario – \(ontariocolleges.ca\)](https://ontariocolleges.ca)  
<https://tinyurl.com/mrxavt9x>

further alter Ontario's Immigrant Nominee Program (ONIP) after cancelling its skilled trades stream over evidence of systemic fraud or misrepresentation.<sup>241</sup>

The move to have more women pursue careers in the skilled trades to help ease shortages has been gaining momentum, thanks in part to a concentrated push by the Province to launch several initiatives (including an \$8.6 million investment through the Skills Development Fund (SDF) last fall) to empower and encourage women to enter this sector. These include mentorship programs and hands-on training opportunities.

There has been a 66% uptick during the past decade of women working in the skilled trades in construction and recent Ontario Government stats show 374,600 women were employed in a skilled-trades-related occupation, which represents 29% of the 1.3 million people working in trades-related roles. Also, in 2024-2025 there was an 11% increase in women enrolling in apprentice programs in the field of HVAC, electrical, carpentry, plumbing and construction.

While there has been positive movement, there are clear indications more needs to be done since an industry survey showed about one-third leave the sector after the first year of their apprenticeship.<sup>242</sup>

The 2025 Recruitment and Retention of Women in the Building Trades survey, compiled by the Ontario Building and Construction Tradeswomen (OBCT), supports this fact and notes that women represent just 5% of on-site trades and occupations in the province's construction sector. This translates into only 14,200 women working directly with tools.

Key findings from this survey, gathered from 342 women across Ontario, showed that 82% of tradeswomen could see themselves working in the industry over the next two to five years. Also, 65% said they were satisfied with their pay and benefits, while another 54% of respondents said they entered the sector after age 25, signaling untapped potential through earlier outreach.

The survey also highlighted serious systemic issues that continue to face women in the skilled trades which have been identified as a catalyst for many to leave the sector.

Survey findings showed 65% of respondents said they needed better-fitting personal protective equipment (PPE) and access to appropriate washroom facilities, while more than half reported childcare issues with 57% reporting this resulted in them turning down work due to scheduling conflicts.<sup>243</sup> Legislative changes to the Employment Standards Act and the Working for Workers Five Act (which received Royal Assent

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<sup>241</sup> [Newcomers seeking permanent residency face uncertainty, frustration over Ontario immigration changes – \(CBC, Dec. 2025\) <https://tinyurl.com/3pw74mee>](https://www.cbc.ca/news/immigration/newcomers-permanent-residency-1.7044444)

<sup>242</sup> [Construction Industry Must Boost Number of Women in the Trades – \(Rescon, Nov. 2024\) <https://tinyurl.com/53pp2r8s>](https://www.rescon.ca/news/construction-industry-must-boost-number-of-women-in-the-trades-1.7044444)

<sup>243</sup> [Advancing Recruitment and Retention of Women in the Building Trades: Results from the 2025 OBCT Tradeswomen Survey - Nov. 2025 <https://shorturl.at/v5jsk>](https://www.obct.ca/advancing-recruitment-and-retention-of-women-in-the-building-trades-results-from-the-2025-obct-tradeswomen-survey)

October 2024) to create a new 27-week parental leave, provide properly fitting PPE for women in all trades sectors, and to provide proper washroom facilities for them, are in place to help address these issues.<sup>244</sup>

However, concerns surrounding childcare remain as well as issues pertaining to some job tasks and occupational exposures that could increase risks to a pregnant worker and her fetus, such as chemicals, noise, shiftwork, hot environments, and manual material handling.<sup>245</sup> These health concerns highlight the need for some form of pre-delivery ‘bridge’ benefit women could access prior to their regular maternity benefits since the Province’s EI Sickness Benefits only provides up to 26-weeks of benefits to women who cannot work due to medical reasons related to pregnancy.<sup>246</sup>

There is already some relief available for expectant women in the piping industry who need to take paid time off before the birth of their child due to working conditions that could pose a risk to the mother or fetus thanks to the UA Canada National Parental Wellness Benefit program. It provides up to 24 weeks of pay (equivalent to EI amount) during pregnancy, allowing members to stop working before delivery without exhausting their federal EI maternity benefits.<sup>247 11</sup>

Besides child-related issues, the OBCT survey also showed that concerns surrounding worksite culture remains another stumbling block. According to its findings, 52% of respondents reported experiencing harassment, and half were dissatisfied with how their complaints were handled, fueling a continued call from that organization directed at government, employers, unions, training centres, and industry partners to make anti-discrimination and anti-harassment training mandatory to complete an apprenticeship.<sup>248</sup>

Also, 67% of respondents pointed to the importance of having more women in leadership positions and setting specific targets on job sites, as well as encouraging employer organizations and unions to develop and support women’s committees.

The survey also showed that 58% of respondents discovered the trades later in life due to a lack of exposure while in secondary school, stressing the continued need to

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<sup>244</sup> [Ontario Supporting Women and Families in the Trades – \(Ont. Gov’t. Nov. 2024\)](https://tinyurl.com/mphdp56v)  
<https://tinyurl.com/mphdp56v>

<sup>245</sup> [Canada’s Building Trades Unions – Developing a pre-delivery/birth maternity benefit](https://shorturl.at/gqkVv)  
<https://shorturl.at/gqkVv>

<sup>246</sup> [EI Sickness Benefits – Government of Ontario website.](https://www.canada.ca/en/services/benefits/ei/ei-sickness.html)  
<https://www.canada.ca/en/services/benefits/ei/ei-sickness.html>

<sup>247</sup> [UA Canada National Wellness Program.](https://rskalko.wixsite.com/uacanada/wellness) <https://rskalko.wixsite.com/uacanada/wellness>

<sup>248</sup> [Advocates push for anti-harassment training on construction sites - \(Barrie Today, Dec. 2025\)](https://tinyurl.com/9je3yz9k)  
<https://tinyurl.com/9je3yz9k>

promote opportunities in this sector as viable career options to female high school students.<sup>249</sup>

The Province currently has a variety of programs already in place to address this concern. These include the ‘Jill of All Trades’ events through Skills Ontario aimed at grades 9-12 students as well the Focused Apprenticeship Skills Training (FAST) program within the Ontario Youth Apprenticeship Program (OYAP) which allows Grade 11 and 12 students to spend up to 80% of their senior courses in co-op education, allowing for more hands-on training and earlier entrance into the skilled trades.<sup>250</sup>

But the need for additional avenues to promote the skilled trades to students remains apparent.

## Recommendations

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

1. Partner with industry to market careers in skilled trades by continuing to promote or enhance existing programs that target young women, such as ‘Jill of All Trades’ and Skilled Trades Ontario’s ‘Level Up!’, ensuring intentional outreach is also extended to female secondary school students.
2. Mandate a form of compensation (i.e., tax credit) for employers and industry partners to make anti-discrimination and anti-harassment training mandatory to complete an apprenticeship, as well as ensure this training is included in programs delivered by Skilled Trades Ontario.
3. Instigate a dialogue with employers and industry partner organizations and unions to set specific leadership targets for women on job sites.
4. Work with industry partners to identify and develop childcare solutions that address barriers for tradespeople, including prioritizing spots for those in the skilled trades sector.
5. Work with the Federal Government of Canada to identify the potential of sharing costs in the development of a pre-delivery benefit prior to the onset of regular maternity benefits to assist those women in specific skilled trades who face a known criteria of physically hazardous factors (i.e., chemicals, excessive noise, fumes) in their workplace.

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<sup>249</sup> [Advancing Recruitment and Retention of Women in the Building Trades: Results from the 2025 OBCT Tradeswomen Survey - Nov. 2025](https://shorturl.at/v5jsK) <https://shorturl.at/v5jsK>

<sup>250</sup> Young Women's Initiatives – Skills Ontario <https://tinyurl.com/4xndme4r>

## Q. Ensuring the Sustainability of Ontario's Agri-Food and Life Sciences Workforce through Veterinary Education and Research

**Submitted by:** Guelph Chamber of Commerce

**Co-sponsored by:** Greater Kingston Chamber of Commerce, Windsor Essex Chamber of Commerce and the North Durham Chamber of Commerce of Commerce

### Issue

There are concerns over the future of veterinary education and research in Ontario due to proposed regulatory amendments being presented in Bill 75, to amend the *Animals for Research Act*. These amendments could have a significant and devastating impact on Ontario agri-food and life sciences sectors, and on our province's ability to educate the workforce of our future.

To ensure the long-term competitiveness of Ontario's agri-food and life sciences sectors, and the security of our food systems, the Province must preserve specific exemptions for veterinary and medical purposes to allow institutions like the University of Guelph's Ontario Veterinary College (OVC) and the nine colleges around Ontario that offer veterinary technician programs, to continue training the highly skilled workforce required by multiple industries across Ontario.

### Background

The agri-food sector is a cornerstone of Ontario's economy, and veterinarians are its indispensable guardians. They are responsible for safeguarding animal health, maintaining food safety, and managing biosecurity across farms and processing facilities. The agri-food sector is responsible for over 867,000 jobs, more than \$51 billion in GDP annually and employing one in nine Ontarians<sup>251</sup>. The food and beverage industry also relies on animal wellbeing. Food and beverage processing is the largest

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<sup>251</sup> Ontario Federation of Agriculture. <https://ofa.on.ca/local-snapshots/#:~:text=From%20farmers%20to%20our%20diverse,%2451%20billion%20in%20GDP%20annually.>

manufacturing sector at 17.2% of manufacturing GDP and 17.6% of manufacturing jobs, worth a staggering \$173.4 billion in 2024<sup>252</sup>.

There is only one veterinary college, OVC at the University of Guelph, and nine accredited Veterinary Technician programs throughout all of Ontario<sup>253</sup>. They include Algonquin College (Ottawa), College Boreal (Sudbury and Ottawa), Georgian College (Orillia), Northern College (Haileybury), Seneca College (King City), Sheridan College (Brampton), St. Clair College (Windsor), St. Lawrence College (Kingston), and University of Guelph (Ridgetown Campus)<sup>254</sup>. These ten locations are responsible for providing talent for the entire province, and beyond. We can not allow the government to deteriorate the quality or scope of the education being provided in these critical programs.

Bill 75, Keeping Criminals Behind Bars Act, 2025, bewilderingly contains significant changes to animal research in Ontario. It seeks to prohibit invasive medical research on cats, dogs and other prescribed animal, subject to “specific exemptions,” and bar all other research on cats, dogs and other prescribed animals “unless specific conditions are met<sup>255</sup>.” Many of the proposed changes go too far, and some are a duplication of the currently existing legislature, and yet they amount to adding layers of bureaucracy and red tape to industries that are already severely regulated. These changes would hinder Ontario’s agri-food sector, and destroy Ontario’s life sciences sector, which employs over 74,000 professionals and exports over \$12 billion annually, according to the Ontario Hospital Association<sup>256</sup>.

Ontario currently operates as a province with “one of the most rigorous animal research oversight frameworks in the world through the Canadian Council on Animal Care,” which provides oversight and enforcement mechanisms to help safeguard animal

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<sup>252</sup> Government of Canada. <https://agriculture.canada.ca/en/sector/overview>

<sup>253</sup> Canadian Veterinary Medical Association. [https://www.canadianveterinarians.net/public-resources/careers-in-veterinary-medicine/veterinary-colleges/#:~:text=The%20Atlantic%20Veterinary%20College%20\(AVC,Visit%20Site](https://www.canadianveterinarians.net/public-resources/careers-in-veterinary-medicine/veterinary-colleges/#:~:text=The%20Atlantic%20Veterinary%20College%20(AVC,Visit%20Site)

<sup>254</sup> OAVT Accredited Colleges. <https://oavt.org/becoming-an-rvt/accredited-colleges/#:~:text=Fully%20Accredited%20Colleges:,Accreditation%20expires%20October%2031%2C%202026>

<sup>255</sup> Legislative Assembly of Ontario. Bill 75, Keeping Criminals Behind Bars. <https://www.ola.org/en/legislative-business/bills/parliament-44/session-1/bill-75> and [https://www.ola.org/sites/default/files/node-files/bill/document/pdf/2025/2025-11/b075\\_e.pdf](https://www.ola.org/sites/default/files/node-files/bill/document/pdf/2025/2025-11/b075_e.pdf)

<sup>256</sup> Ontario Hospital Association. <https://www.oha.com/Bulletins/OHA%20Submission%20-%20Animals%20for%20Research%20Act.pdf>

wellbeing<sup>257</sup>. These amendments were grown from a misunderstanding, which has since been cleared up, and yet, these amendments remain<sup>258</sup>.

The proposed changes add uncertainty, and also risk the integrity and independence of this important research. We can not allow the perception-based opinions of politicians to influence the evidence-based work of scientific research. This form of populism, which harbours mistrust for experts, is dangerous and could fundamentally jeopardize some of the largest and most innovative industries in Ontario.

Without clear exemptions for veterinary education and research, and life sciences, in the amended *Animals for Research Act*, Ontario risks disrupting the pipeline of talent that sustains the provincial food supply chain and agricultural competitiveness.

## Recommendations

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

1. **Adopt Proposed Exemptions:** Advocate for exemptions for veterinary purposes, including research and education, and for life sciences and critical human health research, within the amended *Animals for Research Act* regulations that are being presented in *Bill 75*.
2. **Protect the Workforce Pipeline:** Ensure that any regulatory changes do not inadvertently create barriers for the Ontario Veterinary College, colleges with veterinary technician programs, and other accredited institutions in training the next generation of large-animal and rural veterinarians.
3. **Recognize Agri-Food Security:** Explicitly recognize veterinary education and research as foundational components of Ontario's food security strategy and rural economic resilience.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

<sup>257</sup> Ontario Federation of Agriculture. <https://ofa.on.ca/wp-content/uploads/2026/01/OFA-Submission-re-25-OMAFRA008-Animals-for-Research-Act-Jan-2026.pdf>

<sup>258</sup> "Scientist using dogs in controversial study explains for the first time what was going on." CBC News. <https://www.cbc.ca/news/canada/london/scientist-using-dogs-in-controversial-study-explains-for-the-first-time-what-was-going-on-9.7071014>

# R. Improve Early Childhood Educational Outcomes Through Expanded Education Opportunities and Innovation in Childcare

**Submitted by:** Sault Ste. Marie Chamber of Commerce

**Co-sponsored by:** Guelph Chamber of Commerce and the Chatham-Kent Chamber of Commerce

## Issue

Ontario's long-term economic success relies on the strength, resilience, and preparedness of its workforce. As a significant portion of tomorrow's workforce consists of today's children, it is critical that the province ensure all children -- particularly those who are vulnerable -- have access to the supports needed to succeed.

A growing proportion of children in Ontario are entering the education system with developmental vulnerabilities that can negatively impact their long-term educational outcomes, workforce participation, and overall productivity. Without targeted intervention, these challenges will contribute to ongoing labour shortages, reduced economic output, and increased reliance on social systems.

To safeguard Ontario's economic future, the province must prioritize early childhood investments that improve developmental outcomes and ensure every child has the opportunity to reach their full potential.

## Background

Education is a critical pathway to labour market participation and long-term economic prosperity; it is an essential pillar in the creation of a competitive Ontario within the global economy. With approximately 83% of future job growth in Ontario expected to require post-secondary education or advanced skills, early learning outcomes are directly tied to the province's future workforce readiness.

Research consistently demonstrates that early childhood development is a strong predictor of long-term educational attainment, workforce participation, and overall productivity. Developmental challenges in early childhood are closely linked to outcomes such as lower academic achievement, reduced employment opportunities, and increased reliance on social supports. Later problems such as anti-social

behaviour, obesity, high blood pressure, depression, and type-2 diabetes, can also be traced back to early childhood.<sup>259</sup>

For Ontario's business community, this presents a growing risk. A workforce with higher levels of developmental vulnerability leads to reduced productivity, increased training costs, and persistent labour shortages. Economic analyses suggest that failing to address early childhood vulnerability could result in substantial long-term GDP loss, alongside increased demand on healthcare and social systems.

The Early Development Instrument (EDI) is a tool that gathers information about children's development in their early years (between the ages of 3.5 and 6.5 years old).<sup>260</sup> The most recent provincial EDI collection (2022/23) shows that the developmental vulnerability rate amongst young children in Ontario has now reached 31.1% (up from 29.6% in 2017/18). This does not include children who have an identified special need. These high 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. The most concerning fact is that the Ontario vulnerability rate is *worsening* rather than improving.

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 118 higher EDI scores. 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 be unable to fully contribute and participate in society and may rely on the social system (such as Ontario Works) for financial support.<sup>261</sup>

There is a high economic cost to vulnerability. A high vulnerability rate will dramatically deplete our future quantity of human capital and will have a negative influence on the quality of our future labour market. 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

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<sup>259</sup> Nishank Varshney, Judy A Temple, and Arthur J Reynolds. *Early Education and Adult Health: Age 37 Impacts and Economic Benefits of the Child-Parent Center Preschool Program*. *J Benefit Cost Anal*. <https://pmc.ncbi.nlm.nih.gov/articles/PMC9273114/>

<sup>260</sup> *Early Development Instrument (EDI)*. McMaster University. <https://research.mcmaster.ca/industry-investors/tech/07-066/>

<sup>261</sup> Ruth C. Calman, and Patricia J. Crawford, P.J. *Starting Early: Teaching, Learning and Assessment* (pp. 1–37). Education Quality and Accountability Office. [https://www.citywindsor.ca/Documents/residents/social-services/childrens-services/community-planning-and-early-years-research/early-years-research/early-development-instrument-edi/EDI\\_StartingEarly\\_EQAO.pdf](https://www.citywindsor.ca/Documents/residents/social-services/childrens-services/community-planning-and-early-years-research/early-years-research/early-development-instrument-edi/EDI_StartingEarly_EQAO.pdf)

a rate of 3.5% interest, even after paying for the social investment required to reduce vulnerability.<sup>262</sup>

Although governments face fiscal constraints, policymakers should prioritize initiatives with high economic and social returns, such as early childhood education.<sup>263</sup> There is a 7:1 return on investment for early childhood programming compared to a 1:1 payback for adult education.<sup>264</sup>

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. With this in mind, the province should focus on expanding licensed early childhood education services in an affordable, equitable way.<sup>265</sup>

The implementation of artificial intelligence (AI) tools could also significantly help early childhood educators provide better and more efficient education to children, especially those who are vulnerable. AI can better monitor learning progress, identify strengths and weaknesses, and even alter content according to the child's unique progress.<sup>266</sup> We strongly suggest that the Government of Ontario search for ways to bring this advanced technology into childcare where applicable.

Investments in early childhood education and intervention yield among the highest returns of any public investment, delivering both economic and social benefits. Expanding access to high-quality, targeted early learning supports -- particularly for vulnerable children -- represents a strategic opportunity to strengthen Ontario's future workforce pipeline.

## Recommendations

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

1. Expand affordable early childhood education (i.e., licensed childcare) to include 3-year-olds identified as developmentally vulnerable.

<sup>262</sup> Paul Kershaw et al. *The Economic Costs of Early Vulnerability in Canada*. *Canadian Journal of Public Health*. <https://pubmed.ncbi.nlm.nih.gov/21416797/>

<sup>263</sup> Craig Alexander et al. *Ready for Life: A Socio-Economic Analysis of Early Childhood Education and Care*. The Conference Board of Canada. [https://cefa.ca/wp-content/uploads/2022/01/9231\\_Ready-for-Life\\_RPT.pdf](https://cefa.ca/wp-content/uploads/2022/01/9231_Ready-for-Life_RPT.pdf)

<sup>264</sup> Charles Pascal. *With Our Best Future in Mind: Implementing Early Learning in Ontario*. <https://childcarecanada.org/documents/research-policy-practice/09/06/our-best-future-mind-implementing-early-learning-ontario>

<sup>265</sup> Craig Alexander et al. *Ready for Life: A Socio-Economic Analysis of Early Childhood Education and Care*. The Conference Board of Canada. [https://cefa.ca/wp-content/uploads/2022/01/9231\\_Ready-for-Life\\_RPT.pdf](https://cefa.ca/wp-content/uploads/2022/01/9231_Ready-for-Life_RPT.pdf)

<sup>266</sup> *Use of AI in Early Childhood Education*. CDI College. <https://www.cdicollege.ca/news/use-of-ai-in-early-childhood-education/#qsc.tab=0>

2. Place a focus on catching up vulnerable (and at-risk of being vulnerable) children to their peers through targeted programming and early interventions. This may include, but is not limited to: speech and language therapy, social-emotional learning and behavioral supports, early childhood mental health services, tutoring and early literacy and numeracy programs, and family and caregiver support programs
3. Utilize automation technology in childcare spaces to reduce educator preparation and administration time so they can spend more time directly interacting with children. This should include: the use of AI-driven tools to support administrative functions such as documentation, reporting, and developmental tracking, enabling educators to dedicate more time to direct interaction with children; careful and limited application of AI-supported learning tools, where appropriate, to complement -- not replace -- educator-led instruction; the development of clear provincial guidelines to ensure data privacy, security, transparency, and ethical use of AI in childcare settings.

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## S. Ontario SME Training Tax Credit for Paid Release Time

**Submitted by:** Greater Niagara Chamber of Commerce

**Co-sponsored by:** Thunder Bay Chamber of Commerce, Grimsby and District Chamber of Commerce, Hamilton Chamber of Commerce, Windsor-Essex Chamber of Commerce, Lincoln Chamber of Commerce and the Chatham-Kent Chamber of Commerce

### Issue

Ontario consistently emphasizes upskilling, lifelong learning, and productivity, but for small and medium-sized enterprises (SMEs), the biggest barrier is not tuition costs or course availability. Pulling a worker off the floor means lost output, delayed orders, or overtime costs. Existing training supports often reimburse direct costs such as tuition, but ignore indirect costs, such as wages paid while training and lost productivity. As a result, SMEs underinvest in training compared to larger firms, reinforcing productivity gaps and labour shortages. Given Canada's productivity gap and the need to keep up with rapid advancements in technology, lifelong education cannot be ignored in the mission to maintain a skilled workforce competitive on the global stage. Ontario can help close this gap through a refundable corporate income tax (CIT) credit or payroll-based credit targeted to SMEs.

### Background

Research shows that smaller companies invest significantly less in workforce training than larger organizations. In Ontario, employee training activity is heavily concentrated among large businesses, particularly in regulated industries that mandate training.<sup>267</sup>

Nationwide data reinforce this pattern. A 2023 analysis of employer training in Canada noted that Canadian firms spend only about \$240 per employee annually on training, a modest amount that lags international peers.<sup>268</sup> These investments, again, are concentrated in larger enterprises; larger firms are far more likely to offer skills training, leaving a gap at the SME level. This underinvestment by SMEs in Ontario (and Canada

<sup>267</sup> [Moving Forward Together: An Employer Perspective on the Design of Skills Training Programs in Ontario](https://www.occ.ca/wp-content/uploads/Moving_Forward_Together-1.pdf). Ontario Chamber of Commerce, 2014. [occ.ca/wp-content/uploads/Moving\\_Forward\\_Together-1.pdf](https://www.occ.ca/wp-content/uploads/Moving_Forward_Together-1.pdf)

<sup>268</sup> [Employer-Sponsored Skills Training: A picture of skills training opportunities provided by Canadian employers](https://www.fsc-ccf.ca/wp-content/uploads/2023/02/2023-02-Employer-Sponsored-Training_EN.pdf). Future Skills Centre, 2023. [fsc-ccf.ca/wp-content/uploads/2023/02/2023-02-Employer-Sponsored-Training\\_EN.pdf](https://www.fsc-ccf.ca/wp-content/uploads/2023/02/2023-02-Employer-Sponsored-Training_EN.pdf)

generally) highlights a systemic gap that a targeted tax credit could help fill by incentivizing and enabling more training in small workplaces.

SMEs often face a choice between losing valuable employee time during work hours or asking workers to train on their own time, and thus many small firms hesitate to sponsor any training not done on the job. SMEs can rarely afford to pay wages for time spent in external courses, given the immediate productivity hit. The result is a bias toward on-the-job learning (if any) and the neglect of longer-term skills development.

In a 2021 survey-based study on post-pandemic skills needs, most SME respondents reported difficulty finding time for employees to engage in training. The report explicitly recommends exploring ways for governments and support organizations to support and incentivize investments in training (both in time and money) for small businesses.<sup>269</sup>

The gap is more acute in Ontario's critical industries. In the manufacturing sector, where maintaining production is critical, 34% of Ontario manufacturers surveyed indicated that a busy production schedule limits the time available for training apprentices, making this the most common obstacle to running apprenticeship programs.<sup>270</sup> The same percentage of manufacturers indicated that tax incentives for businesses investing in training would most effectively support them in addressing labour and skills needs in both the short and long term.

A 2023 TIAO report found similar issues in the tourism sector. Leadership training, for example, was found to be in high demand, and yet many SMEs lacked the scale or resources to offer it internally, necessitating external training.<sup>271</sup> However, this returns us to the initial problem: small tourism SMEs are often dealing with labor shortages and high operating costs, so dedicating paid time for employee training is extremely difficult. As a result, front-line workers in hospitality often receive minimal training beyond basic onboarding, which can impact service delivery and productivity.

Studies of the retail sector paint a similar picture. Only 20 percent of retail firms reported offering training to employees to integrate and use new technologies, and only 11 percent reported having plans to provide training to employees to take on new roles in

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<sup>269</sup> [Canada's Small and Medium Enterprises Struggle to Identify the Skills and Talent Needed to Recover and Grow, New Report Shows](https://www.newswire.ca/news-releases/canada-s-small-and-medium-enterprises-struggle-to-identify-the-skills-and-talent-needed-to-recover-and-grow-new-report-shows-867982415.html). Ryerson University, Public Policy Forum, & Ontario Chamber of Commerce, 2021. <https://www.newswire.ca/news-releases/canada-s-small-and-medium-enterprises-struggle-to-identify-the-skills-and-talent-needed-to-recover-and-grow-new-report-shows-867982415.html>

<sup>270</sup> [Keep Calm and Keep Training](https://cme-mec.ca/wp-content/uploads/2025/05/CME-2025-Workforce-Report.pdf). Canadian Manufacturers & Exporters, 2025. <https://cme-mec.ca/wp-content/uploads/2025/05/CME-2025-Workforce-Report.pdf>

<sup>271</sup> [Tourism SkillsNet Ontario: Workforce Issues, Opportunities & Impact](https://otec.org/wp-content/uploads/2023/10/TSNO-Workforce-Issuesx-Opportunities-and-Impact-Report-July-2023-Final.pdf). Tourism Industry Association of Ontario, Tourism Skillsnet of Ontario, 2023. [https://otec.org/wp-content/uploads/2023/10/TSNO-Workforce-Issuesx-Opportunities and Impact Report July 2023 Final .pdf](https://otec.org/wp-content/uploads/2023/10/TSNO-Workforce-Issuesx-Opportunities-and-Impact-Report-July-2023-Final.pdf)

the organization.<sup>272</sup> Many retail businesses also indicated significant resource-related challenges related to training, but, the Future Skills Centre concludes, they appear to have been unable to overcome these constraints.

The evidence from Ontario and Canadian sources is clear: SMEs invest less in training not because they see little value, but because they face greater barriers, especially the immediate cost of lost work time when staff are in training. Ontario SMEs trail larger firms in training investment, and surveys consistently pinpoint “time away” and cost as critical obstacles. Sector-specific reports further illustrate how these barriers play out in practice, from the factory floor to the restaurant and hotel.

While programs to credit employers for training exist, these are narrowly focused and apply to students, apprentices, or individuals, such as Ontario’s Co-operative Education Tax Credit or Ontario Jobs Training Tax Credit, or the federal Canada Training Credit.

A refundable SME training tax credit for paid release time directly targets this problem by offsetting wage and productivity costs, thus incentivizing small businesses to upskill their employees.

## Recommendations

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

1. Introduce a refundable SME Training Tax Credit that offsets wages paid during verified employee training hours.
2. Ensure the program is administratively simple, predictable, and accessible to small employers.
3. Evaluate program outcomes based on training uptake, worker retention, and business productivity.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

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<sup>272</sup> [Future Skills Centre, \*ibid.\*](#)

# T. Removing Barriers to Boost Ontario's Labour Pool and Creating Opportunities for Businesses to Prosper

**Submitted by:** Cambridge Chamber of Commerce

**Co-sponsored by:** Greater Kitchener-Waterloo Chamber of Commerce, London Chamber of Commerce, Greater Barrie Chamber of Commerce, Halton Hill Chamber of Commerce, Guelph Chamber of Commerce, Chamber of Commerce Brantford-Brant, and the North Durham Chamber of Commerce

## Issue

Finding solutions to the ongoing shortage of skilled workers Ontario continues to face in several sectors – construction, healthcare, manufacturing, and technology - requires a multi-pronged approach consisting of unique ideas that take into consideration the diversity of labour needs, as changing federal/provincial immigration policies create uncertainty. A potential workforce may already exist among many of those currently accessing the Ontario Disability Support Program (ODSP) and Ontario Works (OW) providing enhanced guidance is provided to better assist them to successfully transition into and function in the workplace. Also, consideration is needed to provide more cost recovery opportunities to employers regarding provincially regulated training, such as employee time spent completing WHMIS and Occupational Health and Safety Act (OHSA) training.

## Background

Ontario's labour landscape remains in flux as more people continue to actively re-enter the workforce. Thanks to increased competition among full-time job seekers employers looking to fill entry or transitional level positions are well positioned. However, issues continue to persist for employers trying fill labour shortages in trades, healthcare (including nurses) and various technical occupations.

Current estimates indicate that more 700,000 skilled tradespeople will retire by 2028 and that despite a 4% increase in Ontario's nursing workforce in 2025, at least 26,000 additional registered nurses (RNs) are required just to catch up to the national RN-to-population ratio. Healthcare experts expect this shortage will worsen after an Ontario's Financial Accountability Office (FAO) report released last fall indicated that without

additional health-care funding, more than 7,200 nurses could be cut by 2027-2028.<sup>273</sup><sup>274</sup><sup>275</sup>

Immigration policies targeting the introduction of more skilled workers have widely been utilized to fill these shortages, but recent changes, including the Government of Canada's move to cut the number of provincial nominees' applications in half and the Province's plan to further alter Ontario's Immigrant Nominee Program (ONIP), have created uncertainty.<sup>276</sup>

It has become apparent a concentrated effort is needed to explore other avenues to cultivate a potential workforce that may already exist, namely among those who access the Ontario Disability Support Program (ODSP) and Ontario Works (OW). In 2024-25, the average monthly number of ODSP cases was 372,681, but the FAO estimates this will increase at an average annual rate of 2.6%, reaching 402,639 in 2027-28. During that same timeframe, Ontario Works cases are expected to increase from 282,011 in 2024-25 at an average annual rate of 5.5% to 330,685 cases.<sup>277</sup>

It stands to reason by sheer volume there are recipients of these benefits who have, or could have, the necessary training or skills to potentially fill some of these labour gaps, despite dealing with mental health and physical disabilities which resulted them in accessing these programs in the first place. There is data indicating that in 2023-2024, approximately 50% of participants in Assisted Employment Services possessed either a university credential or post-graduate education. As well, National Educational Association of Disabled Students' (NEADS) research from 2017 indicated that 42% of the estimated 3.8 million adults with disabilities in Canada had some post-secondary education.<sup>278</sup> Based on data from the 2022 Canadian Survey on Disability (CSD) with projections leading into 2025, approximately 1.58 million people with disabilities over the age of 15 in Canada have completed some form of post-secondary education.

There are ODSP and OW recipients who are employed and earning minimum wage but find themselves still struggling due to the current benefits system administered by the Ministry of Children, Community and Social Services (MCCSS) which oversees both programs.

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<sup>273</sup> [Canada Council on Rehabilitation and Work 2025 trends report: Disability Inclusion in the Skilled Trades: A Blueprint for Change. https://tinyurl.com/4wvkwch8](https://tinyurl.com/4wvkwch8)

<sup>274</sup> [Ontario Nurses' Association report / Oct. 2025. https://ona.org/news/20251028-fao-report-nursing-cuts/](https://ona.org/news/20251028-fao-report-nursing-cuts/)

<sup>275</sup> [RNAO \(Registered Nurses' Association of Ontario\) July 2024. https://tinyurl.com/bdhhm8n6](https://tinyurl.com/bdhhm8n6)

<sup>276</sup> [Newcomers seeking permanent residency face uncertainty, frustration over Ontario immigration changes – CBC, Dec. 2025. https://tinyurl.com/3pw74mee](https://tinyurl.com/3pw74mee)

<sup>277</sup> [Ministry of Children, Community and Social Services: 2025 Spending Plan Review - Oct./ 2025 https://fao-on.org/en/report/estimates-2025-mccss/](https://fao-on.org/en/report/estimates-2025-mccss/)

<sup>278</sup> [National Educational Association of Disabled Students' \(NEADS\). https://tinyurl.com/2hppy826](https://tinyurl.com/2hppy826)

Currently, single OW recipients receive a maximum monthly rate of \$733 but sees any money they earn clawed back by 50 cents for every dollar earned after the first \$200 a month. Putting this into perspective, a worker earning \$1,600 a month (an equivalent of 22-hours per week at a minimum wage job) would see their full OW amount clawed back and lose access to other financial support and benefits.<sup>279</sup>

The ODSP rate was tied to increases to annual inflation in 2023 which resulted in a 2.8% benefit increase in July 2025 to cover basic needs resulting in a single maximum rate of \$1,408 per month. Recipients who do work are allowed to earn up to \$1,000 net per month without seeing their benefits affected, but anything above that amount results in 75% of every dollar being deducted from their monthly amount which means they wind up trying to survive on a similar, or even lower, income.<sup>280</sup>

Benefit reductions and loss of health benefits are common concerns for OW/ODSP recipients seeking employment opportunities, despite having access to programs like the Extended Health Benefit (EHB), which is available to those who are employed providing coverage for such things as prescription drugs, basic dental care, eyeglasses, hearing aids, diabetic supplies, and transportation for medical appointments.<sup>281</sup>

As well, for those on ODSP who are currently employed the Transitional Health Benefit does provide needed coverage until an employee's health coverage kicks in or is subject to an annual review to confirm ongoing edibility; it can also stay in place if health-related costs remain higher than the money the recipient would be receiving from ODSP income support.<sup>282</sup> Also, the one-time \$500 Employment Transition Benefit covering such things as tools and training, is available to those who leave ODSP for paid work (either full or part-time), providing they are eligible.<sup>283</sup>

Determining eligibility and navigating the current system can be difficult, especially for those seeking to find their way out of the 'poverty trap' through employment, a point outlined in a 2024 report prepared for the Hamilton Roundtable for Poverty Reduction organization by representatives of Toronto Metropolitan University and McMaster University entitled *Survey Analysis of Ontario's Integrated Employment Services: Experiences of Job-Seeking Social Assistance Recipients with OW/ODSP Person-Centered Supports and Employment Ontario Employment Services*.

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<sup>279</sup> [5 things everyone should know about Ontario Works – March 2025/ FeedOntario.](https://tinyurl.com/766w4696)

<https://tinyurl.com/766w4696>

<sup>280</sup> [Canada Disability Benefit: More action still needed – Wellesley Institute – Aug. 2025.](https://tinyurl.com/yn9k3w4t)

<https://tinyurl.com/yn9k3w4t>

<sup>281</sup> [Extended Health Benefit \(Gov't of Ontario\).](https://tinyurl.com/2n8dz2kp) <https://tinyurl.com/2n8dz2kp>

<sup>282</sup> [Ontario Disability Support Program health and disability benefits \(Gov't of Ontario\).](https://tinyurl.com/mtu4hsh7)

<https://tinyurl.com/mtu4hsh7>

<sup>283</sup> [Employment Transition Benefit \(Gov't of Ontario\).](https://tinyurl.com/bdn4kxkn) <https://tinyurl.com/bdn4kxkn>

Of the 1,200 OW/ODSP recipients surveyed for this report between July and December 2024, nearly half said they did not receive a clear explanation of the purpose of the OW/ODSP Common Assessment tool, while two thirds reported not receiving clear steps to even complete the assessment. As well, 95% of the respondents who participated in Employment Ontario (EO) programs reported having no assistance for setting long-term job and career goals.<sup>284</sup>

Nearly two-thirds of respondents also indicated they were conditionally available for work, but only a quarter were employed less than 10 hours a week, with less than 3% working 20 hours or more weekly. While the majority expressed positive views of their caseworkers, they stressed the need for better communication when it comes to understanding the reasons and processes involved why they are placed on one path or another. Having the Province review its current delivery methods when it comes to promoting programs and mechanisms that could help OW/ODSP recipients access employment opportunities may be key to providing the clarity they require to join the workforce and, in the process, fill some of Ontario's skilled labour gaps.

Another way the Province can assist businesses is to provide them with cost recovery opportunities surrounding provincially regulated training programs, like WHMIS or the Occupational Health and Safety Act. While the Province does fund associations like the WHSC (Workers Health & Safety Centre) and WSPS (Workplace Safety & Prevention Services) that offer discounted or free training, these options rarely cover the full legal obligations required of employers, particularly the requirement for site-specific training, which means businesses must cover the cost.

## Recommendations

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

1. Reform how employment assistance programs and mechanisms (i.e., Employment Ontario and OW/ODSP Common Assessment) are being promoted to skilled OW/ODSP recipients seeking opportunities for employment to ensure potential candidates are incentivized - especially surrounding potential benefit clawbacks - to make informed decisions for their long-term career goals, effectively enhancing Ontario's labour pool.

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<sup>284</sup> [Survey Analysis of Ontario's Integrated Employment Services. https://tinyurl.com/459f77v4](https://tinyurl.com/459f77v4)

2. Investigate a form of remuneration (i.e., tax credit) to employers to provide provincially mandated training, such as WHMIS, and their associated costs as well as covering expenses for on-site training and equipment, like work boots and uniforms.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# U. Strengthening Ontario's Workforce Through Improvements to the Ontario Immigrant Nominee Program

**Submitted by:** The London Chamber of Commerce

**Co-sponsored by:** Peterborough and the Kawarthas Chamber of Commerce, Cambridge Chamber of Commerce, Thunder Bay Chamber of Commerce, and the Brampton Board of Trade

## Issue

Ontario manufacturers depend on skilled workers who hold temporary work permits, yet recent changes and a lack of transparency within the Ontario Immigrant Nominee Program (OINP) threaten employers' ability to retain this essential talent. The province's cancellation and mass rejection of applications under the Skilled Trades stream, when done without procedural fairness, puts businesses, operations, and productivity at risk.

## Background

Ontario continues to face chronic labour shortages across the skilled trades. Employers in construction, advanced manufacturing, and other sectors continue to struggle to hire and retain workers with the technical expertise needed to meet operational demands.<sup>285</sup>

Because domestic supply has not kept pace with industry needs, businesses increasingly depend on internationally trained workers, many of whom arrive through temporary work permit pathways. Employers cannot legally differentiate between temporary and permanent immigration status when hiring, meaning temporary permit holders are often hired into full-time, permanent roles and quickly become indispensable members of the workforce.

Employers consistently report:

- A significant portion of their skilled trades workforce holds temporary work permits.
- Sudden loss of these workers, whether due to work permit expiry or immigration program changes, would directly reduce productivity, stall projects, disrupt service delivery, and weaken Ontario's economic competitiveness.

<sup>285</sup> <https://divinosolutions.com/explore-insights/ontario-labour-shortage-2025-key-stats-employers/>

- The federal government’s recent direction to reduce the number of temporary foreign workers creates uncertainty for workforce planning. Employers need clarity on timelines, targets, and sector-specific impacts.
- Employers require more information about “implied status” when a worker’s extension or PR application is in progress, as well as clarity on changes to LMIA streams and processing timelines.

Compounding these challenges, the Ontario Immigrant Nominee Program (OINP) recently cancelled the Skilled Trades stream and returned all applications, including those already submitted, selected in draws, and pending for more than 18 months. This decision was justified on the grounds of fraud within the stream but rather than investigating and rejecting fraudulent applications, the program adopted a blanket approach that eliminated legitimate applications alongside the questionable ones.

This broad rejection has devastating consequences. Workers with years of service in Ontario’s manufacturing sector now face the final days of their work permit validity with no viable path to extension or permanent residency. Employers who were depending on these nominations to stabilize their workforce now face renewed uncertainty, elevated recruitment costs, potential downtime, and risk to production schedules.

Employers seek transparency, fairness, and clear communication to ensure that Ontario’s immigration pathways reflect the realities of today’s labour market and support the economic vitality of the province.

We are happy to see the province has provided an update to this program as of March 16 in order to “redesign the OINP by creating or removing selection streams”<sup>286</sup> but we have yet to see exactly how these changes will be implemented.

## Recommendations

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

1. Advocate for the federal government to extend work permits and facilitate permanent residency options for skilled trades workers who are already employed full-time in Ontario businesses.
2. Reverse the blanket rejection of Skilled Trades stream applications and conduct case-by-case assessments. Fraudulent applications should be investigated and rejected individually, without penalizing legitimate applicants or the employers who depend on them.
3. Ensure OINP nomination allocations reflect the depth and urgency of skilled trades shortages across sectors and geographic regions. The province must

<sup>286</sup> <https://www.ontario.ca/page/2026-ontario-immigrant-nominee-program-updates>

strategically prioritize occupations essential to economic growth and infrastructure development, including construction trades, industrial trades, engineering technicians, agricultural technicians, and maintenance roles.

4. Invest in sufficient staffing to enable rigorous application reviews and swift, effective investigation of suspected fraud.
5. Develop an employer communication protocol for program changes before suspending streams or making significant program adjustments, the OINP should notify and consult with key stakeholders including industry associations, chambers, and municipal partners to ensure employers can prepare and adapt without jeopardizing ongoing operations.
6. Provide clear, accessible information on how OINP draws are conducted, how occupations are selected, how “critical roles” are defined, and what processing timelines businesses should expect. Predictability is essential for effective workforce planning.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

## V. Sustaining the Rural Primary Care Workforce Through Fair and Predictable Compensation for Ministry of Health and Ontario Health Funded Organizations

**Submitted by:** Tillsonburg District Chamber of Commerce

**Co-sponsored by:** Simcoe & District Chamber of Commerce and the Woodstock Chamber of Commerce

### Issue

Oxford County and other rural and northern communities across Ontario rely heavily on publicly funded, team-based primary care organizations such as Nurse Practitioner-Led Clinics, Family Health Teams, Community Health Centers, and other Ministry of Health/Ontario Health funded providers. However, these current primary care organizations have reached a critical point, posing a direct threat to regional economic health and community growth, which includes no longer meeting the foundational needs of residents. These organizations are unable to recruit or retain staff because of outdated provincial compensation models. Without a stable workforce, the healthcare "infrastructure" cannot support growing communities, leading to service gaps and economic instability.

### Background

In recent years, the Province of Ontario has made important investments to expand access to team based primary care, particularly in rural and underserved communities. These investments align with Ontario Health's Primary Care Action Plan (PCAP)<sup>287</sup>, which prioritizes improved access and attachment to primary care, and strengthened interdisciplinary teams to meet growing population needs.

At the same time, rural Ontario is experiencing significant physician workforce pressures, including persistent family physician shortages and a wave of planned and anticipated retirements. In Tillsonburg, and across Oxford County, and other areas in Ontario, upcoming physician retirements threaten to increase the number of unattached patients and place additional pressure on remaining providers and team based primary

<sup>287</sup> [Ontario Health \(2025\). Primary Care Action Plan \(PCAP\): A Roadmap for Interdisciplinary Excellence. ontariohealth.ca/primary-care-action-plan.](https://ontariohealth.ca/primary-care-action-plan)

care organizations, with the potential for significant loss of patient attachment if proactive system supports are not in place.

While access focused investments have increased, the sustainability of the primary care workforce has not kept pace. Compensation frameworks for the Ministry of Health and Ontario Health funded organizations have experienced challenges including failing to keep up with inflation, cost of living pressures, and wage growth across comparable public sector and private sector employers.

The summary of these challenges:

- **The Funding Gap:**  
While inflation and broader labour-market wages have risen significantly since 2020, compensation for team-based primary care has increased by only ~2.7% since<sup>288</sup>, resulting in challenges with workforce retention and system capacity.
- **The Retirement Wave:**  
Oxford County and many other communities are facing a surge in family physician retirements. This shifts the entire burden of care onto interdisciplinary teams that are currently understaffed and underfunded.
- **The Safety Net:**  
Team-based care is the only "safety net" left to prevent thousands of residents from becoming "unattached" to the healthcare system. Staff turnover is increasing across interdisciplinary teams, vacant positions remain unfilled for extended periods, or are filled temporarily with high turnover, leading to the remaining staff experiencing higher workloads and burnout. This puts service continuity and patient attachment at risk.
- These issues directly intersect with the **Quintuple Aim**<sup>289</sup> framework which guides Ontario's health system transformation: i) Improved Population Health; ii) Better Patient and Caregiver Experience; iii) Improved Provider Experience; iv) Cost Effectiveness; and v) Health Equity.

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<sup>288</sup> [Association of Family Health Teams of Ontario \(AFHTO\) \(2024\). 2024 Pre-Budget Submission: Closing the Gap in Team-Based Primary Care Association of Family Health Teams of Ontario \(AFHTO\) - 2024 Pre-Budget Submission](#)

<sup>289</sup> [Ontario Health \(2025\). Ontario's Primary Care Action Plan: Connecting You to a Primary Care Team. Ontario's Primary Care Action Plan, January 2025 | ontario.ca](#)

Healthcare is Economic Infrastructure. A stable healthcare workforce is a prerequisite for a resilient local economy. When primary care fails, the local economy pays the price:

- **Workforce Productivity:**  
Employees without doctors wait **8+ hours in Emergency Rooms** for routine care. A primary care visit costs the system **66% less** than an ER visit and gets employees back to work faster.
- **Business Attraction:**  
Modern companies will not relocate to regions where their talent cannot access a family doctor.
- **Retention:** Access to healthcare is a top three factor for residents deciding to stay in Oxford County and other rural and northern communities.

The Economic Reality	The Impact
<b>2.5 Million</b>	Ontarians currently without a primary care provider. <sup>290</sup>
<b>52%</b>	Of family doctors nearing retirement in the next 5 years. <sup>291</sup>
<b>3x Higher</b>	The cost of an ER visit compared to a clinic visit. <sup>292</sup>

## Recommendations

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

1. Conduct a comprehensive review of compensation for all Ministry of Health and Ontario Health-funded primary care organizations, with particular attention to rural, northern and underserved areas, and clinical roles such as Nurse Practitioners (NP) working as the most responsible provider, Registered Nurse (RN), Registered Practical Nurse (RPN), Social Worker

<sup>290</sup>[Ontario College of Family Physicians \(2024\). New Data Shows There Are Now 2.5 Million Ontarians Without a Family Doctor. New Data Shows There Are Now 2.5 Million Ontarians Without a Family Doctor - Ontario College of Family Physicians | Ontario College of Family Physicians](#)

<sup>291</sup>[Ontario Medical Association \(2025\). Ontario's doctors release new data on family doctor shortage. News Release, December 4, 2025. Ontario's doctors release new data on family doctor shortage](#)

<sup>292</sup>[Government of Ontario \(2025\). Ontario's Primary Care Action Plan \(PCAP\). Page 3. Published January 27, 2025.](#)

- (RSW) to ensure they are competitive with hospitals and other Ministry of Health and Ontario Health-funded organizations.
2. Implement predictable, multi-year funding compensation adjustments that better reflect inflation, cost-of-living increases, and labor market realities.
  3. Address compensation disparities between publicly funded primary care organizations and other health care and public sector employers competing for the same workforce.
  4. Incorporate recruitment and retention considerations into primary care funding models, (e.g., expanded scope of practice etc.) recognizing the unique challenges faced by rural and northern communities.
  5. Align future compensation and funding decisions with the objectives of Ontario Health's Primary Care Action Plan and the Quintuple Aim, ensuring that workforce sustainability is treated as a core enabler of access, quality and system performance.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# SPECIAL ISSUES

# A. Deploying Economic Principles to Policing

**Submitted by:** Chamber of Commerce Brantford-Brant and the Cambridge Chamber of Commerce.

**Co-sponsored by:** Greater Kitchener Waterloo Chamber of Commerce and the Halton Hills Chamber of Commerce

## Issue

As homelessness, addictions, and mental health continue to plague large numbers of individuals in urban settings, business communities continue to grapple with disruptions, vandalism, threats of violence, and intimidation of staff and customers. Police budgets are ballooning to deal with this problem reactively while not effectively targeting the root cause of these disruptions. By critically evaluating and deploying funding to crime deterrent programs, long-term success can be achieved at reducing incidents of crime and tax-payer funding of over-inflated reactionary policing budgets.

## Background

The interconnectedness of social issues facing Ontarians today has led to an increase in the frequency of negative interactions between persons struggling with substance abuse, mental illnesses, and homelessness and businesses in many urban cores across Ontario. While superficially this may appear to be a social issue only, the cost of policing, social services, healthcare, and other emergency interventions are ever increasing costs to the taxpayers of Ontario. The tax burden borne by local businesses to support these services, as well as the threats and interruptions these negative interactions present is making the province of Ontario a less and less attractive place to invest and do business.

Policing and enforcement in these situations are certainly a necessary response to protect the public welfare, but often more can be done to prevent individuals from falling into these situations in the first place taking into consideration that Municipalities are regarded as also playing a significant role in providing crime prevention intervention in Ontario<sup>293</sup>. Quite often, they are considered the best source to identify crime and problems in their area as well the conditions that contribute to these problems, including addiction and poverty.

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<sup>293</sup> [Crime Prevention in Ontario: Booklet 1 – Section 5 – Ontario’s partners in crime prevention.](https://shorturl.at/mwLS8)  
<https://shorturl.at/mwLS8>

Community-based crime prevention programming, especially those aimed towards at-risk youths, are seen as key methods to reduce criminal activity. However, valid concerns surrounding police-driven programming involving youths, especially those from marginalized communities, can't be overlooked<sup>294295</sup>. While there have been strides in the judicial realm pertaining to those facing Youth Criminal Justice Act involvement, including a reduction in charges, increased diversion tactics and decrease in the use of youth court, obstacles remain for some youths<sup>296</sup>.

In the meantime, businesses, especially small businesses, continue to face growing challenges surrounding robberies and break-ins<sup>297298</sup>, highlighting the need for immediate solutions making the urgency for current, and additional community-based initiatives, imperative.

Initiatives that can involve businesses directly, such as the CAMSafe program launched by the Belleville Police Service in June of 2021 and is now being adopted in other communities, deserve closer consideration<sup>299</sup>.

Programs such as this, as well as programs that receive provincial grants<sup>300</sup>, and the potential for others that can offer measurable cost savings on police and social services for every dollar invested, should all be considered.

It follows, then, that an economic analysis of potential provincial programs and funding can be deployed to assess the highest value return on investment of provincial funding allocations.

Additionally, pending updates to the Comprehensive Ontario Police Services Act are contemplating removing the ability for Municipal Police Services to deploy Special Constables on proactive community patrols, instead compelling Police Services to utilize only fully sworn officers. This change could dramatically increase the cost of servicing urban cores that have been successfully managed using special constables to

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<sup>294</sup> Police, advocates differ on ways to address rising youth crime rates – Cambridge Today. <https://shorturl.at/qryAV>

<sup>295</sup> Police school resource officer program cancelled by Waterloo region's public school board – CBC News, 2021. <https://shorturl.at/mnqEM>

<sup>296</sup> Youth criminal justice – Good progress but more to do – John Howard Society of Canada, June 2023. <https://shorturl.at/OS014>

<sup>297</sup> Rising crime is raising big challenges for Canada's small businesses – Financial Post, November 2023. <https://shorturl.at/lyQRZ>

<sup>298</sup> Toronto councillor sounds alarm on rise in small business break-ins across the city – CBMC, March 2024. <https://shorturl.at/yBHK6>

<sup>299</sup> Belleville Police Service launches new CCTV camera registry – Qunita News, June 2021. <https://shorturl.at/rACM3>

<sup>300</sup> Community safety initiative and resources – Province of Ontario. <https://shorturl.at/betl0>

date. The Province should ensure that this option be maintained so that municipal policing budgets can be as economical as possible.

## Recommendations

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

1. In consultation with the municipalities, police boards, business communities, and the populations they serve:
  - a. Use economic analysis principles in assessing crime diversion program efficacy in communities of all different demographics to establish an evidence-based approach to provincial funding of diversionary police programs.
  - b. Identify underperforming programs that do not adequately serve communities of all types and prioritize provincial funding for programs according to efficacy for each demographic cross section and community.
  - c. Implement a system to measure long term impacts of the investment in diversion programs to systematically gauge performance across all community types and demographics.
  - d. Evaluate the efficacy of these programs in the context of other wrap-around services available to individuals in each community to gauge the broader impacts of the Provincial Programs and ensure no individuals are systematically excluded from these services.
2. Ensure that municipalities can continue to use Special Constables in proactive patrolling of urban areas in lieu of fully sworn officers to reduce tax burdens.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## B. Lack of Access to, and Affordability of Childcare Hurts Ontario Businesses

**Submitted by:** Greater Sudbury Chamber of Commerce.

**Co-sponsored by:** Barrie Chamber of Commerce, North Bay & District Chamber of Commerce, Thunder Bay Chamber of Commerce, and the Timmins Chamber of Commerce

### Issue

Parents seeking childcare face significant affordability and availability challenges in Ontario. The federal and provincial governments have begun to focus on childcare, but we need more immediate action at the provincial level. The new childcare agreement between the two senior levels of government is not a silver bullet solution, and the agreement has increased demand for childcare spots. This issue disproportionately affects female workers, who stay at home with younger children the majority of the time. We must advocate for childcare solutions that will bring more women back into the workforce at a time when businesses are desperate for more workers<sup>301</sup>.

### Background

Do you spend \$25,000 per year to put your child in daycare and return to work, extend your parental leave, or stay home with your child for the first few years?

This is a legitimate dilemma for many workers in Ontario. Many workers with children begin searching for childcare spots years before they need them, and they still find themselves on waitlists when the time comes for them to return to work<sup>302</sup>. Economists Gordon Cleveland and Michael Krashinsky say the cost of not having childcare is borne by all businesses that have workers leave for extended periods to provide childcare. The impact can be primarily quantified by lost productivity, eroded skills, higher absenteeism, and increased mental health impacts on their employees<sup>303</sup>.

Ontario has the most expensive childcare in Canada<sup>304</sup>. The cost of childcare in Ontario went from an average of \$677 per month in 2011 to an average of \$1,600 per month in

<sup>301</sup> <https://www.canada.ca/en/employment-social-development/campaigns/child-care.html>

<sup>302</sup> <https://toronto.citynews.ca/2023/07/24/gta-families-struggling-to-find-daycare-amid-implementation-of-10-day-child-care/>

<sup>303</sup> <https://childcarecanada.org/sites/default/files/bc.pdf>

<sup>304</sup> <https://arrivein.com/daily-life-in-canada/child-care-in-canada-types-cost-and-tips-for-newcomers/>

2021<sup>305</sup>. The Financial Accountability Office of Ontario reports that mothers with young children have a labour participation rate that is 14.1 percentage points lower than fathers, which is four times higher than the gender gap of adults without young children<sup>306</sup>.

Childcare services face a massive labour crisis due to low pay, short staffing, and uncertain funding from the provincial government<sup>307</sup>. The Government of Canada and the Government of Ontario signed the Canada-Ontario Canada-wide Early Learning Child-care Agreement in 2022 to address childcare issues in Ontario<sup>308</sup>. Ontario was the last province to sign an agreement with the federal government. Ontario has a licensed childcare space for only 20% of all children<sup>309</sup>.

The agreement introduces fee reductions for parents that will see fees set to an average of \$10 per day by September 2025. It also includes minimum wage increases for early child educators and supervisors starting at \$18/hour and \$20/hour, respectively, and increasing \$1/year until the floor is \$25/hour. Early childhood educators in Ontario currently make \$16.55/hour on the low end, \$20.51/hour median, and \$28/hour on the high end, according to a November 2023 Job Bank update<sup>310</sup>. The funding provided to Ontario childcare centres increased by 2.75% to account for inflation, whereas the price of food alone went up 5.5% in 2022. This has put undue pressure on childcare centres suggesting they may have to close without more funding<sup>311</sup>.

Ontario was the final province to sign an 'Early Learning and Child-care Agreement' with the Government of Canada. Over 92% of Ontario's licensed childcare providers have signed onto the federal government's \$10-a-day program, with the remainder of the providers often charging \$2500 or more in major centres like Toronto. These providers have spots available, but then families need to pay their higher costs. The Ministry of Education said the province is building 86,000 new daycare spaces, but building spaces doesn't solve the worker shortage<sup>312</sup>. The proposed spaces are less than half of the estimated 200,000 spots needed to alleviate Ontario's childcare wait times.

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<sup>305</sup> <https://simplysmartchildcare.com/how-much-is-the-cost-of-daycare-in-ontario-simplysmart-2/>

<sup>306</sup> <https://www.fao-on.org/en/Blog/Publications/wilma>

<sup>307</sup> <https://toronto.citynews.ca/2023/10/31/ontario-childcare-centres-concerned-about-keeping-doors-open-as-costs-balloon/>

<sup>308</sup> <https://www.cbc.ca/news/canada/toronto/ontario-child-care-deal-ford-trudeau-1.6399694>

<sup>309</sup> [https://www.childcareontario.org/parents\\_looking\\_for\\_child\\_care\\_click\\_here](https://www.childcareontario.org/parents_looking_for_child_care_click_here)

<sup>310</sup> <https://www.jobbank.gc.ca/marketreport/wages-occupation/5180/ON;jsessionid=7334BB3E1472EA13807D5965EC2BF1DB.jobsearch75>

<sup>311</sup> <https://toronto.citynews.ca/2023/10/31/ontario-childcare-centres-concerned-about-keeping-doors-open-as-costs-balloon/>

<sup>312</sup> <https://toronto.citynews.ca/2023/07/24/gta-families-struggling-to-find-daycare-amid-implementation-of-10-day-child-care/>

An underfunded and understaffed childcare system will lead to growing childcare costs<sup>313</sup>. Private childcare should continue, but we can not support the growth of one industry at the expense of the private sector suppliers that rely on their workers to have affordable and reliable child-care.

Ontario must step up so our future generations are cared for while they're young, and parents can continue to work in this era of chronic short-staffing. Our economy depends on it.

## Recommendations

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

1. Monitor the effects of the ratification of the *Early Learning and Child-care Agreement* between the governments of Canada and Ontario to ensure issues are addressed quickly;
2. Create a long-term plan for childcare that supports families in Ontario with an eye toward future economic prosperity; and
3. Make the availability of an adequate number of affordable daycare, preschool and after-school spaces a priority so that parents, particularly women, can return to the workforce to help address the labour shortage.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

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<sup>313</sup> <https://www.cbc.ca/news/canada/toronto/ontario-child-care-1.6875384>

## C. Province of Ontario Oversize/Overweight Permits

**Submitted by:** Tillsonburg District Chamber of Commerce.

**Co-sponsored by:** Leamington 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 241 "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 252 potential contacts for permits.

Considering these statistics, business owners must know what municipality maintains the particular road their vehicles will be travelling on 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:** April 27, 2024

**Sunset Date:** April 27, 2027

## D. Rebalancing Democracy in Ontario's Workplaces

**Submitted by:** Greater Sudbury Chamber of Commerce

### Issue

The *Labour Relations Act, 1995* creates a legal regime which unduly favours union certification, instead of neutrally regulating the process. In 2005 there was an amendment to the Act which reinstated card-based certification to the construction industry only. (Bill 144, Section 128.1) The card-based certification process is undemocratic and should be repealed, as it deprives workers affected of the ability to vote for or against union certification.

### 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 creative and selective 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 in the proposed bargaining unit (on the day of the application) 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 certification without a vote can 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. Under the card-based system, if the union can demonstrate that more than 55% of the affected employees who were at work on the application filing date were doing bargaining unit work, and have signed a card with the trade union, then the Board **may** certify the workplace **without** holding a vote. The Board can also direct a vote (as described below); however, in our experience the Board usually does not do this.

**Remember**, it is **only** the employees who were at work on the application filing date who are counted. It might be that you have 500 employees, but if only 4 of them were working on the application filing date (for example, on Christmas Eve) and 3 of them signed union membership cards, then the Board can certify the union based on the support of only those 3 employees. Under the current rules, the employer and the remaining 496 employees of that company find themselves unionized on Monday morning with no say, and no chance for a vote to have their say. This also creates unfavourable circumstances for workers whereby the Union organizers may not have spoken with or provided any information about their organizing campaign to these other employees and may never have spoken to them at all.

It is also important to note that while section 77 of the Act clarifies that nothing within the Act “authorizes any person to 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”, this does not in fact prevent Union organizers external to the company’s workforce from attending (often safety-sensitive) jobsites to attempt to do just that.

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. Once again, the effect of the card-based system permits organizers to bypass larger groups of workers in the course of organizing a workforce in favour of opportunities to bring an application supported by a select group of employees only.

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 full effect of those signatures and can submit applications with cards that may not reflect the final true wishes of some signees. The current process provides little means and opportunities for workers who signed cards to review their options or, where desired, change their minds.

Card-based certification is undemocratic, threatens economic prosperity and significantly shifts the balance in certification votes in favour of organized labour and against both employers and the workers themselves. 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.

## Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario 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. Amend the wording in Section 77 to read that "*no third-party person or organization 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;
3. 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; and
4. 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.

- b. where the union has made numerous attempts to certify a workplace, the Board may find that union to be a vexatious litigant and dismiss the proceeding as an abuse of process for that reason. It may also require a union found to be a vexatious litigant to obtain permission from the Board to commence further proceedings or take further steps in an application or proceeding.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## E. Impact of Ontario Regulation 391/21 on Non-Eligible Businesses and Organizations

**Submitted by:** Georgina Chamber of Commerce.

**Co-sponsored by:** London Chamber of Commerce and the Central York Chamber of Commerce

### Issue

The transition to Ontario Regulation 391/21 shifts Blue Box recycling responsibility to producers, excluding many businesses, non-profits, and institutions from municipal collection as of January 1, 2026. This change will lead to increased costs and logistical challenges for affected organizations, many of whom are unaware of the impending transition and unprepared to secure private waste management services.

### Background

Ontario Regulation 391/21, adopted under the Resource Recovery and Circular Economy Act, 2016, transitions the Blue Box recycling program from a shared municipal-producer model to a fully producer-led system, known as Extended Producer Responsibility (EPR). While this shift maintains residential recycling services, as of January 1, 2026, producers will no longer be responsible for collecting blue box materials from non-eligible sources, including:

- Industrial, Commercial, and Institutional (IC&I) properties
- Daycares
- Places of worship
- Businesses within Business Improvement Areas (BIAs)
- Non-profit or charitable organizations and shelters

Historically, some municipalities have provided recycling services to these groups, despite their exclusion from the official Blue Box program. With this regulatory change, many affected businesses and organizations—some unaware of the transition—will now face a number of financial and operations burdens:

One such example is a local Ontario retailer who has seen its Blue Box recycling fees skyrocket from \$59,000 per year to \$493,000 this year, with projections of \$710,000 in

the coming year. The drastic increase in costs is forcing the business to make cuts across the board, including layoffs.

According to the Retail Council of Canada, the system will cost upwards of \$740 million annually—more than double current expenses—without yielding better environmental results.

The increased financial costs extend beyond just collection. The administrative burden of compliance will increase operational costs, while non-compliance could lead to legal fees, audits and additional operational disruptions.

This transition could also see operational challenges for businesses as they set up their own collection systems. Some businesses may also reduce product offerings or increase prices to accommodate additional costs, passing the burden onto consumers. With unclear long-term costs, this will create uncertainty for businesses and make planning difficult.

## Recommendations

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

1. Grant businesses additional and adequate time to transition under the new Blue Box program, particularly those disproportionately impacted, to prepare for the increased costs associated with the transition to Extended Producer Responsibility (EPR).
2. Provide targeted support for businesses that face significant financial strain due to the implementation of new recycling fees. This support could take the form of temporary financial relief such as a Recycling Transition Fund, or tax credits to help offset the immediate costs while businesses transition to private waste management services.
3. Offer detailed, clear, and comprehensive communication and guidance to affected organizations and businesses, including resources and supports on alternative waste management options.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## F. Improving Access to Ontario Government Funding Programs Through a Centralized Portal

**Submitted by:** Belleville Chamber of Commerce.

**Co-sponsored by:** Greater Barrie Chamber of Commerce, Orillia & District Chamber of Commerce, Brockville and District Chamber of Commerce, Chatham-Kent Chamber of Commerce, The Greater Oshawa Chamber of Commerce, Peterborough and the Kawarthas Chamber of Commerce, and the Whitby Chamber of Commerce

### Issue

Ontario needs to create a centralized portal to support access to funding programs.

Ontario's funding processes are intended to support organizations across various sectors, including tourism, business development, and non-profit initiatives. However, stakeholders have expressed concerns about the system's complexity and lack of user-friendliness, which hinder access to available funding.

### Background

The federal government's grants and funding portal, consolidates access to all funding programs into a single, user-friendly platform. This centralized system streamlines access to program information, reduces administrative complexity, and allows applicants to track the progress of their submissions.

In 2024, Stéphane Sarrazin, Parliamentary Assistant to Associate Minister Nina Tangri, acknowledged that the grant program was struggling to attract applications, prompting an extension of the application deadline. When asked why this was occurring, stakeholders cited complex eligibility criteria and extensive reporting requirements as significant barriers for applicants. At their suggestion, this request to simplify the process has been prepared.

Ontario's funding system could benefit from adopting similar best practices to enhance accessibility and participation.

While some programs are administered through the Transfer Payment Ontario (TPON) system, which aims to provide a central access point for funding opportunities but even government officials acknowledge the decentralized approach limits access and leaves intended investments unspent.

The Experience Ontario grant is a case in point. Despite efforts to promote the program, it faced low participation, requiring an application deadline extension.

This example highlights broader inefficiencies within Ontario's funding system, where organizations often encounter fragmented information, burdensome application processes, and delays in fund disbursement. These issues are particularly detrimental to smaller organizations with limited administrative capacity, reducing their ability to secure and effectively implement funding. Without reforms, Ontario risks underutilizing its grant programs and missing opportunities to support key sectors and communities.

## Recommendations

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

1. Expand communication and outreach efforts to improve awareness of funding opportunities. This includes:
  - a. Regularly updating the portal with new grant announcements and provide automated alerts to registered users.
  - b. Collaborating with local business and community organizations to promote available funding programs.
2. Enhance the Transfer Payment Ontario system to improve usability and provide a more centralized portal for funding opportunities. This includes:
  - a. Ensuring that users can search for grants by type, sector, and eligibility criteria.
  - b. Integrating application tracking and deadline notifications within the portal.
3. Simplify and standardize application and reporting requirements across ministries. This includes:
  - a. Implementing common templates and requirements to reduce redundancy for organizations applying to multiple programs.
4. Provide timely disbursement of approved funds to ensure projects can proceed without unnecessary delays. This includes:
  - a. Establishing benchmarks for processing and distributing funds within defined timelines.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## G. Increase Business R&D with Competitive Applied Research Funding

**Submitted by:** Greater Niagara Chamber of Commerce

### Issue

Ontario Government support for postsecondary research focuses mostly on funding universities. Ontario colleges access to applied research funding lags behind other jurisdictions and, as a result, small-medium enterprises (SMEs) lack Ontario-based access to research and development hubs that can promote economic growth through local innovation. This resolution aims to address the imbalance that disadvantages college applied research in Ontario.

### Background

Ontario's public post-secondary institutions routinely partner with industry to support research and development programs. Colleges are able to boost economic growth by strengthening innovation, especially by SMEs, in areas such as digital innovation, advanced manufacturing, agri-food and resources, health care technology, and green infrastructure.

Ontario's 24 public colleges are required through legislation to respond to local workforce needs and tend to work closely with local employers, including Ontario's 300,000 SMEs, to support innovation. As most smaller businesses in Canada lack the resources to do this kind of research on their own, a growing number have therefore entered into research partnerships with colleges.

The main barriers to innovation through R&D that Ontario's SMEs tend to cite include lack of in-house expertise, lack of capacity, lack of technology and equipment, and lack of R&D funding/capital. SMEs across Ontario would often prefer to engage with researchers local to their community.

Ontario's colleges have and continue to offer a solution to these SMEs by providing local expertise that is typically community and industry relevant and accessible. Colleges bring with them strong academic and industry connections, as well as the facilities, equipment and administrative expertise that's needed to help a SME solve their problem through innovation and applied research.

Research projects lead to innovations that generate economic growth in the businesses' communities and deliver excellent returns on government investments. Fueling local,

community level and college-industry partnered applied research in Ontario is central to the province's economic recovery.

College applied research return on investment (ROI) is very high, predictable, and quickly achieved for Ontario businesses, employees, and communities around the province, as well as Ontario taxpayers, principally because:

- Employers co-invest only in innovative ideas that have an excellent chance of a high ROI; i.e., they are expected to quickly contribute to the bottom line – through higher sales or reduced costs.
- Colleges raise Ontario's ROI further by providing specialized training and credentials to anchor the resulting jobs in Ontario.

Yet, Ontario's applied R&D capabilities fall behind other jurisdictions. The province of Quebec- Ontario's closest comparator in terms of size and applied research activity, provides \$25 million in base funding annually to ensure that its Collège d'enseignement général et professionnel (CEGEPs) have the capacity through 59 industry and technology specific applied research centres to support innovation and expansion by existing small businesses in their local communities across Quebec.

Through this program, CEGEPs are recognized for helping Quebec businesses compete better and create jobs in industries as diverse as metallurgy and mineral processing, artificial intelligence, robotics and machine vision, aerospace and innovative vehicles, bioproducts and biotechnologies, geosynthetics and polymers, electrochemistry, pharmaceuticals, geomatics and digital imaging and interactive media.

In addition to its direct impact on local business expansion, Quebec's base annual funding enabled CEGEPs to win more federal research awards than funding-deprived Ontario colleges that do not have the staff and resources to live up to its potential for economic development.

Without funding that is aligned with other jurisdictions – including the ability to compete on a national stage - Ontario's innovation agenda and SMEs will fall behind those emerging in provinces like Quebec. In order to maximize Ontario's local economic development through partnerships focused on innovating for industry, Ontario needs to increase funding from the Ontario Government for applied research so that colleges and the industries they support can compete on a level playing field.

## Recommendations

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

1. Increase base funding for applied research to match or exceed annual investment in Québec.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## H. Maintaining Policy and Regulatory Consistency

**Submitted by:** Sarnia Lambton Chamber of Commerce

### Issue

Ensuring regulatory and policy consistency provides industries and businesses with stability throughout their decision-making and operational cycles. We urge all levels of government to recognize the disruptions caused by policy and regulatory changes made without comprehensive analysis. A well-structured regulatory framework should incorporate value-chain impact assessments and streamlined approval processes to support clean growth and sustainable economic development.

### Background

Sarnia-Lambton's chemistry and energy industry is integrated in nature – local facilities exchange products and have agreements in place to leverage assets and resources to increase efficiencies and enhance competitiveness. While we can point to a list of companies that have closed their operations in the area, those that are active and vital members of the Chamber have the notable achievement of interconnectedness. For heavy industry we can point to the collaboration that created Petro-Sar in the 1970s. We can also point to the number of pilot and market-scale operations that are part of the bio-industrial hybrid cluster. All the companies develop and apply technology to add value to a feedstock from one source and move the product to markets and co-products become feedstocks for other local companies.

This collaborative approach extends beyond the region, contributing to broader economic impacts.

Over several decades, the local chemical and energy industry has shown its ability to adapt to evolving energy policies and demonstrated its commitment to decarbonization and innovation. This positions Sarnia-Lambton's chemical and energy cluster to make substantial contributions toward provincial and national sustainability targets.

To continue contributing to energy transition and carbon reduction, regulatory certainty is essential. Clear and consistent regulations are needed to ensure all critical energy infrastructure is able to support provincial energy demands, in addition to Sarnia-Lambton's chemical and energy cluster, remaining a leader in innovation and sustainability. This includes a commitment to fostering a collaborative relationship with local Indigenous communities, ensuring that their voices are heard in the development

of regulations, thereby promoting sustainable practices that honour traditional knowledge and cultural heritage.

Just as regulations and policies to attract and retain industries and companies require consideration through full analysis of positive opportunities, regulations and policies targeted to restrict, control, or close, inter-connected industries or companies must include an analysis of the impact on others in the value-chain. This applies to the chemical and energy industry and other integrated capital-intensive industries such as agriculture, forestry, and extractive industries just to name a few.

## Recommendations

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

1. Establish a structured and efficient framework for regulatory and policy consistency for integrated industries, such as petro-chemical and energy sectors, by mandating comprehensive economic and value-chain impact analyses of proposed regulations. This framework should include clear transition pathways to minimize unintended disruptions to investment, supply chains, employment, and regional economies, fostering long-term innovation and collaboration in Ontario
2. Establish a streamlined environmental assessment strategy that prioritizes decarbonization projects aligned with Ontario's climate targets by enabling the reuse of previously accepted assessments, integrating cumulative impact considerations, and fast-tracking approvals for emerging technologies, while maintaining transparency and clear decision timelines.
3. Foster collaboration between government, industry, and Indigenous communities to support workforce readiness, economic growth, and environmental stewardship in the energy and petro-chemical industries that respects local communities and shared sustainability objectives.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

# I. Ontario Government Assistance on Employment Land Assembly

**Submitted by:** Greater Kitchener Waterloo Chamber of Commerce.

**Co-sponsored by:** The Cambridge Chamber of Commerce.

## Issue

The Ontario government has formally requested that Ontario municipalities assemble large parcels of land for future economic development opportunities. In the Region of Waterloo, disputes between municipalities and the province around the land assembly process are threatening business investment and tax revenues to support essential public services.

## Background

In November of 2019, the Ontario government announced the Job Site Challenge Program to create an inventory of mega sites to support large-scale manufacturing and related operations. The properties would be marketed to international and domestic investors as a component of the provincial *open for business, open for jobs* strategy.

The province requested proposals from municipalities, economic development agencies, industrial property owners and other interested parties. Site evaluation would focus on thirteen criteria including location, transportation, site condition and community benefits.

In 2020, Region of Waterloo staff noted the absence of local large-scale and shovel ready sites for business investment and expansion. Several opportunities from major employers were lost therefore Regional staff subsequently commenced a land assembly process in Wilmot Township to secure a site as a generational investment that will provide thousands of well-paying jobs and further economic activity for local, provincial and national economic benefits.

A September 2024 report drafted for Region of Waterloo Council consideration estimated that over the last three years, \$4 billion in potential investment and over 14,000 jobs from businesses considering local investment were lost due to employment land shortages.

The Toronto Region Board of Trade, in the November 2023 report *The Race for Space* notes that Ontario has generally lacked a strategic approach to protecting and recognizing the value of employment lands. These properties have always been crucial for attracting investment and high-value manufacturing which drive productivity and the

growth of export-related jobs. The importance of employment lands only increases as Canada and Ontario rebuild supply chains. Short-term solutions from previous governments have produced a fragmented planning system where decisions are often made with limited consideration around broader economic impacts. Furthermore, a low availability of appropriate employment land provides barriers to investment.

In August of 2024, Minister of Agriculture, Food and Agri-Business Rob Flack confirmed the Ontario government is providing assistance to the Region of Waterloo for the purchase of land for future industrial functions. A subsequent statement from Minister of Economic Development, Job Creation and Trade Vic Fedeli noted that responsibility for land assembly remains with the Region of Waterloo however the provincial government is providing funds for land purchases from owners.

An August 22, 2024 report by Terry Pender in the Waterloo Region Record indicated that over the past year, 137 companies located in and established operations across Ontario creating 12,000 new jobs since there were 137 sites assembled for investment. Minister Fedeli noted that if you do not have an assembled site, a prospect cannot consider any investments.

The Business Council of Canada, in their September 2024 report *Engines of Growth*, notes that Canada will not be able to sustain current living standards, including social and healthcare services, without continuing business and productivity investments. Our deteriorating economic performance cannot be blamed on globalization but rather our escalating innovation deficit.

## Recommendations

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

1. Continue to financially assist Ontario municipalities with the purchase of land for major industrial and economic development projects.
2. Provide funding support for necessary infrastructure – including roads, utilities and servicing – to enhance the viability of potential employment lands and increase their attractiveness to investors, ensuring that land assembly efforts translate into economic opportunities.
3. Facilitate regional partnerships and engagement with the private sector to optimize both existing and new employment land uses, encouraging coordinated economic development, and ensure that land assembly efforts integrate with broader economic strategies.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## J. Addressing the need for a Framework for "Strategic Procurement for Community and Economic Outcomes" in Ontario's Municipalities

**Submitted by:** Greater Barrie Chamber of Commerce

**Co-sponsored by:** Orillia and District Chamber of Commerce, Georgina Chamber of Commerce, Leamington District Chamber Commerce, Whitby Chamber of Commerce, Chatham-Kent Chamber of Commerce; Belleville Chamber of Commerce, and the Cambridge Chamber of Commerce

### Issue

Municipal procurement represents a significant economic lever that can support local businesses, workforce development, and community outcomes while maintaining value for money.

However, municipalities across Ontario vary significantly in capacity and resources. Without access to shared tools, guidance, and best practices, municipalities must independently design procurement approaches, creating duplication, inefficiencies, and inconsistent outcomes.

There is an opportunity to support municipalities through a coordinated, voluntary approach that enables strategic procurement without increasing administrative burden or compromising fairness, transparency, or trade compliance.

### Background

**What it is.** Strategic procurement integrates social, economic, and environmental outcomes into purchasing decisions while maintaining fairness, transparency, and best value.<sup>314</sup>

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<sup>314</sup> [City of Toronto – Social Procurement Program: https://www.toronto.ca/business-economy/doing-business-with-the-city/social-procurement-program/](https://www.toronto.ca/business-economy/doing-business-with-the-city/social-procurement-program/)

### Why Ontario needs a provincial approach.

Municipalities are at different stages of readiness. Many particularly small and mid-sized communities lack the capacity to design and implement procurement enhancements independently.

A coordinated, optional approach that provides practical tools and guidance can:

- reduce duplication across municipalities
- improve consistency in procurement practices
- support local economic participation
- maintain efficient and competitive procurement processes

### What “good” looks like in practice.

Canadian examples (e.g., City of Toronto) demonstrate that procurement can support broader outcomes when it is:<sup>315316</sup>

- practical and easy to implement
- proportionate to procurement size and impact
- supported by clear templates and evaluation tools

Ontario already has strong building blocks, including:

- Indigenous Procurement Program<sup>317</sup>
- Building Ontario Businesses Initiative (BOBI)<sup>318</sup>

These demonstrate that procurement modernization can be achieved within existing trade and governance frameworks.

## Recommendations

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

- 1. Support a coordinated, voluntary approach:** Collaborate with municipalities, AMO, and procurement professionals to support the development of a **voluntary, trade-compliant approach to strategic**

<sup>315</sup> [Buy Social Canada / Community Benefits – Social Procurement Program page: https://www.communitybenefits.ca/social\\_procurement\\_program](https://www.communitybenefits.ca/social_procurement_program)

<sup>316</sup> [Government of Ontario – Indigenous Procurement Program: https://www.ontario.ca/page/indigenous-procurement-program](https://www.ontario.ca/page/indigenous-procurement-program)

<sup>317</sup> [Government of Ontario – Indigenous Procurement Program: https://www.ontario.ca/page/indigenous-procurement-program](https://www.ontario.ca/page/indigenous-procurement-program)

<sup>318</sup> [Supply Ontario – Building Ontario Businesses Initiative: A Guide for Buyers \(PDF\): https://www.supplyontario.ca/wp-content/uploads/BOBI-Guide-September-2024-FINAL.pdf](https://www.supplyontario.ca/wp-content/uploads/BOBI-Guide-September-2024-FINAL.pdf)

- procurement**, enabling municipalities to adopt practices that align with local priorities and capacity.
2. **Provide optional, ready-to-use tools and resources:** Support the development and sharing of practical resources municipalities can adopt as needed, including: model policy language, sample RFP clauses, simple scoring templates, supplier inclusion approaches (where permissible). All tools should prioritize ease of implementation, minimal administrative burden, maintaining a competitive procurement processes.
  3. **Encourage proportionate and streamlined measurement:** Promote the use of **simple, optional reporting approaches** aligned with existing municipal processes, focusing on higher-value or high-impact procurements, and avoiding the creation of new reporting requirements.
  4. **Facilitate knowledge sharing and best practice adoption:** Work with partners to support a **coordinated knowledge-sharing approach across Ontario**, leveraging existing platforms to share case studies, templates and tools, and lessons learned. This should avoid creating new systems, registries, or administrative layers, and instead focus on accelerating adoption and practical implementation.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# K. Ensuring Consistent Interpretation of the Ontario Building Code to Support Efficiency in Building Construction & Delivery

Submitted by: Belleville Chamber of Commerce

## Issue

Inconsistent interpretation and application of the Ontario Building Code (OBC) across (and even within) municipalities has created significant uncertainty for builders and developers. Varying requirements, discretionary interpretations by individual building inspectors, and the ability to override professionally certified engineering designs are contributing to project delays, increased costs, and reduced investment. These inconsistencies are undermining housing delivery, discouraging development in certain jurisdictions, and negatively impacting Ontario's economic competitiveness.

## Background

The Ontario Building Code is intended to provide a standardized, province-wide framework to ensure safety, quality, and consistency in construction. However, in practice, enforcement and interpretation of the Code vary widely among municipalities and, in some cases, among individual inspectors within the same jurisdiction.

By addressing inconsistent interpretation and reinforcing respect for professional engineering approvals, Ontario can remove unnecessary barriers to development, support housing delivery, and strengthen its economic outlook.

Builders and developers routinely report:

- Conflicting interpretations of the same OBC provisions between municipalities
- Additional or modified requirements imposed beyond the Code
- Rejection of plans that comply with the OBC and are stamped by licensed professional engineers
- Repeated redesigns, resubmissions, and delays to approvals

These inconsistencies lead to:

- Extended project timelines
- Increased construction and carrying costs

- Heightened risk and uncertainty for investors
- Builders avoiding certain municipalities altogether

At a time when Ontario faces a critical housing supply shortage and rising construction costs, unpredictable and inconsistent regulatory interpretation is a significant barrier to timely and affordable development.

## Recommendations

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

**1. Establish Province-Wide Consistency and Training in Code Interpretation.**

The Province should strengthen oversight and guidance to ensure uniform interpretation of the Ontario Building Code across all municipalities. This could include:

- a. Standardized interpretation bulletins issued by the Ministry.
  - b. A centralized, binding interpretation database accessible to inspectors and industry.
  - c. Mandatory alignment with provincial interpretations.
  - d. Standardized training on complex and evolving Code provisions with mandatory province-wide continuing education
  - e. Cross-municipal collaboration and best-practice sharing.
- 2. Limit Discretionary Overrides of Professional Engineering Approvals.**
- Building officials should not be permitted to override or reject plans that:
- a. Are stamped by a licensed professional engineer, architect, or contain a Building Code Identification Number (BCIN).
  - b. Clearly demonstrate compliance with the Ontario Building Code.
  - c. Where concerns exist, inspectors should be required to:
    - i. Provide written, code-referenced justification.
    - ii. Engage in a formal technical review process involving qualified professionals.

- 3. Improve Accountability and Appeal Mechanisms.** Introduce quicker, clearer, more accessible appeal processes when disputes arise between building officials and applicants, including:
- a. Timely, standardized escalation procedures.
  - b. Independent technical review panels.
  - c. Defined service timelines to reduce delays.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

## L. Modernizing Pre-Start Health and Safety Reviews to Improve Manufacturing Competitiveness in Ontario

Submitted by: Belleville Chamber of Commerce

### Issue

Ontario's Pre-Start Health and Safety Review (PSR) requirements under Regulation 851, Section 7 (Industrial Establishments) are being applied in a manner that creates delays, duplication, and uncertainty for manufacturers installing or upgrading equipment.

While intended to address high-risk industrial hazards, current implementation frequently captures standard, pre-certified equipment, resulting in delayed commissioning, increased costs, and reduced competitiveness relative to other jurisdictions. Without modernization, these requirements risk discouraging investment, limiting productivity improvements, and placing Ontario manufacturers at a structural disadvantage in global markets.

### Background

Ontario manufacturers are committed to maintaining high standards of worker safety. However, regulatory frameworks must be predictable, proportionate, and aligned with real-world risk. Modernizing the PSR system will ensure Ontario maintains strong safety outcomes while enabling manufacturers to invest, innovate, and compete effectively in a global economy.

Manufacturers in Eastern Ontario, including over 110 companies represented by the Quinte Manufacturers Association (QMA), report that regulatory burden remains one of the most significant barriers to investment, modernization, and growth.<sup>319</sup> A key concern is the combined impact of Pre-Start Health and Safety Reviews (PSRs) under Ontario Regulation 851 and Electrical Safety Authority (ESA) inspections under the Ontario Electrical Safety Code, both of which must be completed before equipment can be energized and placed into operation.<sup>320</sup> Although sometimes referred to informally as a

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<sup>319</sup> [Quinte Manufacturers Association, \*Reducing Regulatory Burden on Ontario Manufacturers\*, April 22, 2025.](#)

<sup>320</sup> [Ontario Ministry of Labour, Immigration, Training and Skills Development – \*Regulation 851 \(Industrial Establishments\)\*; Electrical Safety Authority – \*Ontario Electrical Safety Code\*.](#)

“safe start” process, manufacturers must navigate multiple sequential approvals, resulting in production delays even after installation is complete.

In practice, PSRs are often applied to standard, pre-certified equipment that is already operating safely in other jurisdictions, including the United States, Europe, and other Canadian provinces.<sup>321</sup> This expands the application of PSRs beyond their original intent of addressing high-hazard or non-standard industrial risks. At the same time, both PSR requirements and ESA inspections rely on professional judgment, leading to inconsistent interpretation across sites. Manufacturers report that similar production lines may receive different requirements depending on the inspector or engineer involved, resulting in redesign costs, delays, and uncertainty.<sup>322323</sup>

Manufacturers must also navigate overlapping regulatory processes, including PSR review by a professional engineer, ESA inspection and approval prior to energization, and municipal permitting. These processes are not always well coordinated, resulting in duplication of effort even where equipment meets recognized standards. The Auditor General of Ontario has identified opportunities to improve coordination between ESA inspections and other approval processes, highlighting inefficiencies in the current system.<sup>324</sup>

These requirements have direct operational impacts. Equipment can remain idle for extended periods while awaiting approvals, leading to delayed production, increased labour costs, and reduced responsiveness to customer demand.<sup>325</sup> For export-oriented manufacturers, these delays create a time-to-market disadvantage relative to competitors in other jurisdictions. Smaller manufacturers are disproportionately affected, as they often lack in-house engineering and compliance expertise and must rely on external consultants to navigate requirements.

Ontario remains the only province requiring a professional engineer-led pre-start review for certain industrial applications, creating a competitiveness gap when compared to other jurisdictions.<sup>326</sup> In some cases, manufacturers are unable to access essential

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<sup>321</sup> [Industry feedback as reflected in QMA letter and regional manufacturer consultations.](#)

<sup>322</sup> [Office of the Auditor General of Ontario – reporting on coordination opportunities between ESA inspections and other regulatory processes.](#)

<sup>323</sup> [Quinte Manufacturers Association, \*Reducing Regulatory Burden on Ontario Manufacturers\*, April 22, 2025.](#)

<sup>324</sup> [Office of the Auditor General of Ontario – reporting on coordination opportunities between ESA inspections and other regulatory processes.](#)

<sup>325</sup> [Quinte Manufacturers Association, \*Reducing Regulatory Burden on Ontario Manufacturers\*, April 22, 2025.](#)

<sup>326</sup> [Quinte Manufacturers Association, \*Reducing Regulatory Burden on Ontario Manufacturers\*, April 22, 2025.](#)

equipment because global suppliers are unwilling to redesign products to meet Ontario-specific requirements, despite safe operation elsewhere.<sup>327</sup>

While there is broad consensus that PSRs have contributed to improved workplace safety outcomes, the Government of Ontario has acknowledged that current requirements can be overly complex and has committed to streamlining and clarifying the process while maintaining strong worker protections.<sup>328</sup>

## Recommendations

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

1. Eliminate the mandatory PSR requirement under Section 7 of Ontario's regulation 851 in accordance with the Canadian Mutual Recognition Agreement.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

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<sup>327</sup> [Quinte Manufacturers Association, \*Reducing Regulatory Burden on Ontario Manufacturers\*, April 22, 2025.](#)

<sup>328</sup> [Legislative Assembly of Ontario \(Hansard\) – statements regarding the need to streamline PSR requirements while maintaining safety protections.](#)

## M. Small Business Representation on WSIB

**Submitted by:** Dufferin Board of Trade

**Co-sponsored by:** Whitby Chamber of Commerce and the Peterborough and Kawarthas Chamber of Commerce

### Issue

The need for a dedicated small business seat on the WSIB board. In particular we would suggest using the CCC definition of micro or scale businesses (companies with less than 20 employees). We would recommend that WSIB use the screening process that they already have in place for new board members simply dedicating one of these seats for small business.

### Background

Micro and Scale businesses represent 87% of all businesses in Canada according to the Canadian Chamber of Commerce.

We recognize the great strides WSIB has made over the last several years in improving both customer service and keeping premiums low. These fees however still represent a disproportionate amount for small businesses in terms of overhead. Small businesses continue to face a disproportionate administrative burden as well when dealing with WSIB.

Small businesses form the backbone of Ontario's economy, accounting for the vast majority of employers and a significant share of private-sector employment. Unlike larger enterprises, SMEs often operate with limited administrative capacity, fewer human resources professionals, and tighter cash flow margins. As a result, even modest fluctuations in WSIB premiums, classification decisions, or compliance requirements can have an outsized operational and financial impact.

While WSIB has made meaningful progress in modernization and service delivery, governance structures that lack direct small business representation risk unintentionally overlooking the practical realities faced by fee-paying SMEs. Decisions related to premium setting, rate frameworks, claims management processes, and administrative requirements can disproportionately affect small employers, who lack the scale to absorb costs or dedicate staff to navigate complex systems.

Research from business and economic development organizations consistently demonstrates that regulatory and administrative burden is one of the most significant constraints on small business growth, competitiveness, and job creation. Ensuring a dedicated SME voice at the WSIB board level would strengthen policy development by

embedding real-world operational insight into decision-making, leading to more balanced outcomes that support both system sustainability and employer viability.

Importantly, a small business representative would not diminish worker protection or system integrity. Rather, it would enhance governance by ensuring that WSIB policies reflect the diversity of Ontario's employer base and align with the principles of fairness, proportionality, and economic sustainability.

### **Advantages of Dedicated SME Representation**

From a small business perspective, a dedicated WSIB board seat would deliver several strategic advantages:

- **Improved Policy Balance:** Direct SME input would help ensure that premium structures and administrative requirements are proportionate to business size and capacity.
- **Enhanced Compliance Outcomes:** Policies designed with small business realities in mind are more likely to be understood, adopted, and complied with—reducing friction for both employers and WSIB.
- **Stronger Economic Resilience:** Reducing unnecessary administrative and cost burdens supports small business sustainability, protecting local jobs and regional economies.
- **Increased System Trust:** Representation builds confidence among fee-paying employers that governance decisions are informed by lived experience, improving transparency and stakeholder confidence.

## **Recommendations**

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

1. Appoint a dedicated seat on the WSIB board that is a WSIB fee paying small business, representative of micro or scale businesses (companies with less than 20 employees) when considering their matrix of board members.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# HEALTH/MENTAL HEALTH & ADDICTIONS

## A. Funding to Municipalities for Mental Health & Addictions Treatment Centres & Training of Front-Line Support Workers

Submitted by: The Greater Kingston Chamber of Commerce

### Issue

Lack of funding available to municipalities to meet the ever-expanding demand concerning mental health and addictions treatment and the limited treatment centres along with limited resources available to train existing and new front line support workers inclusive of police and by-law officers, municipalities are not being able to effectively improve upon this widening failure to our most vulnerable citizens. Furthermore, storefront employees, workers and businesses within the service and hospitality sectors, are often the first responders to instances of mental health or addiction crises yet are not equipped to deal with such situations. Municipalities need the funding support to establish increased programming to tackle the gaps in education and provide the supports towards the creation of additional treatment centres. We appreciate and are thankful of the 5% increase to boost overall operational budgets that was provided to CMHA, Canadian Mental Health Association, in 2023, however, the challenges are much broader than mental health and addictions alone and therefore, increased funding directly to the municipalities will allow for broader collaborative support mechanisms to be established in order to deliver focused and guided solutions to enhance education, training and creation of treatment programs and centres.

### Background

The OMA, Ontario Medical Association lists *“that one in five people in Canada experiences mental health problems and illness”*<sup>329</sup> which further surged as a result of the pandemic. Statistics Canada states, *“According to data from 2022, over 5 million Canadians (18%) aged 15 and older, met the diagnostic criteria for a mood, anxiety, or substance use disorder in the previous 12 months”*<sup>330</sup> When mental health or addiction crises occur and (emergency?) frontline workers including bylaw officers, police officers, and paramedic workers are called for immediate assistance, they are not adequately

<sup>329</sup> CMHA Ontario. (2023, March 23). *Mental health*. <https://ontario.cmha.ca/news/cmha-ontario-welcomes-historic-investment-for-community-mental-health-and-addictions-in-2023-provincial-budget/>

<sup>330</sup> Government of Canada, Statistics Canada. (2023, September 22). *Mood disorders in Canada*. <https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2023053-eng.htm>

equipped with the proper training or education regarding how to handle these situations. Policing alone is not a solution to municipalities drug problems and rather an integrated approach including prevention, treatment, harm reduction, as well as policing has proven to be effective among other jurisdictions (municipalities?). According to the National Harm Reduction Coalition, “Over 750,000 people have died from a drug overdose in the last 20 years, many of which could have been prevented if the people using the drugs had access to life-preserving tools”.<sup>331</sup> The Ontario government developed the Ontario’s Workplace Naloxone Program which provides free online naloxone training for two workers per workplace and a free nasal spray naloxone kit for up to two years. While this is a positive step, it would be favourable to extend this free program and to include injectable intermuscular naloxone, as it is a more effective dose in achieving the spontaneous respiration within ten minutes of drug administration.<sup>332</sup>

To further illustrate the shortfall in meeting the demands, the International Journal of Mental Health Systems report from Mar. of 2023, outlines “*Canadian youth (aged 16–24) have the highest rates of mental health and addiction concerns across all age groups and the most unmet health care needs. There are many structural barriers that contribute to the unmet mental health care needs of youth including lack of available and appropriate services, high costs, long wait times, fragmented and siloed services, lack of smooth transition between child and adult services, stigma, racism, and discrimination, as well as lack of culturally appropriate treatments.*”<sup>333</sup> These inequities, which the Public Health Agency of Canada defines as differences in health outcomes or in access to the resources that support health that are systemic (consistently observable between population groups) and can plausibly be avoided or ameliorated by collective action<sup>334</sup>, require a robust and collaborative approach.

Employees who attempt to address these inequities and are working within the current support streams are overworked, underpaid, and undervalued which has contributed to a massive labour shortage. Reducing this trend will require better equipping the support workers we currently have, as well as urgently attracting more individuals to hire to meet the demand to offset the expanding crisis.

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<sup>331</sup> National Harm Reduction Coalition. (2023, December 2). *Overdose prevention resources*. <https://harmreduction.org/issues/overdose-prevention/>

<sup>332</sup> Korneev, V. (2023). *New naloxone kit requirements: 7 things you need to know now*. <https://www.wspcs.ca/resource-hub/articles/7-things-you-need-to-know-now>

<sup>333</sup> Kourgiantakis et al. (2023, September 14). Access to mental health and addiction services for youth and their families in Ontario: Perspectives of parents, youth and service providers. *International Journal of Mental Health Systems*, 17(1). <https://ijmhs.biomedcentral.com/articles/10.1186/s13033-023-00572-z>

<sup>334</sup> Government of Canada. (2023, June 1). *Social determinants of health and health inequalities*. <https://www.canada.ca/en/public-health/services/health-promotion/population-health/what-determines-health.html>

## Recommendations

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

1. Develop a provincial funding strategy for all municipalities to deliver more treatment resources to address mental health and addictions.
2. Provide funding so that Municipalities can better train all front-line support staff, namely police officers and by-Law officers, who attend to a person in crisis, so that they may better assist and guide them to the appropriate channel of assistance and support.
3. Deliver funding for municipalities to train and hire mental health professionals, including psychiatrists, psychologists, social workers, and addiction counselors.
4. Develop an onsite overdose response policy across law enforcement and mental health facility employees.
5. Continue to provide business with yearly naloxone kits and training without any additional costs.
6. Expand mental health, suicide prevention training, and PTSD support to all first responders, those working in the mental health or substance use sector and shelter sectors.
7. Adopt a social determinant of health approach when aiding individuals dealing with mental health and/or addiction crises.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## B. Increase Funding to New and Primary Care Teams to Address Critical Health Care Shortages in Ontario and the Health Human Resource Crisis

**Submitted by:** Timmins Chamber of Commerce.

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

### Issue

A health care crisis in Ontario has resulted in 2.2 million Ontarians without a family doctor and increased difficulties in accessing specialty and diagnostic care. Demand for government-funded primary care teams has increased, as well as funding for existing primary care teams. Team-based primary care models continue to demonstrate patient health services benefits as the framework provides a holistic, wraparound approach by bringing together health care providers such as nurses, doctors, social workers, and dietitians. This bridges the gap in accessing primary care services for unattached patients to connect to care when they need it. A team-based model to health care not only decreases the workload of family physicians, but allows for sustainable direct service delivery, support a larger patient population, and improve health care access, which positively impacts economic stability and productivity.

### Background

Over the past decade the Ontario Government has made the process of establishing new Primary Health Care Teams excessively challenging and limited. The province's population is an estimated 14.4 million, which is projected to increase by 43.6% from 2022-2046<sup>335</sup>, only an approximate 3.4 million patients are enrolled in one of the 184 teams currently operating within the province. Approximately 2.3 million Ontarians are without equitable access to health care and will continue to grow as 65% of family physicians are considering retiring or reducing clinical hours in the next five years, as per the Ontario College of Family Physicians reporting in their May 2023 survey<sup>336</sup>.

<sup>335</sup> <https://www.ontario.ca/page/ontario-population-projections#foot-1>

<sup>336</sup> <https://ontariofamilyphysicians.ca/news/new-survey-shows-full-blown-crisis-in-family-medicine/>

Ontario's Ministry of Health recently announced<sup>337</sup> a \$110-million investment to the 'Your Health to connect more than 300,000 people to primary care teams and adding 400 new, tripling the original \$30 million announcement. Ontario's investment in team-based care is a significant contribution, and while it is a step in the right direction, more investment, specifically in health human resources, is required to address health care service gaps and reach unserved and underserved communities. There are still substantial pockets of the population remaining unserved and barriered to health care due to geographic locations and available health care providers. While 'Your Health Plan' aims to give 1,200 more physicians access to this model by 2025, other health care sectors issues such as the ongoing physician recruitment and retention crisis remain unaddressed. The health care sector has faced significant human resources challenges as recruitment has become more competitive as HR representatives must compete with higher wages and international recruitment, tenured physicians preparing for retirement, and health care professionals leaving the sector all together.

Patients with complex health needs lack access to team-based primary care, where a collaborative group of inter-professional health-care providers delivers comprehensive services. The Ontario Medical Association (OMA) is advocating for new primary care teams to offer tailored support to meet the needs of patients in different communities. The OMA hopes to see a diverse primary care team that includes a physician, nurse, administrator and at least two other inter-professional care providers, such as a social worker, registered dietitian, nurse practitioner, physiotherapist, pharmacist, specialists, and mental health professional and/or outreach worker.<sup>338</sup> Investing in team-based primary care provides a supportive work environment for healthcare workers, benefits existing providers, ensures access to comprehensive and coordinated care, and results in a more connected healthcare system. The benefits of this approach include healthier patients, fewer hospitalizations, and lower health system costs.

At a time where access to health care is underserved and facing an acute shortage of physicians, the Ontario government must urgently address and increase investment contributions, while adjusting to inflation rates, to support health team programs and operating models to address critical gaps in service and continue to build clinical capacity. Findings from the Ontario College of Family Physicians (OCFP) plan, 'Plan of Action, Solutions for Today: Ensuring Every Ontarian Has Access to a Family Physician'<sup>339</sup> supports these recommendations and the Association of Family Health Teams of Ontario (AFHTO) have echoed urgency of the current situation, urging both

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<sup>337</sup> <https://news.ontario.ca/en/release/1004143/ontario-connecting-over-300000-people-to-primary-care-teams>

<sup>338</sup> <https://www.oma.org/advocacy/prescription-for-ontario/prescription-for-ontario-doctors-solutions-for-immediate-action/>

<sup>339</sup> [https://ontariofamilyphysicians.ca/wp-content/uploads/2023/08/ocfp\\_fp\\_access\\_pp\\_execsummary\\_01\\_24.pdf](https://ontariofamilyphysicians.ca/wp-content/uploads/2023/08/ocfp_fp_access_pp_execsummary_01_24.pdf), January 2023

levels of government to build on their investment and further expand team-based care across the province.<sup>340</sup>

Technology adoption for health teams' is crucial for advancing healthcare and improving patient outcomes. It will allow teams to stay current with the latest technological advancements, foster innovation, improve efficiency, and enhance patient care outcomes. For example, technology can simplify and streamline prescription process, while telehealth consultations can further alleviate administrative burdens. Strategic investments in technology adoption will ensure patients receive the best possible care while improving the effectiveness and efficiency of the healthcare system.

The health care crisis will continue to grow, and more Ontarians will lose access to quality health care if the government does not address current operating models and develop long-term, sustainable solutions. Investing in team-based healthcare can lead to a healthy and robust workforce, contributing to a thriving economy.

## Recommendations

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

1. Strengthen Ontario health care by increasing the target number of Comprehensive Primary Care Teams, and expand the current number of Nurse Practitioner positions available in health team settings, to effectively address health care service gaps in underserved and unserved communities;
2. Build upon the \$110-million investment to grow new and existing multidisciplinary teams through increased funding for new and existing Comprehensive Primary Health Care Teams, Nurse Practitioner Led Clinics, to drive sustainable health care services, including recruitment and retention support;
3. Allocate strategic investments to provide support for technology adoption for Primary Care Teams', fostering innovation, improving efficiency, and enhancing patient care outcomes.
4. Increase base funding for existing community health centres so they can deliver primary care and attract and retain the necessary talent.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

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<sup>340</sup> <https://www.afhto.ca/news-events/news/primary-care-leaders-urge-canadas-premiers-and-federal-government-strike-deal>, February 06, 2023

## C. Position Ontario for Life Sciences Success in the 2020s and Beyond

Submitted by: Mississauga Board of Trade

### Issue

Ontario has become a home of leading life sciences endeavors. Whether it has been through businesses of all sizes, Ontario is a player globally in life sciences. To ensure that Ontario has a place in the life sciences industry worldwide in the decades to come means we should contemplate today how we lay the foundation for success.

### Background

A majority of Canadian provinces as well the federal government have started signaling the importance of Life Sciences as a sector. The strategies that are enabled through the various components that included medical technology, biotech/pharma, digital and others have shown to be a backbone for “healthier economies and healthier people”. During the pandemic, these industries and individuals, amongst others, supported innovation partnerships to enact care within the province for many communities.

We note that the Ontario government, along with other Canadian governments, are looking for ways to thrive in innovation. This is being done while trying to increase access to unmet needs to solve some of the largest health care system challenges. A successful strategy needs to include not only funding for implementation but also being tied to the support and creation of industry growth and increasing access to care.

Aligned with the vision released by the government of Ontario, “Establish Ontario as a global biomanufacturing and life sciences hub leading in the development, commercialization and early adoption of innovative health products and services”, there is tremendous potential to support propelling this vision forward.

**Phase 1:** Phase 1 will build up our life sciences sector through securing commercial-scale manufacturing capacity and supply chains while improving manufacturing readiness of Ontario’s small- and medium-sized businesses through four pillars:

1. Grow Ontario’s biomanufacturing footprint
2. Build domestic resiliency in PPE and critical medical supplies
3. Boost commercialization capacity of Ontario companies and startups
4. Adopt Ontario innovation to improve healthcare

**Phase 2:** Phase 2 will build out Ontario's industry to become a leader in next-generation life sciences technology.

**2030 anchor goal:** Maintain and grow Ontario's biomanufacturing and life sciences sector by targeting 85,000 high-value jobs in the life sciences sector by 2030, a 25% increase from 2020.

## Recommendations

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

1. The creation of a permanent industry enabled government partnership table including representatives from the Ontario Chamber of Commerce (OCC) chamber network. The OCC played a leadership role during the pandemic with rapid tests but also with the formulation of the province wide Vaccination Council. This would also include various businesses from across the province including medical technology and pharmaceuticals as well as post-secondary institutions to support this framework. Many organizations within the province, in particular the Mississauga community, have resources, expertise and the ability to foster research and development aligned with priorities.
2. Continue meaningful engagement with the Life Science Council in supporting and fostering innovation, investment, and commercialization in the province's life sciences. This will lead to a stronger implementation of key recommendations developed by the Council and show the provinces ongoing commitment to this sector.
3. Aligned with the **OCC Power of Procurement** report, develop a provincial wide mechanism to identify the value and impact of procurement and increased access to medical needs through acceleration of pathways. While at the same time, keeping patient care at the centre of the proposition. This will in term assist with demonstrating value for money and value-based procurement practices aligned with government mandates.
4. Support the need for provincial participation from institutions such as Invest Ontario to support sector events as an economic development opportunity. In the coming months, the largest medical technology conference in US will be hosted in Ontario, AdvaMed. Support from both the Ministry of Health and the Ministry of Economic Development, Job Creation and Trade could lead to new opportunities for business but also shows their commitment to Ontario's Life Sciences Sector.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## D. Supporting Healthcare Infrastructure in Ontario

Submitted by: Whitby Chamber of Commerce

### Issue

To support Durham Region's rapidly growing community and increasing healthcare demands, Lakeridge Health and many stakeholders established a Master Plan which includes the building of a Hospital and Trauma Centre in Whitby. Currently, those efforts hang on the approval for the 2-million-dollar planning grant, from the Ontario Government. The Whitby Chamber of Commerce brings forth a resolution in support of the Lakeridge Health planning grant.

### Background

The development of a new hospital in Durham Region is a key component of Lakeridge Health's Master Plan, which provides a roadmap for the future of health-care delivery in Durham Region, which aims to provide inpatient bed growth of almost 1,000 beds to meet projected demand over the next 25 years.

In January 2022, Lakeridge Health's Board of Trustees accepted the Expert Panel's recommendation of the site in Whitby as the preferred location for a proposed future hospital. The Panel was made up of a diverse group of professionals who bring many years of leadership experience and expertise in health care and real estate development to this site selection process.<sup>341</sup>

The preferred site is located on 50 acres of land south of Highway 407, west of Highway 412, east of Lake Ridge Road and north of Highway 7/Winchester Road (owned by the Province). The location is easily accessible given its proximity to existing major highways and roadways, as well as planned public transit projects. Its location in central Durham Region will help to efficiently serve residents across the region.

The panelists also had knowledge of the Region, grounding their final recommendations on fact and experience. The process of selecting the hospital site was independent, transparent, and understandably expensive.

### Healthcare Demands in Durham

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<sup>341</sup> Site Selection Process for a Proposed New Hospital - Lakeridge Health

There is a dire and growing need for increased and improved Health services in Durham. In 2023, it was estimated that 44 thousand Durham residents have no family physician, this number rose by 11 thousand since 2021. With a lack of healthcare workers and sufficient resources, the Region's residents are forced to find medical services in neighboring Regions and are often transported to hospitals outside Durham; this adds undue loan on the Provincial healthcare system, increasing costs and pressures on the system that could be avoided by the Regional Hospital. The significant population growth projected for Durham Region will only add greater pressure on the current services available. According to Statistics Canada, the population of Durham Region grew by 6.3% between 2016 and 2021, which is higher than the national average growth rate of 5.3%. Moreover, Durham Region is projected to have a population of over 900,000 by 2041, which represents an increase of almost 30% from its current population.

To illustrate the rapid changes, Durham Workforce Authority's 2023 Data Walk shows that between 2016 and 2021 (a mere five years) our region:

- Experienced 7.91% population growth;
- Is home to 4.9% of Ontario's residents; and
- Saw the percentage of residents who are 65 year or older increase 19.71%.<sup>342</sup>

In parallel to the increasing demand, Durham current hospital facilities are aging; according to Lakeridge Health, the average age of its facilities is 50 years, which is well above the recommended lifespan of most hospital buildings.

Despite being the second largest municipality in Ontario, Durham Region still has no trauma centre within our boundaries. This means that that we must frequently continue to engage the services of Ornge to evacuate critically-injured or endangered patients, costing both valuable treatment time and vastly more than local ground ambulance service. The new hospital is also planned to provide acute care, which are not currently available in Durham Region. Neighbouring the Greater Toronto Area, Durham Region's success will have a direct impact on the distribution of available resources and services in the GTA, which is facing its own strain on healthcare services.

### **Economic Impact and Timing**

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<sup>342</sup> Data Walk – December 2023 - <https://durhamworkforceauthority.ca/wp-content/uploads/2023/12/Data-Walk-December-2023-Posters-FINAL-Corrected-Posters-Dec-6-2023.pdf>

Durham Community Foundation – Vital Signs –Health - 2023 - <https://durhamcommunityfoundation.ca/dcfwp/wp-content/uploads/2023/11/VitalSigns-Report-11-24-23.pdf>

A new hospital is crucial for the success of our local businesses and organizations. By providing high quality healthcare services locally, we can ensure a healthier and more productive workforce, which in turn will drive economic growth and prosperity. Additionally, a new hospital will attract and retain new businesses, investors, and employees, ultimately contributing to the long-term sustainability and success of our community. Currently, our Chambers advocacy surveys indicate that hiring skilled labour is a significant challenge to our local businesses, without strong infrastructure and community, Durham region will continue to lose skilled talent to neighbouring regions that offer better support and services.

The hospital will also undoubtedly fuel local and support local spin off industries, like sports and fitness, medicine, therapeutics, physio, private labs, and nurse practitioner services.

It could be as much as 10 years before this new hospital is open and the rate of growth across the entire region is too fast to continue to delay this process. Regional reports indicate that the Durham population is expected to rise from 723,200 in 2021 to 1.3 million by 2051, almost doubling, and becoming a more important economic hub in southern Ontario.

Ontario's success relies of the strength and sustainability of its regions, particularly along the Greater Horseshoe area. If one of the links is weak, it adds pressure of the rest, threatening the health and growth of the Ontario economy.

Strengthening our healthcare infrastructure in Durham gives Ontario another continued powerhouse of economic success.

## Recommendations

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

1. Reduce the lengthy timelines and process for hospital infrastructure renewal projects, including access to planning grants, to facilitate the development of modernized and new hospital builds that can better meet the acute care needs of Ontarians.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

## E. Access to Team-Based Primary Care in Underserviced Rural Communities

**Submitted by:** Tillsonburg District Chamber of Commerce.

**Co-sponsored by:** Ingersoll District Chamber of Commerce, Simcoe & District Chamber of Commerce, Township of Norwich Chamber of Commerce, and the Woodstock Chamber of Commerce

### Issue

The Ontario healthcare landscape continues to face significant barriers to equitable access to primary care and mental health and addictions support, particularly in rural and remote communities<sup>343</sup>. These challenges stem from:

1. A persistent shortage of family physicians and primary care providers.
2. Limited availability of team-based primary care models, exacerbating healthcare access disparities and increasing pressure on Emergency Departments (EDs) and hospitals.

### Background

The lack of timely and accessible primary care services in rural communities has led to:

#### Primary Care Gaps and Over-Reliance on Emergency Departments

- Many patients in rural areas lack access to a family physician or primary care provider, leading to increased reliance on walk-in clinics, which may not exist locally.
- In the absence of local alternatives, Emergency Departments (EDs) are used for non-emergency primary care needs, resulting in avoidable hospital visits and admissions.
- Unattached patients (those without a primary care provider) face continuity of care challenges, as they often struggle to access appropriate follow-up care.
- The Health Care Connect program, designed to link patients with primary care providers, is underutilized due to concerns about complex patient caseloads and limited provider availability.

#### Impact on Employers and Workforce

<sup>343</sup> <https://www.ontariohealthprofiles.ca/ontarioHealthTeam.php>

- Employees without access to a primary care provider experience delays in receiving treatment for illnesses and injuries, leading to increased absenteeism and reduced workforce productivity.

### **Rural Community Challenges and Changing Demographics**

- Rural populations are growing rapidly without corresponding increases in healthcare resources, leading to service shortfalls<sup>344</sup>.
- Higher proportions of seniors in rural areas drive increased demand for chronic disease management (e.g., hypertension, diabetes, COPD, and heart disease).
- Rural communities often experience higher rates of mental health and substance use challenges, including opioid and alcohol use disorders, exacerbated by social isolation and lack of specialized services.
- Wait times for mental health and addiction services remain unacceptably high, further delaying necessary care and treatment.

## **Recommendations**

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

### **1. Expand Access to Team-Based Primary Care**

- Building on the January 25, 2025, announcement of Dr. Jane Philpott's Primary Care Action Plan, establish and invest in equitable, team-based primary care models across all rural and remote communities immediately, prioritizing high-need areas as identified by the Ontario Ministry of Health to ensure timely access to care<sup>345</sup>.
- Expand the availability of Family Health Teams (FHTs), Community Health Centres (CHCs), Aboriginal Health Access Centres (AHACs), and Nurse Practitioner-Led Clinics (NPLCs) to increase primary care capacity.
- Enhance sustainable recruitment and retention strategies to attract family physicians, nurse practitioners, and allied health professionals to underserved rural areas.

<sup>344</sup> [Population Growth in Canada's Rural Areas, 2016-2021," Statistics Canada, <https://www12.statcan.gc.ca/census-recensement/2021/as-sa/98-200-x/2021002/98-200-x2021002-eng.cfm>](https://www12.statcan.gc.ca/census-recensement/2021/as-sa/98-200-x/2021002/98-200-x2021002-eng.cfm)

<sup>345</sup> <https://news.ontario.ca/en/release/1005646/ontario-investing-over-18-billion-to-connect-every-person-in-ontario-to-a-family-doctor-and-primary-care-teams>

## **2. Integrate Nurse Practitioners More Effectively**

- Implement policies to roster unattached patients to Nurse Practitioners in rural and remote areas, ensuring that patients have access to continuous, team-based care and reducing duplication of services<sup>346</sup>.

## **3. Strengthen Mental Health and Addictions Services**

- Invest in community-based mental health and addictions programs embedded in primary care to reduce wait times and increase accessibility in rural areas.
- Expand virtual care and mobile health services to bridge gaps in mental health support for isolated communities.

## **4. Support Rural Population Growth with Healthcare Investments**

- Align healthcare infrastructure investments with the projected population growth in rural Ontario<sup>347</sup>.
- Increase funding for preventative and chronic disease management programs to address the healthcare needs of aging and underserved populations.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

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<sup>346</sup> <https://www.canada.ca/en/health-canada/news/2025/01/statement-from-the-minister-of-health-on-the->

<sup>347</sup> [Population Growth in Canada's Rural Areas, 2016-2021," Statistics Canada,](https://www12.statcan.gc.ca/census-recensement/2021/as-sa/98-200-x/2021002/98-200-x2021002-eng.cfm)

<https://www12.statcan.gc.ca/census-recensement/2021/as-sa/98-200-x/2021002/98-200-x2021002-eng.cfm>

## F. Addressing the Real Time Provincial Data Gap Surrounding the Cost of Homelessness

**Submitted by:** The Greater Barrie Chamber of Commerce.

**Co-sponsored by:** The Chamber of Commerce Brantford-Brant, The Orillia District Chamber of Commerce, St. Thomas Chamber of Commerce, Peterborough and the Kawarthas Chamber of Commerce, Whitby Chamber of Commerce, Port Hope and District Chamber of Commerce, Brockville and District Chamber of Commerce, Belleville Chamber of Commerce, Chatham-Kent Chamber of Commerce, and the Burlington Chamber of Commerce

### Issue

Municipalities across Ontario are struggling to manage the burdens that chronic homelessness and a lack of affordable housing have created. The collection methodology and use of data related to homelessness across the province is inconsistent which makes it very challenging to clearly illustrate at any given moment the fiscal impact of our housing crisis. The Government of Ontario needs consistent and relevant provincial data to be able to make better policy decisions

### Background

On January 9, 2025, the Association of Municipalities of Ontario released a study that highlighted the unprecedented increase in homeless individuals in Ontario.<sup>348</sup> The study by HelpSeeker Technologies showed a 25% increase in people who have experienced homelessness since 2022 and indicated that without significant intervention, homelessness could more than triple by 2035 to almost 300,000 people without stable housing.<sup>349</sup>

Municipalities in Ontario have an increasing role in addressing homelessness. Ontario is the only province in Canada where social housing has been downloaded to municipalities.<sup>350</sup> Between 2016 and 2024, total funding for homelessness overall across all three layers of government has increased from \$1.4 billion to \$2.5 billion.

<sup>348</sup> AMO Launches Groundbreaking Homelessness Study: Ontario at a Tipping Point with 80,000 Homeless | AMO (2025)

<sup>349</sup> Donaldson, J., Wang, D., Escamilla, C., & Turner, A. (2025). *Municipalities under pressure: The human and financial cost of Ontario's homelessness crisis*. HelpSeeker

<sup>350</sup> AMO Launches Groundbreaking Homelessness Study: Ontario at a Tipping Point with 80,000 Homeless | AMO (2025)

Over this period, funding by the federal government and municipal governments has increased by around 100%. Funding by the provincial government has decreased by 15%.<sup>351</sup> This change in funding has increased municipal governments' responsibility in ending homelessness. In addition to acting as the Service System Manager responsible for the distribution of substantial amounts of federal and provincial funding, municipalities in Ontario also now provide 65.1% of total funding, up from 54.5% in 2016.<sup>352</sup>

Homelessness affects the vitality of downtown cores and shopping districts, where visible homelessness can discourage consumer activity and investment. Improved data can lead to targeted solutions, such as supportive housing in areas with high rates of homelessness, reducing strain on local businesses.

Through the efforts of the Social Action Working Group and the Belleville Chamber of Commerce, Loyalist College's Centre for Healthy Communities will provide in-kind support to undertake an environmental scan and prepare a report outlining what communities across Ontario are doing to mitigate the challenges related to community safety. The final report will include a repository of initiatives (comparison of services), their approach and structure and their impact on the communities (including fiscal as possible) of community initiatives across the province. The goal is to identify similar services, collaborations and unique approaches to provide broader guidance to funding eligibility.

### **Data Quality**

Studies and audits have indicated that data on homelessness is limited, including data around chronic homelessness. In a 2021 report, the Office of the Auditor General of Ontario highlighted insufficient province-wide data to assess progress.<sup>353</sup> Data challenges were also noted by HelpSeeker Technologies as a limitation in their 2024 study, which highlighted issues with regional variations and data quality issues.<sup>354</sup> In other sectors, one single piece of information has been developed to help tackle this issue. In the Child Protection sector, for example, the Child Protection Information Network (CPIN) was established due to multiple information systems "compromising information quality, direct service and the efficiency with which information was captured

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<sup>351</sup> Donaldson, J., Wang, D., Escamilla, C., & Turner, A. (2025). *Municipalities under pressure: The human and financial cost of Ontario's homelessness crisis*. HelpSeeker

<sup>352</sup> Donaldson, J., Wang, D., Escamilla, C., & Turner, A. (2025). *Municipalities under pressure: The human and financial cost of Ontario's homelessness crisis*. HelpSeeker

<sup>353</sup> Office of the Auditor General of Ontario (2021)

<sup>354</sup> Donaldson, J., Wang, D., Escamilla, C., & Turner, A. (2025). *Municipalities under pressure: The human and financial cost of Ontario's homelessness crisis*. HelpSeeker

and used.”<sup>355</sup> This has led to more standardization in data collection and reporting at a provincial level, rather than at the regional level.<sup>356</sup>

In order to ensure that federal, provincial and municipal funding is effective at reducing homelessness and its impacts on local business and communities, improving data quality is essential. There are currently two main areas impacting poor data quality: data systems and data collection and reporting.

### **Data Systems**

Currently, data on homelessness is collected at the municipal level. Homelessness system managers have a large degree of flexibility to determine the data system that is used to collect homelessness data. While many communities use the same homelessness management information system (HMIS) to collect data (the Homelessness Individuals and Families Information System – HIFIS), this is not a requirement by the provincial government.

Many other provincially funded social services, including Ontario Works and Children services, utilize information systems that are province wide. This prevents duplicate records for individuals that move between regions, as well as ensuring that people are not lost the transition between Service System Managers. All Service System Managers moving to a shared information system would ensure that reporting provides a more accurate number of people experiencing homelessness in Ontario.

### **Data Collection and Reporting**

As decisions around the tools used to collect, store and report data have historically been made at the regional level, variations have developed around which data points are collected and how they are defined. For example, when reporting the number of homelessness individuals in their community, it is inconsistent whether communities include individuals who are accessing shelter services but refuse to provide consent for their data to be collected.

In addition, the province and the federal government have developed different definitions for key terms, including “chronicity”. Both the provincial and federal government consider any person who has been homeless for more than six of the past 12 months as chronic; however, the federal government also includes anyone who has been homeless for 18 of the past 36 months. This means that the number of chronically homeless individuals is higher when using the federal definition, creating challenges for the Service Managers reporting these figures and the organizations comparing communities across Canada.

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<sup>355</sup> Commission to Promote Sustainable Child Welfare (2012)

<sup>356</sup> Ontario Association of Children's Aid Societies (2018)

## Recommendations

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

1. Mandate the use of one information system, such as HIFIS, for all communities in receipt of Homelessness Prevention Program funding to ensure more consistent data collection across the province.
2. Advocate to and work with the federal government on creating one single provincial mechanism to track homelessness measures, such as one HIFIS database shared by all Service Managers in Ontario.
3. Adopt the federal definition of chronicity to make reporting by Service Managers easier and more consistent with communities outside Ontario.
4. Work more closely with municipalities and the federal government to set standardized Key Performance Indicators and standardized naming conventions with clear data definitions that apply across the sector.
5. Collaborate with municipalities to create a metric, tracking the business impacts of homelessness, such as revenue loss or increased operating costs. This metric can then be integrated into broader provincial homelessness data.
6. Create tax incentives or recognition programs for businesses that fund data-related initiatives, such as supporting the rollout of HIFIS or sponsoring research.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## G. Create and Implement a Provincial Strategy to Address Homelessness, Mental Health and Addictions

**Submitted by:** The Chamber of Commerce Brantford-Brant and the Greater Sudbury Chamber of Commerce.

**Co-sponsored by:** the Barrie Chamber of Commerce, the Cambridge Chamber of Commerce, the North Bay and District Chamber of Commerce, the Orillia District Chamber of Commerce, the Oshawa Chamber of Commerce, the Sault Ste. Marie Chamber of Commerce, the St. Thomas and District Chamber of Commerce, and the Timmins Chamber of Commerce.

### Issue

Many communities across Ontario continue to deal with unprecedented social issues like vagrancy, crime and nuisance behaviours. These are further exacerbated due to the escalating opioid crisis, shortage in social services supports, and a lack of housing that is affordable to many struggling with addictions. Businesses struggle to manage negative social issues like loitering, trespassing, crime and the harassment of customers and bystanders. Police forces and municipalities are frustrated with a lack of effective tools to manage repeated disruptive activity in public spaces. Social issues are business issues and will continue to have an adverse impact on our communities until there are adequate health and social services solutions to support people struggling with these issues.

### Background

Communities across Ontario are struggling to manage transient groups of individuals that lack access to permanent affordable housing or are unable to be housed in available units. Encampments can be found across the province. December 2021 homelessness report by the Ontario Auditor General is based on four key municipalities - City of Toronto, City of Ottawa, City of Greater Sudbury, and the District of Cochrane. These municipalities were selected because they had the most people experiencing homelessness in absolute and relative terms, and/or they had a high number of COVID-19 cases in their shelters.<sup>357</sup> However, other municipalities including the City of Hamilton, City of North Bay, City of Kingston, City of Thunder Bay, City of Sault Ste. Marie and [Kitchener Waterloo](#) region (over 2730 individuals experiencing

<sup>357</sup> [https://www.auditor.on.ca/en/content/annualreports/arreports/en21/AR\\_Homelessness\\_en21.pdf](https://www.auditor.on.ca/en/content/annualreports/arreports/en21/AR_Homelessness_en21.pdf)

homelessness) are also impacted by homelessness encampments and social issues. According to a recent report issued by the Association of Municipalities of Ontario (AMO), Ontario is at a tipping point in its homelessness crisis with an estimated 81,515 Ontarians experiencing homelessness in 2024. [That is a 25% increase since 2022.](#)

Businesses throughout Ontario are incurring significant operational costs as a result of these social challenges. This impact is particularly pronounced in Northern Ontario, where many communities have limited resources to address these issues effectively.

Unsheltered populations have complex and varied needs including mental health challenges, physical disabilities, and addictions that make supporting them within business areas like downtowns a challenge. Since the onset of the COVID-19 pandemic in March 2020, rates of emergency medical services (EMS) for suspected opioid overdose increased by 57% and rates of fatal opioid overdose increased by 60% in Ontario. Rural and northern communities, people experiencing poverty or homelessness, people experiencing incarceration, and Black, Indigenous, People of Colour (BIPOC) communities have seen the largest relative increases.<sup>358</sup> Public Health Sudbury District reported an increase of almost 40% in suspected opioid related incidents from January to the end of November 2021.<sup>359</sup> In the City of North Bay, 91% of businesses [surveyed in the summer of 2024 experienced crime in the vicinity of their organization\(s\).](#) In Brantford-Brant, there were 56 suspected [drug related deaths in 2024](#), representing a portion of the approximately [7 deaths per day in Ontario in 2024](#). Social Services funding to and within municipalities has not kept up with the increased demands for mental health and addictions supports due to pressures on the existing revenue tools of municipalities. Further to this, the Auditor General states that “Ontario does not have an overarching and co-ordinated provincial strategy to prevent and reduce homelessness.”<sup>360</sup> She recommends “that the Ministry of Municipal Affairs and Housing take a lead role, in collaborating with other ministries that fund or directly provide services and supports to people who are homeless or are at risk of homelessness, in developing a provincial strategy with specific actions, targets, and timelines to collectively aim to address the issues that contribute to homelessness”.<sup>361</sup> A united approach that includes the Associate Ministry of Mental Health and Addictions and the Ministry of Health is necessary to comprehensively address this crisis. In addition, it would be beneficial to incorporate best practice ideas from the City of

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<sup>358</sup> <https://covid19-sciencetable.ca/sciencebrief/the-impact-of-the-covid-19-pandemic-on-opioid-related-harm-in-ontario/>

<sup>359</sup> [https://www.sudbury.com/local-news/opioid-related-incidents-in-sudbury-jump-by-almost-40-in-less-than-a-year-4951051?fbclid=IwAR3y1tJs\\_Qk3MFJg2Hq3KGZYhljci7HEKLuWSaCAOMOCKG6Av-waMQ9FMh0](https://www.sudbury.com/local-news/opioid-related-incidents-in-sudbury-jump-by-almost-40-in-less-than-a-year-4951051?fbclid=IwAR3y1tJs_Qk3MFJg2Hq3KGZYhljci7HEKLuWSaCAOMOCKG6Av-waMQ9FMh0)

<sup>360</sup> [https://www.auditor.on.ca/en/content/annualreports/arreports/en21/AR\\_Homelessness\\_en21.pdf](https://www.auditor.on.ca/en/content/annualreports/arreports/en21/AR_Homelessness_en21.pdf)

<sup>361</sup> <https://mhchs.ca/homelessness-initiatives/plan-to-end-homelessness/>

Medicine Hat, Alberta a municipality that successfully addressed chronic homelessness over a 10-year period through their *Plan to End Homelessness*.<sup>362</sup>

Ontario Chambers of Commerce and municipalities across Ontario are increasingly inundated with concerns from businesses regarding issues such as vagrancy, trespassing, and loitering among other bylaw infractions. While some businesses have implemented enhanced security measures, they view these actions as an added expense rather than a strategic investment. The Safer Municipalities Act, 2024 and the Restricting Public Consumption of Illegal Substances Act, 2024, introduced additional tools to support restoring public order across Ontario.

Social service agencies, courts, and police services require additional support and tools to ensure that those who are vulnerable and unable to aid themselves receive mandatory support for programs related to addictions and mental health.

Increasing funding for social services that address mental health, homelessness and addictions is important as this has a direct positive impact on business health. Improving the visible social issues will ultimately allow municipalities to attract and retain vibrant economies across the province and alter the current public perception.

## Recommendations

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

1. Create and fund a provincial strategy to end chronic homelessness, building on the recommendations of the AMO Municipalities Under Pressure Report, 2025, focusing on an initial 5700 new housing and low barriers to support spaces to be developed by municipalities.
2. Ensure social services outreach teams are available as partners to police throughout Ontario to support marginalized individuals and improve province wide data collection and access for frontline services to enable better decision-making.
3. Implement the seven recommendations of the Auditor General's report on Ontario's Opioid Strategy 2024. The Ministry of Health agrees with all recommendations to improve the province's response to the opioid addiction crisis.
4. Review the Mental Health Act and its regulations, in consultation with relevant mental health industry stakeholders, to ensure it considers the current needs of people living with diagnosed and undiagnosed mental health and addictions conditions.

<sup>362</sup> <https://mhchs.ca/homelessness-initiatives/plan-to-end-homelessness/>

5. Ensure that the Ministry of Municipal Affairs and Housing, the Ministry of Children, Community and Social Services, and the Ministry of Health coordinate efforts in developing a provincial strategy to address homelessness, mental health, and addictions with a view to incorporate best practices from successful municipalities across Ontario.
6. Monitor and report on implementation of the Safer Municipalities Act, 2024 and the changes to the Trespass to Properties Act, to determine its effectiveness in addressing the issue of encampments in parks and public spaces.
7. Incentivize municipalities to develop more low barrier supportive housing solutions.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## H. Cutting Administration for Ontario Physicians

**Submitted by:** Greater Kitchener Waterloo Chamber of Commerce.

**Co-sponsored by:** The Cambridge Chamber of Commerce.

### Issue

Excessive administrative burdens reduce patient care and contribute to physician burnout. Ontario residents subsequently receive limited access to primary healthcare services.

While recent provincial initiatives have reduced administration, further streamlining is required to improve efficiency. Reducing paperwork and integrating digital solutions will enhance healthcare delivery, increase physician retention, and expand Ontario' ability to attract medical professionals vital for economic development.

### Background

The 2023 *Patients Before Paperwork* report from the Canadian Federation of Independent Business (CFIB) estimated that Canadian physicians allocate 18.5 million hours annually on unnecessary administrative work – the equivalent of 55.6 million patient visits. By setting a target to reduce physician red tape by ten percent, governments across Canada could potentially reduce physician fatigue and burnout, improve the quality of patient care, and save the equivalent of 5.5 million patient visits a year.

Dr. Kathleen Ross, former President of the Canadian Medical Association (CMA), noted that effective collaboration among stakeholders, policymakers, administrators and patients is vital for practical solutions. Streamlining bureaucracy, investing in technology and standardizing forms can significantly decrease the administrative responsibilities on physicians and translate into improved patient care.

An excessive administrative burden not only impacts health care efficiency but also contributes to doctor burnout. A CMA National Physician Health Survey indicated that 60 percent of respondents identified these on-going challenges as contributing to their worsening mental health.

In April of 2024, Ontario Minister of Health and Deputy Premier Sylvia Jones announced a series of measures to assist family doctors and other care providers on spending more time with patients and less time on paperwork.

Initiatives included the objective of replacing fax machines to expedite the transmission of information, expanding eServices, streamlining medical forms and expanding centralized waitlist programs.

Access to family practitioners and specialists is not only a significant provincial and national healthcare issue, but also an economic development challenge impacting the business sector. Many Chambers and Boards of Trade are directly involved with local physician recruitment activities as members recognize the vital importance of doctors and primary care services for attracting employers, investment, and employee retention.

Federal, provincial and territorial governments have all promised to improve access to care. Setting a target to reduce just 10 per cent of the unnecessary administrative burden could save 1.9 million physician hours, reduce doctor fatigue and burnout, improve the quality of patient care, and save public financial resources.

## Recommendations

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

1. Collaborate with physicians, healthcare administrators, and related stakeholders to identify key performance indicators for administrative workloads and set measurable targets based on industry benchmarks, ensuring meaningful improvements in physician efficiency.
2. Prioritize investments in secure digital technology, standardized forms, and centralized waitlist management to reduce administrative burdens while maintaining patient data security and efficiency.
3. Collaborate with the Ontario Medical Association (OMA) and other healthcare organizations to implement proven strategies that reduce physician workload while improving system accessibility and economic sustainability.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

# I. Improving Access to Family Medicine

**Submitted by:** Peterborough and the Kawarthas Chamber of Commerce.

**Co-sponsored by:** Burlington Chamber of Commerce, Belleville Chamber of Commerce, and the Brockville and District Chamber of Commerce

## Issue

Reduce the administrative and financial burden for physicians in Ontario and create fair recruitment standards.

## Background

Currently, 2.5 million Ontarians are without a family physician<sup>363</sup>. When there is a lack of family physicians, people rely on our emergency rooms for lower acuity services, which can add backlog for others awaiting severe treatment. This was further proven when 2023 Ontario's auditor general found that one in five patients go to the hospital because they don't have a family doctor — and many of these cases were for non-urgent care<sup>364</sup>.

Municipalities across Ontario are scrambling to recruit doctors. This creates a vacuum of desperation for municipalities that are left to find funding and compete for physicians at a time when people all over Ontario need physicians.

Municipalities such as North Perth, Bracebridge, Peterborough, Sault Ste. Marie, and St. Catharines have reported a “hunger games” strategy in recruiting doctors<sup>365</sup>. Smaller municipalities with smaller tax bases struggle to post the same attractive incentives compared to larger municipalities.

Alongside competitive recruitment standards, family medicine has become less desirable due to high overhead costs, significant administrative burdens, and less-competitive compensation. As reported by the Ontario Medical Association (OMA), which represents over 43,000 doctors in Ontario, family physicians reportedly cover

<sup>363</sup> Ireland, N. (2024, July 12). *2.5 million Ontarians don't have a family doctor, college says*. CBC. <https://www.cbc.ca/news/canada/toronto/ontario-family-doctor-shortage-record-high-1.7261558>

<sup>364</sup> Casey, L. (2023, December 6). *1 in 5 Ontario ER patients needed a family doctor, not urgent care. Auditor says*. CBC News. CBC. <https://www.cbc.ca/news/canada/toronto/ontario-auditor-general-report-doctor-urgent-care-1.7050679>

<sup>365</sup> Cooper, B. (2024, August 7). *“Hunger games style”: Bracebridge councillors critical of municipalities offering physician incentives to move to Muskoka*. Muskoka Region. [https://www.muskokaregion.com/news/hunger-games-style-bracebridge-councillors-critical-of-municipalities-offering-physician-incentives-to-move-to-muskoka/article\\_94d68e09-7fa3-5f18-adf7-c264654d67d0.html](https://www.muskokaregion.com/news/hunger-games-style-bracebridge-councillors-critical-of-municipalities-offering-physician-incentives-to-move-to-muskoka/article_94d68e09-7fa3-5f18-adf7-c264654d67d0.html)

30% of costs and, in some cases, 50%<sup>366</sup>. Family Physicians function as business owners. High overhead costs can disincentivize physicians from pursuing the family medicine. The Ontario College of Family Physicians found that two-thirds of its members plan to change their practice model, reduce their hours, or retire in the next five years.

In addition, medical students are increasingly choosing not to practice family medicine. Family physician vacancies increased from 30 in 2020 to 108 in 2024<sup>367</sup>. 108 out of 560 positions to practice family medicine for a student's residency went unfilled. Postsecondary institutions are working to reverse this trend, providing programming and hands-on development opportunities such as Primary Care Teaching Clinics, which provide medical students real world experience and encourage them to choose careers family medicine. Despite these efforts, concerns relating to the administrative burden and the insufficient profit for the workload are driving prospective students away from practicing family medicine.

Physicians can make more money working in hospital emergency rooms without the hassle of overhead costs and administrative burdens that come from maintaining a family practice. At a time when 2.5 million Ontarians do not have a doctor, it is imperative that we attract and retain as many doctors as possible.

One of these administrative burdens is sick notes. According to the OMA, sick notes take up approximately 19 hours of a doctor's work week, around 40% of their working week<sup>368</sup>. The Ontario Government recently reduced the administrative burden of doctors' notes, however, reducing the administrative burden only alleviates the issue to a certain level. The focus should be on removing the burden entirely rather than patching a band-aid on this burden. These hours could be used to support patients rather than administrative work. We need to let doctors be doctors.

Aside from administrative burdens, the province of British Columbia took the initiative in 2022 by investing \$122 million to cover overhead costs for family physicians, which amount to 30 to 40 percent of a family doctors income<sup>369</sup>.

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<sup>366</sup> OMA Factsheet. (2024) Ontario Medical Association. (2024). <https://www.oma.org/newsroom/media-kit/oma-factsheet/>

<sup>367</sup> CBC. (2024, April 24). *Fewer medical school graduates choosing family medicine, Ontario Doctors Warn.* CBC news. <https://www.cbc.ca/news/canada/toronto/oma-declining-number-medical-school-students-family-medicine-1.7182901>

<sup>368</sup> OMA Factsheet. (2024) Ontario Medical Association. (2024). <https://www.oma.org/newsroom/media-kit/oma-factsheet/>

<sup>369</sup> DeRosa, K. (2022, August 25). *B.C. announces \$118 million for family doctors to cover overhead costs.* Vancouver Sun. Vancouver Sun. <https://vancouversun.com/news/local-news/province-announces-118-million-family-doctors-to-cover-overhead-costs>

Projections suggest that nearly 25% of Ontarians could be without a family doctor in the next two years<sup>370</sup>. This alarming trend underscores the urgent need to make family medicine more appealing, equitable, and sustainable for practitioners and future recruits.

The government of Ontario needs to prioritize crafting a desirable and sustainable field of family medicine to ensure every Ontario can have access to a family doctor.

## Recommendations

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

1. Reduce the financial and administrative burden on family medical practices in Ontario and create fair recruitment standards province-wide:
  - a. Establish fair recruitment standards with limits on financial incentives for physician recruitment across municipalities, regardless of their economic capacity.
  - b. Reduce overhead costs and administrative burdens for new physicians to make family medicine a more viable and attractive career choice.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

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<sup>370</sup> *OMA Factsheet*. (2024) Ontario Medical Association. (2024). <https://www.oma.org/newsroom/media-kit/oma-factsheet/>

## J. Tackling Ontario's Addictions, Homelessness, and Mental Health Crisis

**Submitted by:** Peterborough and the Kawarthas Chamber of Commerce.

**Co-sponsored by:** Burlington Chamber of Commerce, Brockville and District Chamber of Commerce, Orillia & District Chamber of Commerce, Port Hope and District Chamber of Commerce, St. Thomas & District Chamber of Commerce, Greater Kingston Chamber of Commerce, Belleville Chamber of Commerce, and the Guelph Chamber of Commerce

### Issue

Ontario is in crisis. An estimated 10% of Ontarians use substances problematically<sup>371</sup>. The Government of Ontario estimated in 2024 that there are 234,000 people homeless<sup>372</sup>. Further, 6.7 million Canadians are living with a mental health condition<sup>373</sup>. There is an urgent need for substantial long-term investments in facilities, supports, and programs to improve health outcomes and living standards for our most vulnerable.

### Background

It is time for the Government of Ontario to make substantial, long-term investments to address the crisis around addictions, homelessness, and mental health. An average of 7 people died from opioid use every day in 2023 in Ontario<sup>374</sup>. One in five Canadians experience mental illness every year<sup>375</sup>. Meanwhile, homelessness is on the rise and rapidly increasing. It increased 67% from 2007 to 2016, at which point it accelerated and increased a further 290% from 2016 to 2023<sup>376</sup>.

<sup>371</sup> [CMHA. \(2024\). \*Substance use and addiction\*. CMHA Ontario. <https://ontario.cmha.ca/addiction-and-substance-use-and-addiction/#:~:text=In%20Ontario%2C%20it%20is%20estimated,the%20population%20use%20substances%20problematically>](https://ontario.cmha.ca/addiction-and-substance-use-and-addiction/#:~:text=In%20Ontario%2C%20it%20is%20estimated,the%20population%20use%20substances%20problematically)

<sup>372</sup> [Pinkerton, C., & Hauen, J. \(2024\). \*Ontario's "unofficial estimate" of homeless population is 234,000: Documents\*. The Trillium. <https://www.thetrillium.ca/news/housing/ontarios-unofficial-estimate-of-homeless-population-is-234000-documents-9341464>](https://www.thetrillium.ca/news/housing/ontarios-unofficial-estimate-of-homeless-population-is-234000-documents-9341464)

<sup>373</sup> [CMHA. \(2016\). \*Mental health statistics - CMHA Ontario\*. CMHA Ontario. <https://ontario.cmha.ca/wp-content/uploads/2016/10/CMHA-Mental-health-factsheet.pdf>](https://ontario.cmha.ca/wp-content/uploads/2016/10/CMHA-Mental-health-factsheet.pdf)

<sup>374</sup> [RNAO. \(2023\). \*Ontario's escalating overdose crisis\*. <https://rnao.ca/policy/issues/opioid-overdose>](https://rnao.ca/policy/issues/opioid-overdose)

<sup>375</sup> [CAMH. \(2024\). \*Mental illness and addiction: Facts and statistics\*. <https://www.camh.ca/en/driving-change/the-crisis-is-real/mental-health-statistics>](https://www.camh.ca/en/driving-change/the-crisis-is-real/mental-health-statistics)

<sup>376</sup> [Pinkerton, C. \(2024, August 16\). \*The Ford Government says its data was botched - so how many people are homeless in Ontario?\*. The Trillium. \[https://www.thetrillium.ca/news/housing/the-ford-\]\(https://www.thetrillium.ca/news/housing/the-ford-people-are-homeless-in-ontario?\)](https://www.thetrillium.ca/news/housing/the-ford-people-are-homeless-in-ontario?)

We see this crisis visibly in our communities. Nearly every community in Ontario has people living rough, even through our cold Ontario winters. We see people experiencing mental health struggles in our public spaces and businesses. Drug paraphernalia and people using drugs are a common sight on our streets and in our parks.

While not everyone who is homeless struggles with mental health or addictions, these issues are interconnected. Similarly, there are many Ontarians struggling with addictions and mental health issues hidden away in their homes and workplaces. The construction industry is disproportionately impacted by the crisis, with its workers accounting for nearly 1 in 13 opioid toxicity deaths<sup>377</sup>. Mental health and addiction challenges extend far beyond those experiencing homelessness—they impact people in all walks of life, including essential workers who keep our economy running.

The result of this crisis is poor health and social outcomes for hundreds of thousands of Ontarians. This all comes at a high financial cost as well. There is a lack of data on the overall costs to our public services, but people in crisis engage with supports at the most expensive part of the process. One night in the hospital costs nearly \$7,000, a visit from EMS can be close to \$1,000, and a shelter bed can be more than \$300/night<sup>378 379</sup>. It's difficult to find accurate and up-to-date data on the cost of this crisis as it is not being tracked or reported. A study from the Canadian Medical Association back in 2017 found the costs of being homeless in Canada ranged from \$15,530 to \$341,535, with those with mental illness generating higher costs<sup>381</sup>.

When people are living rough and dealing with addictions and mental health in public spaces it is often the businesses who take on a large portion of the challenges. Businesses are cleaning up drug paraphernalia and human waste. They're dealing with safety concerns among staff and patrons, resulting in a loss of customers and

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[government-says-its-data-was-botched-so-how-many-people-are-homeless-in-ontario-9435686#:~:text=Their%202019%2Dpublished%20peer%2Dreviewed,per%20cent%20increase%20from%202007](#)

<sup>377</sup> NSC. (2023). *Work safety topic: Overdose deaths - injury facts*. NSC Injury Facts.

<https://injuryfacts.nsc.org/work/safety-topics/overdose-deaths/>

<sup>378</sup> CIHI. (2023). *Cost of a Standard Hospital Stay*.

[https://yourhealthsystem.cihi.ca/hsp/inbrief?lang=en#!/indicators/015/cost-of-a-standard-hospital-stay;/mapC1;mapLevel2;trend\(C1,C5001\)](https://yourhealthsystem.cihi.ca/hsp/inbrief?lang=en#!/indicators/015/cost-of-a-standard-hospital-stay;/mapC1;mapLevel2;trend(C1,C5001))

<sup>379</sup> ApexProConsulting Inc. (2019). *Review of Eastern Ontario Paramedic Services "situational overview"*.

Peterborough County. <https://www.ptbcountry.ca/en/governing/resources/EOWC-Paramedic-Report/Service-Profile-Peterborough.pdf>

<sup>380</sup> Newcombe, D. (2023, September 22). *Deputy Mayor defends \$111,000 average annual cost to operate each bed in London's homeless hubs*. London. <https://london.ctvnews.ca/deputy-mayor-defends-111-000-average-annual-cost-to-operate-each-bed-in-london-s-homeless-hubs-1.6572787>

<sup>381</sup> Latimer, E. A., Rabouin, D., Cao, Z., Ly, A., Powell, G., Aubry, T., Distasio, J., Hwang, S. W., Somers, J. M., Stergiopoulos, V., Veldhuizen, S., Moodie, E. E. M., Lesage, A., & Goering, P. N. (2017, July 18). *Costs of services for homeless people with mental illness in 5 Canadian cities: A large prospective follow-up study*. CMAJ Group.

challenges retaining staff. Costly investments in security are not stemming the flow of lost revenue.

Social service agencies are struggling to address the roots of the issue at the local level. There are few addictions treatment centres, mental health facilities, and supportive housing options for those living on the margins. The wait lists are long and not conducive to moving people toward better health outcomes. It will take action from all levels of government, but the Province needs to take the lead on this public healthcare crisis.

Many of the provincial funding opportunities are focused on operating funds with short turnarounds. It's difficult to get the appropriate zoning, permits, and approvals to retrofit an existing building for something like a detox centre, let alone run a successful fundraising campaign and complete construction. Municipalities, charities, and non-profits are desperately working to address these issues at the local level, but they need significant and long-term support from the Province to properly tackle this crisis in our communities and change the trend toward better housing and health outcomes.

This crisis has been building for more than two decades and spans multiple governments. Similarly, it will take time and multiple election cycles to build the support network that will properly address this crisis. As an old proverb states, the best time to plant a tree was 20 years ago. The second-best time is today. We need to invest in the infrastructure today to properly address our homelessness and mental health crisis for decades to come.

## Recommendations

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

1. Calculate and assess the costs of addressing homelessness, addictions, and mental health issues (hospital visits, paramedic services, social service outreach, police interactions, etc.) to quantify the current cost of this crisis.
2. Declare an emergency on homelessness and update the Roadmap to Wellness Plan with a timeline and measurable goals to improve people's housing security, reduce addictions, and improve mental health outcomes.
3. Set reduction targets for wait times for mental healthcare and addictions treatment by investing in additional mental health and addictions facilities, including capital funding for new constructions.
4. Invest in supportive housing, including capital and operating funds, to help transition people into secure housing.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## K. Ontario's Life Sciences Industry: Unlocking the Health Innovation Pathway

Submitted by: The Mississauga Board of Trade

### Issue

Ontario's economic growth and competitiveness within the Life Sciences Sector is critical to help the province thrive in various aspects, not just health care but also agriculture, medical technology and education. In 2024, the province released "Taking Life Sciences to the Next Level: Ontario's Strategy".

Given that Ontario is home to world leading life sciences, concentrated action needs to be focused on the implementation of the plan. The plan has the capability to resonate in meeting the needs of all regions of the province.

Now, Ontario needs to contemplate how to use that Strategy so that the industry can be positioned for success in the years to come.

### Background

Ontario has been home to a sizeable and burgeoning life sciences sector for many decades. Researchers have made important discoveries including insulin in the 1920s. Subsequent to insulin's discovery, the commercialization of insulin was not done by a Canadian company. How can we learn from this experience so that Canadian companies are bringing new products to market?

Today, within Ontario, there are several cities where the greatest work occurs in life sciences – and the benefits are felt throughout the entire province. Ontario is home to over 2,000 life science companies representing 44 per cent of the industry in Canada; it is also home to many world-class universities and research institutions delivering ground-breaking innovations in our life sciences and health sectors.

Moreover, there are 72,000 people employed in excellent, high-value employment across the province. The industry produces \$12.5 billion in exports annually, which depends on our ability to cultivate the highly skilled talent that supports this critical sector.

The decisions made today can make the difference between an Ontario life sciences industry that has successful outcomes or mediocre results.

There are some additional reasons to contemplate how the Ontario life science industry can be positioned for success:

- i. Healthier people = healthier / productive economies
- ii. Increased productivity will help address what the Bank of Canada has called the Canadian economy's "productivity emergency".

Some of the key points from the Ontario Life Sciences Strategy include:

1. **Advancing research and development** to enhance the province's biomanufacturing capacity and capitalize on opportunities for commercialization.
2. **Unlocking new streams of capital** that help entrepreneurs turn their ideas and prototypes into market-ready products.
3. **Supporting the existing ecosystem** by enhancing the province's value proposition and positioning Ontario as a premier destination for global business growth and new investments.
4. **Adopting a culture of innovation** so home-grown companies can leverage opportunities throughout the province's health care system.
5. The global life sciences sector is valued at a combined US\$2.83 trillion and represents a significant opportunity for Ontario to leverage its strengths in the sector and harness the economic value of Ontario's health-care system – the largest publicly funded health-care system in Canada.

Additionally, approvals for the listing of drugs on the public provincial formulary can take a lengthy period – sometimes upwards of two years. To bring new, innovative drugs to market after regulatory approval, expedited listing of drugs by the drug plans is vital to help Ontarians live healthy, productive lives and to support a growing economy. A Conference Board of Canada report in 2024 found that the average time from Health Canada approval to initial listing of a drug on a public provincial formulary was approximately 25 months.

## Recommendations

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

1. Release of the Health Innovation Pathway to provide service providers with the ability to buy, use, and generate evidence for promising new products. This will allow the adoption of new technologies in clinical diagnosis, treatment, reduce backlogs and improve outcomes.

2. Accelerate access to new and innovative medicines by working with industry stakeholders, Canada's Drug Agency (CDA) and the pan-Canadian Pharmaceutical Alliance (pCPA) to improve timeframes for the listing of new and innovative medicines in Ontario.

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## L. Modernizing Mental Health Coverage for a Productive Ontario

**Submitted by:** Timmins Chamber of Commerce

**Co-sponsored by:** North Bay Chamber of Commerce, Sault Ste. Marie Chamber of Commerce, Northern Corridor Chamber of Commerce, Cochrane Board of Trade, Thunder Bay Chamber of Commerce and the Muskoka Lakes Chamber of Commerce

### Issue

Ontario's workforce stability is threatened by a mental health crisis that current public coverage gaps fail to address. Excluding psychotherapy from OHIP forces a reliance on high-cost crisis care, shifting the burden from proactive community support to expensive hospital systems. A mental health-related Emergency Department (ED) visit costs roughly \$423 (more than double the average visit) while related disability leaves cost businesses nearly \$18,000.<sup>382,383</sup> This misalignment undermines both healthcare capacity and economic productivity.

### Background

#### The Economic Rationale for Early Intervention

Excluding psychotherapy from OHIP destabilizes Ontario's economy by forcing individuals to face unacceptable choices: paying high out-of-pocket fees, joining lengthy public waitlists, or relying on high-cost emergency departments when needs escalate to crisis.

- Publicly funding psychotherapy yields a net societal return of roughly \$2 for every \$1 invested through reduced hospitalizations, long-term disability claims, and system savings.<sup>384</sup>
- Productivity loss caused by an employee working while experiencing untreated mental health challenges is estimated to be three times greater than the loss caused by an actual absence.<sup>385</sup>

<sup>382</sup> Canadian Mental Health Association. (2023, Jan.). [Maintaining the Momentum](#). (2024 Pre-Budget Submission).

<sup>383</sup> Centre for Addiction and Mental Health. (2010, Sep. 10). [Mental Health Leaves Most Costly Disability to Canadian Employers](#).

<sup>384</sup> Vasiliadis, H. M. et al.. (2017). [Insuring Psychological Services as Part of Medicare for Depression](#). *Psychiatry Services*, 68(9), 899-906.

<sup>385</sup> Conference Board of Canada. (2023, Aug.). [Why Employees Choose Work Over Wellness](#).

- Mental illness is now the fastest-growing category of disability claims, accounting for 30% of all claims and 70% of all workplace disability costs.<sup>4</sup>

### **Hospital Strain and the Cost of Crisis Care**

Without access to community psychotherapy, the ED has become the default provider of mental health care. This reliance is fiscally unsustainable and contributes to extreme hospital gridlock.

- A mental health-related ED visit costs \$423 on average, more than double the \$165 direct cost of a standard ED visit, due to higher resource intensity required for crisis stabilization.<sup>1,386</sup>
- Nearly half of adults presenting to psychiatric EDs had no outpatient mental health care in the two years leading up to their crisis, indicating a systemic lack of timely, community-based access to care.
- Only 40% of psychiatric ED patients receive follow-up care within 14 days, resulting in a scenario where 10% of these patients return to the ED four or more times in a single year.<sup>387,388</sup>
- Proactive support has already proven effective, as 10 CMHA branches diverted over 17,700 ED visits in two years, saving the hospital system roughly \$7.5 million.<sup>1</sup>

### **The Case for Small Business Support**

Ontario's small business owners face significant financial barriers to providing mental health care compared to large corporations, creating an uneven playing field for talent.

- A refundable tax credit would empower roughly 500,000 small businesses in Ontario that employ over 2.5 million people but lack the scale to negotiate affordable private insurance.<sup>389</sup>
- Every \$1 an employer spends on mental health yields a median return of \$1.62 within a year, rising to \$2.18 after three years through reduced turnover and disability claims.<sup>390</sup>

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<sup>386</sup> Office of the Auditor General of Ontario. (2023, Dec.). [Value-for-Money Audit: Emergency Departments](#).

<sup>387</sup> Barker L. C. et al.. (2020). [Urgent Outpatient Care Following Mental Health ED Visits](#). *Psychiatric Services*, 71(6), 616-619.

<sup>388</sup> Canadian Institute for Health Information. (2025, Oct.). [Frequent ER Visits for Help with Mental Health and Substance Use](#).

<sup>389</sup> Ontario Ministry of Economic Development, Job Creation and Trade. (2025, Oct. 22). [Ontario Celebrates Small Business Week](#). Ontario Newsroom.

<sup>390</sup> Kangasniemi, A., Maxwell, L., & Sereneo, M. (2019, Nov. 4). [The ROI in Workplace Mental Health Programs](#). Deloitte Insights.

- Only 13% of small businesses (under 50 employees) expanded mental health support compared to 50% of large corporations (over 1,000 employees) during economic shifts, leaving the backbone of Ontario’s economy structurally under-resourced.<sup>391</sup>
- Failing to support these businesses forces the province to absorb a share of the \$20 billion annual drain on the Canadian economy caused by workplace absenteeism and “presenteeism,” which recent data shows now affects 70% of the workforce.<sup>392,393</sup>
- Small businesses that prioritize mental health prevention see a 27% burnout rate compared to 47% for those taking no action, resulting in average savings of \$3,400 per employee per year.<sup>394</sup>

### **Demand, Equity, and Regional Capacity**

Ontario’s mental health infrastructure is failing to keep pace with demand, particularly in Northern and rural regions where the system is most fragile.

- Over 2.5 million Ontarians lack a family doctor, a figure forecasted to hit 4.4 million residents by 2026.<sup>395</sup> This shortage makes traditional ‘gatekeeper’ referral models for mental health care impossible for 1 in 4 residents.
- This pilot directly supports the *2025 Primary Care Action Plan* by redirecting appropriate mental health care from family physicians to registered therapists based on clinical assessment.
- These challenges are most acute in Northern Ontario, where just 6.5% of Ontario’s family doctors serve a population facing mental health hospitalization rates nearly double the provincial average.<sup>396</sup>
- Rural residents face a 131-day wait for mental health support (versus 41 days in urban centres), a delay that keeps workers sidelined as rural crisis calls for issues like Alcohol Use Disorder rose by 9% last year.<sup>397</sup>

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<sup>391</sup> Canadian Psychological Association & Mental Health Coalition of Canada (MHCC). (2022, May). [Extended Mental Health Benefits in Canadian Workplaces](#).

<sup>392</sup> MHCC. (2018, Feb.). [A Clear Business Case for Hiring Aspiring Workers](#).

<sup>393</sup> TELUS. (2025). [The State of Mental Health and Wellbeing in Canadian Workplaces](#). TELUS Health.

<sup>394</sup> Mental Health Research Canada. (2025, Jun.). [Mental Health in the Workplace 2025](#).

<sup>395</sup> Ontario College of Family Physicians. (2023, Nov. 7). [More than Four Million Ontarians Will be Without a Family Doctor by 2026](#).

<sup>396</sup> Mandal, A., & Burella, M. (2021). [Inadequate Mental Health Supports in Rural and Northern Ontario](#). Ontario Medical Students Association.

<sup>397</sup> Rural Ontario Institute. (2025, Mar.). [Rural Wellbeing: Mental Health Factsheet](#).

- Currently 28,000 children and youth are waiting for community services, with wait times for intensive programs reaching up to 2.5 years.<sup>398</sup> This lack of timely intervention forces parents to miss work, draining an estimated \$421 million from the provincial economy annually in lost productivity.<sup>399</sup>

### Operational Implementation

A fiscally responsible OHIP pilot must be anchored in evidence-based care and low-barrier entry to prevent crises before they occur.

- 50% of clients experience clinically significant improvements by the eighth session, with the most effective short-term models recommending a range of eight to 12 sessions.<sup>400</sup>
- This pilot adopts a Two-Stream Practice Model, enabling registered practitioners to deliver OHIP-funded care alongside existing private-pay or non-profit services, with participation parameters designed to expand access without displacing existing care and existing programs.
- To comply with the *Commitment to the Future of Medicare Act, 2004*, the pilot strictly prohibits “extra-billing” to ensure patients are never charged additional fees for insured sessions.
- Access would be based on practitioner-led clinical assessment and reassessment, with clear referral pathways for individuals requiring higher-intensity or specialized services.
- To bypass physician waitlists, this model implements a multi-point referral system, including self-referral, schools, and agencies, to bridge service gaps and reduce non-acute ED visits.
- Therapist-led standardized assessments will ensure clinical accuracy and triage resources towards those with the highest need, preventing system strain from low-acuity cases.

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<sup>398</sup> CMHO. (2020, Jan. 27). [28,000 Ontario Children and Youth Are Waiting for Community Mental Health Services](#).

<sup>399</sup> CMHO. (2019). [Annual Report Card: The Burden of Kids Mental Illness on Families and the Economy](#).

<sup>400</sup> Saxon, D., Firth, N., & Barkham, M. (2016). [The Relationship Between Therapist Effects and Therapy Delivery Factors](#). *Administration and Policy in Mental Health*, 44(5), 705-715.

## Recommendations

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

1. Establish a three-year Psychotherapy Pilot Program under Section 45 of the Health Insurance Act, 1990 structured as:
  - a. Provide up to 12 OHIP-covered psychotherapy and mental health sessions annually delivered by Registered Psychotherapists, Registered Social Workers, and Psychologists, with access guided by clinical assessment and referral pathways to physicians, psychiatrists, or nurse practitioners where medication support is required.
  - b. Operate under a Two-Stream Practice Model allowing OHIP-funded care alongside private/non-profit services, with safeguards to prevent displacement of existing community programs and service rates aligned with provincial regulatory college guidance.
  - c. Implement a phased rollout, beginning with Northern and rural communities facing the greatest access challenges, then expanding to urban and mid-sized regions, and province-wide as capacity grows. Evaluate expansion rollout based on clinical outcomes, community access improvements, workforce capacity, and system cost performance.
  - d. Include investment in awareness and navigation tools to help employers, individuals, practitioners, and system partners understand and promote eligibility, billing procedures, and referral pathways.
2. Finance the pilot through graduated implementation with annual participant caps, Mental Health Social Impact Bonds linking private investor returns to measurable savings in ED visits and disability claims, and federal cost-sharing (50%) under Canada's health accord as an innovative mental health access pilot.
3. Institute a 25% Refundable Mental Health Employer Tax Credit under the Taxation Act, 2007 to enable small- and medium-sized businesses to provide psychotherapy benefits. The credit would provide a maximum annual refund of \$500 per employee, incentivizing a total investment of \$2,000 per worker in services delivered by Registered Psychotherapists, Registered Social Workers, or Psychologists. Eligibility should be limited to Ontario-based employers with fewer than 500 employees.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# M. Returning From Crisis to Care: Take Back Responsibility for Ontario's Health and Housing Systems

**Submitted by:** Belleville Chamber of Commerce

**Co-sponsored by:** Brockville & District Chamber of Commerce, Port Hope and District Chamber of Commerce, Peterborough and the Kawarthas Chamber of Commerce, Orillia District Chamber of Commerce, Hamilton Chamber of Commerce, Greater Oshawa Chamber of Commerce, Cambridge Chamber of Commerce, Chatham-Kent Chamber of Commerce, Whitby Chamber of Commerce, Barrie Chamber of Commerce, Leamington District Chamber of Commerce, St. Thomas & District Chamber of Commerce, Greater Kingston Chamber of Commerce, and the Greater Sudbury Chamber of Commerce

## Issue

Communities across Ontario are experiencing escalating community safety impacts linked to unmet mental health and addictions (MHA) needs, homelessness, and housing instability. This has increased reliance on police, paramedics, and emergency departments (EDs), while chronically underfunded community agencies, city councils and local taxpayers absorb expanding responsibilities and costs.<sup>401402</sup>

Managing the crisis is becoming a structural feature of society that requires budget and resources at the municipal level, diverting taxpayer dollars to support front-line service needs rather than investing in infrastructure and development that support the sustainable growth of their communities.

## Background

The Hidden Costs of Community Safety documents post-pandemic increases in visible homelessness, substance use, public disorder, and crisis behaviours outpacing local capacity and affecting business operations and confidence in shared spaces.<sup>403</sup>

<sup>401</sup> [The Hidden Costs of Community Safety \(Loyalist College / Centre for Healthy Communities\), scope and impacts overview.](#)

<sup>402</sup> [City of Belleville, Understanding Homelessness Task Force Minutes \(21 Jan 2026\), first responder strain/context.](#)

<sup>403</sup> [The Hidden Costs of Community Safety, post-pandemic trends and capacity pressures.](#)

Businesses are increasingly funding community safety responses (e.g., security infrastructure, staffing, access controls), contributing to an inequitable “privatization” of safety—particularly harmful for small business.<sup>404405</sup>

Belleville’s Understanding Homelessness Task Force minutes reflect growing downstream strain: police reported approximately 33,000 incidents annually; paramedic staffing expanded substantially; and front-line workers cite increased risk and compassion fatigue.<sup>406</sup>

Task Force materials also highlight “continuum gaps” (treatment/recovery access, navigation, discharge coordination) that drive repeat crises and recurring emergency response.<sup>407408</sup>

OCC analysis emphasizes the long-tail “echo pandemic” impacts of MHA on workforce participation and business resiliency, and the need for coordinated, cross-system solutions.<sup>409</sup>

OCC work on substance use and overdose cautions against single-track responses and underscores the need for evidence-based collaboration and comparable data to guide interventions and reduce unintended harm.<sup>410411</sup>

As summarized by Sharan Khela following the January Beyond Blue Monday Roundtable, hosted by the OCC, “One of the strongest themes that surfaced was the importance of not working in siloes. Many of you emphasized the need for integrated approaches for a continuum of care, shared responsibility, and ongoing collaboration across sectors”.<sup>412413</sup>

But we should reframe “shared responsibility” and stand as the “indispensable partner of business” to urge the Government of Ontario to fulfill its provincial responsibility to

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<sup>404</sup> [The Hidden Costs of Community Safety, business-borne costs / privatization of safety.](#)

<sup>405</sup> [The Hidden Costs of Community Safety, examples of costs and operational impacts.](#)

<sup>406</sup> [City of Belleville, Understanding Homelessness Task Force Minutes \(21 Jan 2026\), first responder strain/context.](#)

<sup>407</sup> City of Belleville, Understanding Homelessness Task Force Minutes (07 Jan 2026), discharge/coordination gaps.

<sup>408</sup> [Notes \(Jan 7\), system navigation / wraparound gaps contributing to repeat crises.](#)

<sup>409</sup> [Ontario Chamber of Commerce, Mind the Gap \(final\), MHA “echo pandemic” framing and system solutions.](#)

<sup>410</sup> [Ontario Chamber of Commerce, Substance Use and Opioid Overdose Crisis \(final\), limits of single-track responses.](#)

<sup>411</sup> [Ontario Chamber of Commerce, Substance Use and Opioid Overdose Crisis \(final\), collaboration, intervention review, comparable data.](#)

<sup>412</sup> [City of Belleville, Understanding Homelessness Task Force Minutes \(21 Jan 2026\), first responder strain/context.](#)

<sup>413</sup> [The Hidden Costs of Community Safety, post-pandemic trends and capacity pressures.](#)

provide adequate health care and housing systems to serve all the people who live here.

Even chambers of commerce and boards of trade have adjusted our advocacy mandate to acknowledge social issues are business issues, because the current crisis has an impact on economic development and growth. The OCC can help by standing up with municipalities, agencies, and front-line workers who have extended their roles for years and built integrated approaches, forced into “shared responsibility” of a problem created by the cumulative damage of decades of insufficient provincial system capacity. This adaptation has also masked the true scale of unmet need.<sup>414415</sup>

There are multiple communities and organizations trying to build solutions around the crisis. As “honest brokers” supporting our members who feel the impact across the spectrum, we are not in a position to identify specific solutions within the recommendations but we can add our voice to those who can.

The following outlines an overview of requests and recommendations as provided through ongoing consultation across the province around multiple tables. There is no one right answer, but all of these should be incorporated into building a crisis management support program.

1. Adopt an integrated continuum-of-care standard for community safety and crisis response across ministries and regions, requiring coordinated planning and joint accountability across health, housing, social services, and justice/community safety partners.<sup>416</sup>
2. Fund integrated crisis response and “warm hand-off” pathways so police/EMS/EDs are not the default entry point for unmet MHA needs (e.g., mobile crisis, rapid access pathways, outreach, navigation, coordinated case management).<sup>417418</sup>
3. Stabilize community MHA and homelessness-serving agencies with multi-year operating funding to support staffing continuity, clinical capacity, navigation, and coordinated supports—reducing reliance on short-term, project-based cycles that do not match sustained demand.<sup>419420</sup>

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<sup>414</sup> The Hidden Costs of Community Safety, business-borne costs / privatization of safety.

<sup>415</sup> [City of Belleville, Understanding Homelessness Task Force Minutes \(21 Jan 2026\), front-line risk/strain supporting extended roles.](#)

<sup>416</sup> The Hidden Costs of Community Safety, integrated approach requirement (multi-pronged responses).

<sup>417</sup> [City of Belleville, Understanding Homelessness Task Force Minutes \(21 Jan 2026\), first responder strain/context.](#)

<sup>418</sup> Notes (Jan 7), system navigation / wraparound gaps contributing to repeat crises.

<sup>419</sup> The Hidden Costs of Community Safety, systems-scale solutions beyond short-term fixes.

<sup>420</sup> [Ontario Chamber of Commerce, Mind the Gap \(final\), recommendation set supporting multi-sector capacity building.](#)

4. Invest in prevention beginning with access to primary care across the life course, including team-based primary care models with embedded mental health and addictions supports to reduce avoidable escalation into crisis.<sup>421422</sup>
5. Scale housing stability and supportive housing as essential system infrastructure, including operating supports for individuals who cannot live independently, to reduce repeat crisis, justice involvement, and emergency utilization.<sup>423424</sup>
6. Strengthen discharge planning and inter-agency coordination for high-risk transitions (hospital, custody, shelter) with defined notification and service hand-off requirements to reduce “revolving door” crises.<sup>425</sup>
7. Standardize “no wrong door” coordination and shared data systems by expanding Coordinated Access and ensuring consistent use of shared information systems (e.g., HIFIS), enabling communities to plan, track outcomes, and reduce duplication.<sup>426427</sup>
8. Reduce red tape that delays integrated solutions, including streamlining approvals and aligning provincial funding timelines with real-world implementation for treatment/recovery infrastructure, supportive housing, and integrated hub models.<sup>428</sup>
9. Create a consistent outcomes framework and comparable reporting across ministries and communities to measure crisis diversion, time-to-access, housing stability, repeat interactions, and community/business impacts—supporting evidence-based scaling and reducing unintended harm.<sup>429430</sup>

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<sup>421</sup> [Ontario Chamber of Commerce, Mind the Gap \(final\), MHA “echo pandemic” framing and system solutions.](#)

<sup>422</sup> [Ontario Chamber of Commerce, Mind the Gap \(final\), recommendation set supporting multi-sector capacity building.](#)

<sup>423</sup> [Ontario Chamber of Commerce, Mind the Gap \(final\), supportive housing scale and system infrastructure framing.](#)

<sup>424</sup> [City of Belleville, Understanding Homelessness Task Force Minutes \(04 Dec 2025\), peer examples emphasizing housing-with-supports and operating constraints.](#)

<sup>425</sup> [City of Belleville, Understanding Homelessness Task Force Minutes \(07 Jan 2026\), discharge/coordination gaps](#)

<sup>426</sup> [City of Belleville, Understanding Homelessness Task Force Minutes \(17 Dec 2025\), Coordinated Access / HIFIS emphasis.](#)

<sup>427</sup> [City of Belleville, Understanding Homelessness Task Force Minutes \(17 Dec 2025\), by-name list data.](#)

<sup>428</sup> [OCC AGM Proposed Policy Resolutions Compendium, precedent language for streamlining approvals/reducing barriers to building supports.](#)

<sup>429</sup> [Ontario Chamber of Commerce, Substance Use and Opioid Overdose Crisis \(final\), data consistency limitations across jurisdictions.](#)

<sup>430</sup> [Ontario Chamber of Commerce, Substance Use and Opioid Overdose Crisis \(final\), collaboration, intervention review, comparable data.](#)

10. Modernize and align funding administration to reduce bureaucracy overload, including harmonized applications, reporting, and audits across ministries—so smaller communities and capacity-limited organizations are not disadvantaged or diverted from service delivery.<sup>431432</sup>
11. Reduce the privatization of community safety costs borne by business by investing in shared public-system capacity and integrated responses, improving safety without requiring businesses to self-fund essential public functions.<sup>433</sup>

## Recommendations

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

1. **Single Ministry Accountability and System Leadership.** Appoint one responsible ministry—with the funding, authority, and mandate—to lead the full continuum of housing, mental health, addictions, and community safety. This includes setting province-wide standards, coordinating cross-ministry action, and reporting publicly on outcomes so accountability is clear and action is measurable.
2. **Restore Prevention Systems and Long-Term Infrastructure.** Deliver long-term, upstream investments that reduce crisis pressure at the source, including:
  - a. **Massive capital investment** in affordable and supportive housing supply (e.g., the scale identified by municipal advocates to build tens of thousands of units over a decade).
  - b. **Income support reform** to reduce housing instability as a root cause, including higher social assistance rates and modernization of the social assistance system.
  - c. **Integrated health services** with sustained investment in community-based mental health and addictions services, including supportive housing with operating supports.
  - d. Rebuilding access to **primary health care across the life course** as a core prevention mechanism.

<sup>431</sup> [The Hidden Costs of Community Safety, business-borne costs / privatization of safety.](#)

<sup>432</sup> [City of Belleville, Understanding Homelessness Task Force Minutes \(04 Dec 2025\), smaller-community implementation/capacity realities.](#)

<sup>433</sup> [The Hidden Costs of Community Safety, impacts of privatized safety and need for shared public-system capacity.](#)

3. **Support Communities Managing the Crisis Now.** Provide near-term crisis capacity so communities can stabilize conditions while long-term systems are rebuilt, including:
  - a. Encampment-specific funding to transition people into appropriate supports and housing options.
  - b. Funding integrated crisis response and safe hand-offs so police/EMS/EDs are not the default entry point.
  - c. Strengthening discharge and transition coordination (hospital/custody/shelter) to reduce “revolving door” crises.
  - d. Reducing administrative barriers (streamlined approvals, aligned funding timelines, simplified reporting) so frontline partners spend time delivering services—not navigating bureaucracy.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

# ENERGY/NATURAL RESOURCES

## A. A Circular Approach to Electric Vehicles

**Submitted by:** Windsor-Essex Chamber of Commerce.

**Co-sponsored by:** Leamington Chamber of Commerce

### Issue

Ontario is increasingly moving towards the goal of a circular economy. More and more the focus is being put towards reducing waste and producers shoulder increasing responsibility for their products at the end of their lifespan, Ontario needs a plan to manage the end-of-life for electric vehicles (EVs).

### Background

In 2023, the Government of Ontario started moving the cost of recycling over to companies that produce the waste. This policy pushes the cost of recycling onto producers with the aim of reducing the amount of recyclable goods ending up in landfills. The idea behind this approach, the circular economy, can easily be applied to electric vehicles and their components. While these present unique challenges as compared to traditional internal combustion engine vehicles, a circular economy approach to electric vehicles and their components presents great opportunities to make the new technology even more environmentally sustainable.

The batteries that power EVs present unique challenges for recycling. Extracting reusable material that can be salvaged for future use and developing future uses are essential in responsibly dealing with the end-of-life waste created by EVs. There needs to be a holistic approach that encourages not only recycling but also reuse of the salvageable parts of EVs. Promoting one approach can lead to neglect of the other<sup>434</sup> so any circular approach to dealing with EVs needs to contain both elements.

Manufacturers should first look at reuse as their primary means of dealing with these batteries. If a new EV gets in an accident, unless it is damaged, that battery should not be written off. Recirculating that battery allows it to still be productive. For example, Nissan reuses old batteries from its Nissan Leaf models to power robots that move parts around its factories.<sup>435</sup> By exploring alternative uses for EV batteries, they offer manufacturers additional value beyond their initial purpose.

<sup>434</sup> [A circular economy approach is needed for electric vehicles | Nature Electronics](#)

<sup>435</sup> [Electric cars: What will happen to all the dead batteries? \(bbc.com\)](#)

As these batteries approach their end-of-life point beyond when their reuse is possible, companies must then salvage what materials they can. According to the United States Department of Energy, current recycling methods for lithium-ion batteries can recapture 95 percent of the original raw materials.<sup>436</sup> Recycling these materials can supply a significant amount of anticipated demand for cobalt, manganese, lithium, and nickel.<sup>437</sup>

As this industry is in the midst of its growth in Ontario, the time is now to address this issue and before an influx of EVs end up in our junkyards. By implementing best practices now, Ontario can avoid playing catch up when confronted with this challenge down the road.

## Recommendations

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

1. Work with industry and post-secondary institutions to develop a comprehensive plan to ensure that the end-of-life treatment of electric vehicles follows a circular approach including:
  - a. Strategies for how batteries can be reused at the end of their vehicle use lifespan, and
  - b. Incentivize increased recycling of electric vehicle components including from their batteries.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

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<sup>436</sup> [EV Battery Recycling and Sustainability | Arrow.com](#)

<sup>437</sup> [A circular economy approach is needed for electric vehicles | Nature Electronics](#)

## B. Leveraging Natural Gas for a Cost-Efficient Energy Transition and Ontario's Economic Competitiveness

Submitted by: Sarnia Lambton Chamber of Commerce

### Issue

Ontario requires a robust energy sector that puts certainty in future access to natural gas and sets a deliberate course which assures natural gas delivery in Ontario's energy mix, impacting millions of Ontarians and businesses who depend on natural gas for heating and day-to-day operation. Any action to destabilize the vitality of natural gas system such as the Ontario Energy Board's (OEB) decision on Phase 1 of Enbridge Gas Inc's (EGI) 2024 rebasing application, is a setback to Ontario's energy and economic efforts.

### Background

#### The Role of Natural Gas in Ontario's Energy Transition<sup>438</sup>

A recent report by the Independent Electricity System Operator warns that phasing out gas-fired plants before 2030 would result in rotating blackouts and higher electricity bills. Meanwhile, natural gas is enabling new technologies such as low carbon fuel blending (e.g. hydrogen, Renewable Natural Gas), and carbon capture and storage (CCS) to reduce emissions from hard-to-abate industries like steel, cement and fertilizers where electrification alone is insufficient.<sup>439</sup>

The developments in energy efficiency, and low-carbon fuels such as RNG, low-carbon hydrogen and CCS, the natural gas system will help Ontario and customers transition from higher carbon fuels in a cost-effective way while providing other critical benefits including increased energy system resilience, reliability, customer choice and business competitiveness.

Given Ontario's geography, energy systems must accommodate summer and winter peaks to ensure reliability year-round. Natural gas plays a pivotal role in the province. The electric grid is currently designed to meet the demand on peak summer days when

<sup>438</sup> [Jim Redford, VP Energy Services, Enbridge Gas Inc., Remarks: Ontario Chamber of Commerce Breakfast Panel – The Role of Natural Gas in Ontario's Energy Transition, October 3, 2023](#)

<sup>439</sup> [Report Decarbonization and Ontario's Electricity Sector: Assessing the impacts of phasing out natural gas generation by 2030, Independent Electricity System Operator, IESO, October 7, 2023](#)

Ontarians turn to air conditioning to cool our inside spaces. And on the hottest summer day, up to 30 percent of that electricity is generated by natural gas. On the coldest winter day, four to five times the energy of a peak summer day is needed to keep people safe and warm in their homes and that energy is currently delivered by natural gas. Warming a home from -30 to a comfortable 20 degrees, is a 50-degree change. This represents a 90 GW equivalent which is five times larger than the energy it takes to cool a home by 10 degrees at a summer peak. The Independent Electricity System Operator (IESO) projects that Ontario's electricity demand could double by mid-century with expanded use in electric vehicles and manufacturing.

The electric infrastructure to replace the energy provided by natural gas today and meet future expanded use will require an enormous investment in both money and time. In addition, energy intensive industrial processes such as steel or concrete production are relying on natural gas to help them move off higher emitting fuels in a cost-effective way that prioritizes safety, sustainability, reliability, and affordability — requiring all energy sources.

A pipes and wires approach are reflected in the recently released Powering Ontario's Growth plan<sup>440</sup>, which recognizes the critical role that natural gas will continue to play in providing Ontarians with a reliable and cost-effective fuel supply for space heating, industrial growth, and economic prosperity. This plan affirms that with developments in energy efficiency, and low-carbon fuels such as RNG and low-carbon hydrogen and carbon capture and storage, the natural gas distribution system will help contribute to the province's transition from higher carbon fuels in a cost-effective way.

Recently, key groups including the Ontario Home Builders Association and the Residential Construction Council of Ontario<sup>441</sup> have expressed support to the natural gas system and are actively supporting Government action to pair natural gas to housing affordability across Ontario.

### **Natural gas as an opportunity for Ontario Homes, Communities and Businesses**

With natural gas, communities across Ontario feel the impacts of heating homes and fulfilling daily business operational needs – the stakes are high:

- **Customer Choice:** Natural gas expands customer choice and bolsters Ontario's efforts and policies to bring reliable and affordable energy to all Ontarians. Energy access relies on a fair investment climate for energy infrastructure. Any decrease reductions in capital expenditure (capex) can discourage or threaten the growth of the industrial sector, leading to increased

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<sup>440</sup> [Ministry of Energy Powering Ontario's Growth, 10 July, 2023](#)

<sup>441</sup> [Residential Construction Council of Ontario, RESCON OEB Letter to Minister of Energy, 31 January 2024](#)

costs for manufacturing, agriculture, consumer goods, and variety of customer market choices.

- **Investment Expansion:** Natural gas operations require enormous, planned capital budgets that run into millions to billions of dollars in the short and long-term. These investments in energy projects greatly contribute to Ontario's economic development, competitiveness, and emissions reductions. There are immediate benefits of such investments to industrial customers, who experience growth in the province, and choose to stay because of the added load on the electricity system that can accommodate their needs in the near-term and positions Ontario as genuinely open for business. According to Invest Windsor-Essex, local agri-food businesses have recently seen a tremendous uptake in their products. A homegrown food chain is important to the province's food supply chain and much of the energy innovation taking place within the expanding greenhouse industry depends on reliable natural gas. Any delay in the enhancement of critical energy enhancements such as the Panhandle Regional Expansion Project (PREP), places the region at risk of losing significant investment to competing jurisdictions outside of Ontario and Canada.<sup>442</sup> The Ontario Greenhouse Vegetable Growers (OGVG) who are a key customer base for the PREP project and their involvement is necessary for it to proceed, have also echoed that an inability to access natural gas economically will result in greenhouse investments leaving the province.<sup>443</sup>
- **Energy Innovation:** Natural gas has formed the foundation for the implementation of new bold and creative ideas in Ontario. Greenhouse farms have adapted natural gas usage to fulfill both their heating needs and supplement their demand for CO<sub>2</sub>. Sourcing CO<sub>2</sub> from natural gas has been fundamental to unlocking efficient winter farming and reducing the demand for imported liquid CO<sub>2</sub>. During the spring, summer, and fall natural gas is burned during the day to supply the crop with CO<sub>2</sub> and the heat is stored in tanks to provide the heat when it is needed.<sup>444</sup> The technological advances in the greenhouse sector including the smart climate systems have further supported greenhouse farms in using natural gas efficiently and maximizing the benefits of natural gas. Natural gas has further supported greenhouse farming with the adaptation of combined heat and power (cogeneration) providing electricity for lights, heat for greenhouse, and CO<sub>2</sub> to the crop. Farms in Leamington and Kingsville adopted cogeneration due in part to a lack of capacity in the local

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<sup>442</sup> [Invest WindsorEssex Letter to OEB in support of Panhandle Regional Expansion Project](#)

<sup>443</sup> [Ontario Greenhouse Vegetable Growers letter filed with the OEB](#)

<https://www.rds.oeb.ca/CMWebDrawer/Record/821457/File/document, 6 November 2023>

<sup>444</sup> [Op.cit, Ontario Greenhouse Vegetable Growers](#)

electrical grid. As a result, throughout Ontario, nearly 90 Megawatts (MW) of electricity are produced by greenhouse operations and supplied to Ontario's energy grid with the CO<sub>2</sub> generated by these engines sequestered by greenhouse operations.

- **Energy Affordability and Competitiveness:** Energy affordability is closely linked to improved general economics of scale that enhances competitiveness. New gas customers and builders who pay for gas infrastructure spread over many instalments create a significant financial relief to all forms of new residential and commercial developments. Any unnecessary upfront fee/lumpsum payments adds thousands of dollars to individual consumers' cost to obtain or expand an existing gas service at a time where affordability and housing are at the forefront of public concerns. The accommodation of small installment payment approach provides certainty and stability in small and large consumer finances and assures long-term economic competitiveness and development in the province.
- **Economic Growth:** Natural gas expansion puts proposed and future developments in Ontario communities as a viable support to meeting government's target of building 1.5 million new houses by 2031. A guaranteed supply of natural gas will accompany such development and expand economic growth and the ability of future expansion projects to support regional investment to meet the ever-growing energy needs in communities across Ontario.
- **Energy Access:** Preserving customer access is critical. Access to natural gas through an increase in capital will significantly expand the future development of essential energy infrastructure vital to moving manufacturing, agriculture, and the consumer goods industry in Ontario. Guaranteeing access to natural gas positions Ontario as a leader in satisfying the growing heating needs in an equitable and sustainable way from coast-to-coast.
- **Energy Security and Grid reliability:** On an annual basis, natural gas delivers twice the energy to Ontario than electricity and four to five times the maximum peak capacity of Ontario's electricity grid. The natural gas network in Ontario is a system of reliability where consumer access is maintained by low-cost, resilient underground energy infrastructure that is crucial in delivering reliable and clean power. With Ontario's robust gas supply infrastructure, gas generation can provide continuous energy when needed as it is generally available at all times of the day throughout the year, under all weather conditions — it is far more reliable in inclement weather. Given its flexibility, natural gas generation can be ramped up or down within minutes to follow sudden or unexpected changes in demand or in the availability of other

generators. This is important when managing the ebb and flow of wind and solar generation and the constant demand changes in the system.<sup>445</sup>

Produced via conventional or renewable methods, the advantages of natural gas as an alternative fuel also include its domestic availability, established distribution network, relatively low cost, and emissions benefits. Using natural gas and other alternative fuels and advanced technologies to reduce petroleum consumption continues to strengthen national security and reduce transportation energy costs for businesses and consumers<sup>446</sup>.

## Recommendations

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

1. Focus on an integrated approach where pipes and wires work together to ensure Ontario maintains an energy system that is resilient and cost-effective while supporting decarbonization. A diversified “pipes and wires” approach balances end-use electrification, leverages Ontario’s gas system to deliver made-in-Canada renewable gasses including RNG and hydrogen and pairing natural gas with carbon capture and can achieve net zero emissions with other critical benefits.
2. Accelerate the implementation of the provincial Electrification and Energy Transition Panel recommendation that the government establish a roadmap for an orderly energy transition and provide clear policy direction on the role of natural gas and low-carbon fuels in Ontario’s energy system.
3. Prioritize a diversified approach that gives industrial and residential consumers flexibility. This includes allowing customers to choose a heating system that best meets their needs, such as natural gas and reliable hybrid heating and natural gas and relates solutions for heavy industrial processes (e.g. RNG, hydrogen, carbon capture and storage) and heavy long-haul transportation that cannot be practically electrified.

**Effective Date:** April 27, 2024

**Sunset Date:** April 27, 2027

<sup>445</sup> [Op. cit., Report Decarbonization and Ontario’s Electricity Sector: Assessing the impacts of phasing out natural gas generation by 2030](#)

<sup>446</sup> [US Department of Energy, Alternative Fuels Data Center: Natural Gas Benefits \(energy.gov\)](#)

## C. Biomass Generation Key to Economic, Environmental and Social Benefits

**Submitted by:** Thunder Bay Chamber of Commerce.

**Co-sponsored by:** Greater Sudbury Chamber of Commerce, North Bay & District Chamber of Commerce, Sault Ste Marie Chamber of Commerce, Timmins Chamber of Commerce

### Issue

Biomass heat and power generation is a key element in the economy of Ontario, diverting waste fibre from unacceptable and detrimental usage such as landfilling. Biomass heat and power generation contributes to the reduction of greenhouse gases, creating investment & employment in communities and First Nations, and assisting in the sustainability of the forest industry in the province. To grow these economic, environmental and social benefits, the Government of Ontario must take action to implement policies and programs that support biomass generation.

### Background

The Ontario Forestry Industry is a significant contributor to the economy of the province, employing over 137,000 people. The industry has the potential to grow as currently only 12.7 million m<sup>3</sup> of the 28.4 million m<sup>3</sup> available is being harvested.

One key growth scenario is the utilization of waste fibre in the generation of electricity to support the Ontario electrical grid as well as the distribution of the industrial steam by-product as a means of reducing greenhouse gases produced by heating residential, industrial and institutional buildings.

The integrated aspect of biomass generators ensures the sustainability of their operation, and in many cases, the operation of sawmills and harvest operations associated with them across a geographic area hundreds of kilometres wide. For example, Thunder Bay Pulp & Paper Inc's biomass facilities draw on fibre from sawmills and lumber producers in Ignace, Atikokan, Thunder Bay, Fort Frances and Barwick in addition to the many bush contractors, who rely on grinding or chipping waste material to access timber stands that otherwise would be un-harvestable without a market for lower grade fibre.

While all of the generators supply electricity to the Ontario electrical grid, a few also provide electricity for their own operations which improves their viability. However, the generation of electricity is not the only benefit created by their operations. Biomass

generators are a part of an integrated energy and environmental system. The primary source of the fibre is waste wood from forestry operations. Historically this waste wood was either incinerated or deposited in a variety of landfill sites which contributed to the release of carbon dioxide into the atmosphere with no value to society. Without existing facilities, Ontario could be landfilling over 1.3 million metric tonnes (equivalent to over 40,000 truckloads of waste annually). Using this biomass to generate renewable electricity and heat diverts significant waste from landfills and will also assist in moving natural gas consumers over to a district heating supply utilizing waste steam from the generator.

The existing and future biomass generators have a broad economic footprint in their area. Employment is enhanced in harvesting, transportation and generator operations. This is extremely important to First Nation communities as well as the host municipality.

There is also a growing interest in Ontario's sustainably managed forests as an invaluable source of feedstock to support the emerging low carbon bio-economy (fuels, plastics, chemicals). These new technologies require a robust and integrated primary forest products sector to be successful and this includes a stable and reliable source of heat and power. There is tremendous opportunity to attract significant investment into Ontario over the next couple of years and the presence of biomass cogeneration facilities will play a critical role in attracting this investment as they are a source of heat, power and necessary industrial infrastructure.

## Recommendations

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

1. Renew the existing Biomass Power Purchase Agreements through bilateral negotiations for a minimum of 10 years to enhance business certainty
2. Ensure that the extended PPAs see growth in volume of fibre as the current contracts to increase regional economic development, protect the jobs and the economy of neighbouring facilities and communities as well as the diversion of waste fibre from landfill facilities;
3. Expand the output of existing biomass generators to meet the electrical demands of the regions where they are located;
4. Create enabling policy to support the development of cogeneration and district energy systems, including a framework for heat contracts, prioritizing government energy procurement and investment incentives for municipalities, generation facilities and building owner, creating conditions for new investment, job creation and revenue streams supporting provincial low carbon objectives; and,

5. Develop a policy which encourages the development of additional biomass generation facilities as an alternative to the lengthy process for the creation of additional transmission and distribution facilities into communities currently served by radial lines. This would meet the concept of distributed generation as identified by the Independent Electrical System Operator (IESO).

**Effective Date:** April 26, 2025

**Sunset Date:** April 26, 2028

## D. Improve Electricity Price Predictability and Affordability for Ontario Businesses

**Submitted by:** Leamington District Chamber of Commerce

**Co-sponsored by:** Chatham-Kent Chamber of Commerce

### Issue

Electricity is a foundational input for Ontario businesses across all sectors. Rising demand—driven by electrification and increasingly frequent and prolonged extreme-weather peaks—combined with system constraints can increase exposure to price volatility and complicate long-term investment decisions. While Ontario has taken steps to strengthen market efficiency and predictability, businesses still require clear, stable price signals and rate structures to plan multi-year investments. Predictable, affordable, and reliable electricity pricing is essential to sustaining Ontario’s industrial base, supporting food security, enabling digital infrastructure, and driving economic growth across all regions of the province.

### Background

Ontario is entering a period of sustained electricity demand growth driven by electrification, population growth, industrial expansion, greenhouse development, and growing interest in data centre investment and connections.<sup>447</sup> Demand peaks are also increasingly shaped by extreme weather events (winter cold snaps and summer heat waves), which can stress the system and intensify price volatility. Ontario has recently implemented wholesale market reforms through the IESO’s Market Renewal Program, including the launch of a day-ahead market, to strengthen price formation and improve predictability.<sup>448</sup> The Independent Electricity System Operator forecasts that Ontario will require more than 12 gigawatts of new electricity capacity over the next 20 years to maintain system adequacy.<sup>449</sup> At the same time, nuclear refurbishments, asset retirements, and transmission constraints are tightening supply conditions, increasing exposure to price volatility.

<sup>447</sup> [Ontario Chamber of Commerce. Policy Primer: Addressing Ontario’s Growing Electricity Needs \(February 2022\).](#); [Independent Electricity System Operator \(IESO\). Annual Planning Outlook and Electricity Demand Forecasts.](#)

<sup>448</sup> [Independent Electricity System Operator \(IESO\). Market Renewal Program / Renewed Market Launch Readiness \(Day-Ahead Market launch, April 24, 2025\).](#)

<sup>449</sup> [Independent Electricity System Operator \(IESO\). Annual Planning Outlook and Electricity Demand Forecasts.](#)

Electricity pricing and reliability are particularly critical for Ontario's industrial and manufacturing sectors, which compete in increasingly complex global markets shaped by trade realignment and re-shoring pressures. Jurisdictions offering stable and predictable electricity pricing are better positioned to attract and retain investment. Electricity price volatility can erode margins, discourage capital investment, and weaken Ontario's competitiveness for advanced manufacturing and value-added processing.<sup>450</sup> Ontario's existing programs (including the Industrial Conservation Initiative) provide important incentives for many large users to reduce peak demand, but long-term price predictability remains essential across the broader business community.

Electricity affordability and predictability are equally vital for Ontario's greenhouse and controlled-environment agriculture sector, which supports sustainable agriculture, food security, and import displacement. Greenhouse operations are electricity-intensive, relying on electricity for grow lighting, ventilation, pumps, climate control, and automation. Because peak system conditions are often driven by extreme weather, volatility during winter and summer peak periods can be difficult to manage—particularly for operations that cannot readily shift load or reduce peaks through existing programs. These pressures can constrain sector growth and investment.<sup>451</sup>

These challenges are amplified in Northern and rural Ontario, where colder climates, longer heating seasons, and limited infrastructure significantly increase baseline energy costs. Stable and predictable electricity pricing would support greater year-round greenhouse food production over time, strengthen food security, help reduce reliance on imported fruits and vegetables, lower transportation costs and emissions, and improve access to fresh and nutritious food for northern and remote communities.<sup>452</sup>

Growing interest in new data centre development represents an emerging and potentially material pressure on Ontario's electricity system. Data centres are among the most electricity-intensive facilities in the economy, requiring continuous, high-reliability power to support cloud computing, artificial intelligence, financial services, health systems, and public sector operations.<sup>453</sup> The IESO notes that many operational data centres in Ontario are distribution-connected and around 10 MW or less, but new AI-driven facilities can require hundreds of megawatts (and in some cases up to a

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<sup>450</sup> [Ontario Chamber of Commerce. Policy Primer: Addressing Ontario's Growing Electricity Needs \(February 2022\).](#); [Ontario Chamber of Commerce. Letter to the Minister of Energy and Mines: Ontario Business Imperative – Energizing Ontario's Economy \(April 15, 2025\).](#)

<sup>451</sup> [Ontario Ministry of Agriculture, Food and Rural Affairs \(OMAFRA\). Greenhouse Sector Profiles and Energy Use.](#); [Independent Electricity System Operator \(IESO\). Greenhouse Energy Profile Study – Summary Report \(2018\).](#)

<sup>452</sup> [Ontario Ministry of Agriculture, Food and Rural Affairs \(OMAFRA\). Greenhouse Sector Profiles and Energy Use.](#)

<sup>453</sup> [Innovation, Science and Economic Development Canada. Data Centre Infrastructure, Digital Sovereignty, and Cybersecurity Considerations.](#)

gigawatt), driving transmission-level connection requests.<sup>454</sup> For comparison, the IESO's Greenhouse Energy Profile Study reported approximately 300 MW of current demand and about 1,300 MW of customer connection requests in the Kingsville–Leamington area by 2025.<sup>455</sup> As global demand for digital infrastructure accelerates, jurisdictions with reliable, predictable, and competitively priced electricity are increasingly favoured for new data centre investment.<sup>456</sup>

Unmanaged or poorly coordinated data centre growth could exacerbate system congestion, increase costs for existing electricity users, and place additional strain on generation, transmission, and distribution infrastructure. Building on work already underway, continued strategic planning, transparent cost allocation, and appropriate rate design are needed to ensure that data centre investment supports system efficiency while protecting affordability and reliability for Ontario businesses and households.<sup>457</sup>

Electricity reliability is also a foundational requirement for data sovereignty and economic security. Ensuring that critical data infrastructure is located within Ontario supports domestic control over data, enhances cybersecurity resilience, and reduces reliance on foreign jurisdictions. A competitive and reliable electricity system is therefore integral not only to economic growth, but to Ontario's digital sovereignty and public interest.<sup>458</sup>

Indigenous communities are essential partners in Ontario's energy future. Many Indigenous communities, particularly in Northern Ontario, face infrastructure gaps, higher energy costs, and reliability challenges that constrain economic development. Expanding and modernizing electricity infrastructure in partnership with Indigenous Communities and First Nations can unlock opportunities for local ownership, workforce participation, and long-term revenue, while supporting reconciliation and regional prosperity.<sup>459</sup>

Meaningful engagement with Indigenous communities is as critical as new generation, transmission, and data-related infrastructure during planning and development. This includes fulfilling the Crown's Duty to Consult, supporting Indigenous leadership in

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<sup>454</sup> [Independent Electricity System Operator \(IESO\). Demand & Conservation Planning Technical Paper: Large Step Loads \(July 2025\)](#)

<sup>455</sup> [Independent Electricity System Operator \(IESO\). Greenhouse Energy Profile Study – Summary Report \(2018\).](#)

<sup>456</sup> [Innovation, Science and Economic Development Canada. Data Centre Infrastructure, Digital Sovereignty, and Cybersecurity Considerations.](#)

<sup>457</sup> [Ontario Energy Board \(OEB\). Electricity Rate Design, Cost Allocation, and System Planning Materials.](#)

<sup>458</sup> [Innovation, Science and Economic Development Canada. Data Centre Infrastructure, Digital Sovereignty, and Cybersecurity Considerations.](#)

<sup>459</sup> [Crown-Indigenous Relations and Northern Affairs Canada. Indigenous Infrastructure, Energy Partnerships, and Economic Development.](#)

planning, and enabling opportunities for equity participation and local benefits. Incorporating Indigenous perspectives into electricity planning helps ensure projects are socially sustainable, regionally inclusive, and aligned with broader objectives for energy security, affordability, and economic reconciliation.<sup>460</sup>

The Ontario Chamber of Commerce, through its Energy Policy Council, has consistently emphasized that electricity affordability, predictability, and reliability must remain central considerations in energy planning, rate design, and infrastructure investment to support long-term economic competitiveness.<sup>461</sup>

## Recommendations

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

1. Review and modernize electricity rate structures and associated programs for business customers to improve price predictability and reduce exposure to short-term volatility, while encouraging cost-effective conservation and demand management (e.g., efficiency upgrades, controllable/tunable lighting, and load shifting), and maintaining fair cost allocation for all ratepayers.
2. Expand voluntary tools that allow businesses to manage electricity price risk—building on day-ahead and other market mechanisms—such as optional fixed-rate, multi-year, or hybrid pricing offerings, with transparent terms that clearly allocate risk when market prices rise or fall.
3. Continue strengthening the coordinated framework for large-load customers (including data centres), building on recent reforms to connection and capital contribution approaches, to ensure transparent planning, fair cost allocation, and timely investment in generation, transmission, and distribution infrastructure, while protecting system reliability and affordability for existing users.
4. Assess Ontario’s electricity cost competitiveness relative to key competitor jurisdictions for investment and trade, and incorporate competitiveness benchmarks into electricity policy, procurement, and rate-setting decisions.

<sup>460</sup> [Crown-Indigenous Relations and Northern Affairs Canada. Indigenous Infrastructure, Energy Partnerships, and Economic Development.](#)

<sup>461</sup> [Ontario Chamber of Commerce. Policy Primer: Addressing Ontario’s Growing Electricity Needs \(February 2022\).; Ontario Chamber of Commerce. Letter to the Minister of Energy and Mines: Ontario Business Imperative – Energizing Ontario’s Economy \(April 15, 2025\).](#)

5. Strengthen engagement with the business community and Indigenous partners, including through the Ontario Chamber of Commerce's Energy Policy Council, when designing or modifying electricity pricing programs and electricity infrastructure investments.

**Effective Date:** April 25, 2026

**Sunset Date:** April 25, 2029

## E. Modernizing Ontario's SO<sub>2</sub> Framework for Petroleum Facilities: Aligning Environmental Protection with Operational Reality

Submitted by: Sarnia-Lambton Chamber of Commerce

### Issue

Certain provisions of Ontario Regulation 88/22 (Air Pollution – Discharge of Sulphur Dioxide from Petroleum Facilities) create a risk of unavoidable non-compliance during non-routine operating conditions, even when facilities are operating safely and in accordance with good engineering practices.

No commercially or technically proven solution exists to fully control sulphur dioxide (SO<sub>2</sub>) emissions during emergency or malfunction flaring events. The unpredictable timing, magnitude, and duration of these events make it infeasible to design control systems capable of capturing and treating all flared gases under all scenarios.

Flares are critical safety devices that must remain available at all times to prevent process safety incidents and uncontrolled releases. During emergencies, process upsets, or equipment malfunctions, the priority is to stabilize operations and protect workers, the public, and the environment. Flaring is minimized wherever possible; however, its use is sometimes necessary to maintain safe operations.

While industry continues to invest in emissions reductions and comply with regulatory requirements, the current framework can create situations where compliance obligations do not reflect operational realities. This introduces regulatory uncertainty and risk, particularly when safe and necessary actions result in temporary emissions exceedances.

The intent of proposed amendments is to improve clarity, predictability, and enforceability — not to weaken environmental protection.

### Background

Ontario's petroleum refining sector is a critical component of the province's energy security, manufacturing base, and regional economy. Refineries in Sarnia-Lambton and Nanticoke supply approximately 93% of Ontario's transportation fuels, petrochemical feedstocks, asphalt, aviation fuel, and other essential products.

These facilities compete directly with refineries in the United States and other Canadian provinces for both market share and global capital investment. Regulatory frameworks that are unclear, technically impractical, or inconsistent with other jurisdictions can increase operating costs, discourage investment, and impact the long-term viability of refining capacity in Ontario.

Maintaining refinery capacity in Ontario supports:

- Reliable fuel supply for consumers, industry, and aviation
- Competitiveness of Ontario manufacturing and petrochemical production
- Employment across the province, including approximately 17,000 direct and indirect jobs
- Continued investment in emissions reduction and modernization projects

Regulatory certainty is a key factor in determining where companies invest capital for maintenance, upgrades, and environmental improvements. When requirements cannot be met in practice, or when compliance obligations exceed those in competing jurisdictions, there is increased risk that future investment will occur outside Ontario.

Comparable jurisdictions, including the United States and other Canadian provinces, provide clearer regulatory frameworks for emissions during non-routine operating conditions such as startup, shutdown, and malfunction events.

## Recommendations

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

### **1. Amend O. Reg. 88/22 to Establish a Clear and Practical Framework for Non-Routine Operating Conditions**

Develop a regulatory framework that explicitly addresses emissions during unplanned events (e.g., malfunctions, emergencies, process upsets) and planned activities (e.g., startup, shutdown, and maintenance turnarounds). This framework should:

- Define distinct operating states and event categories
- Allow temporary emissions where necessary to maintain safety, prevent uncontrolled releases, and support essential maintenance activities
- Require timely notification, transparent reporting, and root-cause or corrective-action analysis
- Focus enforcement on cases involving negligence, avoidable emissions, or failure to implement corrective actions

## **2. Align Ontario's Regulatory Approach with Comparable Jurisdictions**

Ensure that Ontario's requirements are broadly aligned with those in the United States and other Canadian provinces to maintain competitiveness and support continued investment in the sector.

## **3. Maintain Strong Environmental Accountability and Transparency**

Ensure that any regulatory amendments continue to uphold high environmental standards by:

- Requiring robust monitoring and reporting of SO<sub>2</sub> emissions
- Supporting continuous improvement in emissions performance
- Maintaining transparency with regulators and the public

**Effective Date:** April 25, 2026

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## F. Secure Affordable, Reliable and Lower-Carbon Natural Gas Infrastructure for Ontario's Competitiveness

**Submitted by:** Leamington District Chamber of Commerce

**Co-sponsored by:** Chatham-Kent Chamber of Commerce

### Issue

Ontario's economic, housing, and electrification growth imperatives are increasing demand for reliable, affordable energy. Natural gas remains widely used by manufacturing, agriculture (i.e., greenhouses), commercial businesses, and millions of homes. Additionally, it is a flexible fuel source that enables generation, supporting grid resiliency at peak demand. Yet Ontario would benefit from consistent, long-term, region-by-region planning and regulatory clarity for natural gas capacity, modernization, and integration of lower-carbon gaseous fuels. The resulting uncertainty can delay projects, raise costs, and reduce investor confidence for multi-decade decisions in sectors central to Ontario's competitiveness.

### Background

Natural gas is a major part of Ontario's energy system. The province reports that about 3.8 million residential customers use natural gas for home heating, water heating, and cooking, supported by approximately 114,000 km of transmission and distribution pipelines across Ontario.<sup>462</sup>

Natural gas also supports electricity system reliability, especially during peak demand and extreme weather events. The Independent Electricity System Operator (IESO) reported that outages associated with ongoing nuclear refurbishments, combined with reduced supply from imports, contributed to gas generation's higher contribution to overall electricity output in 2024.<sup>463</sup> As extreme heat or cold weather conditions persist capacity demand can be unanticipated resulting in system capacity stressors.

In agriculture and agri-food, natural gas remains central to Ontario's greenhouse sector. Ontario government guidance (Ministry of Agriculture, Food and Agribusiness) notes

<sup>462</sup> Government of Ontario. "Ontario energy snapshot." <https://www.ontario.ca/page/ontario-energy-snapshot> (accessed 2026-02-05).

<sup>463</sup> Independent Electricity System Operator (IESO). "2024 Year in Review (Year-end data)." <https://www.ieso.ca/corporate-ieso/media/year-end-data> (accessed 2026-02-05).

that supplemental carbon dioxide (CO<sub>2</sub>) is widely used to support plant productivity in greenhouses, and common sources include combustion-based systems.<sup>464</sup> Applied research in Ontario further confirms that the greenhouse industry relies heavily on natural gas for supplemental heating and, in many cases, for CO<sub>2</sub> production which is critical to photosynthesis and plant development.<sup>465</sup>

Regional capacity constraints are already emerging. In its May 14, 2024 Decision and Order (EB-2022-0157), the Ontario Energy Board (OEB) granted Enbridge Gas Leave to Construct (LTC) to expand approximately 19 km of 36-inch diameter steel pipeline as part of the Panhandle System Expansion Project. The OEB found need was demonstrated by forecasted load growth (including large-volume commercial greenhouse demand), found no viable alternative to meet the demonstrated need over the relevant period, and found the estimated capital cost of \$358 million to be reasonable.<sup>466</sup>

Ontario has begun formalizing longer-term, cross-fuel planning through Energy for Generations, its first integrated energy plan to 2050, which brings together electricity, natural gas, hydrogen, storage, and other energy sources.<sup>467</sup> The Province has also advanced a Natural Gas Policy Statement process, including direction on maintaining electricity reliability and clarifying the Ontario Energy Board's role, and has restored a 40-year revenue horizon for many new natural gas connections through the Keeping Energy Costs Down Act, 2024 and related regulation—while noting that authority to set the revenue horizon returns to the OEB after January 1, 2029.<sup>468</sup>

Ontario's approach must also align with Canada's net-zero by 2050 commitment.<sup>469</sup> Federal and provincial planning recognizes that emissions reductions from gaseous fuels can be achieved through efficient, low-carbon gaseous fuels like renewable natural

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<sup>464</sup> Government of Ontario. "Supplemental carbon dioxide in greenhouses."

<https://www.ontario.ca/page/supplemental-carbon-dioxide-greenhouses> (accessed 2026-02-05).

<sup>465</sup> University of Guelph – Ontario Agri-Food Innovation Alliance. "Decarbonizing Ontario greenhouse heating and CO<sub>2</sub> production." [https://www.uoguelph.ca/alliance/projects/decarbonizing-Ontario-greenhouse-heating-CO<sub>2</sub>-production](https://www.uoguelph.ca/alliance/projects/decarbonizing-Ontario-greenhouse-heating-CO2-production) (accessed 2026-02-05).

<sup>466</sup> Ontario Energy Board. "Decision and Order – EB-2022-0157 – Enbridge Gas Inc. (Panhandle System Expansion Project) – Backgrounder (May 14, 2024)." <https://www.oeb.ca/sites/default/files/ENBRIDGE%20GAS-LTC-EB-2022-0157-PANHANDLE-BG-FINAL-14-05-24.pdf> (accessed 2026-02-05)

<sup>467</sup> Government of Ontario. "Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the G7." <https://www.ontario.ca/page/energy-generations> (accessed 2026-02-05).

<sup>468</sup> Environmental Registry of Ontario. "Consultation to support the important role for natural gas in Ontario's energy system and economy" (ERO No. 019-9501). <https://ero.ontario.ca/notice/019-9501> (accessed 2026-02-05).

<sup>469</sup> Government of Canada. "Canadian Net-Zero Emissions Accountability Act." <https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/net-zero-emissions-2050/canadian-net-zero-emissions-accountability-act.html> (accessed 2026-02-05).

gas (RNG) and hydrogen, in addition to carbon capture and storage, provided these pathways are implemented safely and credibly.<sup>470</sup>

## Recommendations

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

1. Publish a region-by-region natural gas and low-carbon gases capacity outlook (transmission, distribution, storage) within Ontario's integrated energy planning, aligned with IESO planning regions (including Windsor–Essex and Chatham-Kent), with priority upgrades and timelines.<sup>471</sup>
2. Direct the OEB to decide capacity reinforcing projects on a timely basis using standardized Integrated Resource Planning, and continue to require early, transparent engagement with Indigenous communities and landowners, consistent with the Duty to Consult and Ontario's environmental assessment requirements for major builds.<sup>472</sup>
3. Extend and stabilize the 40-year revenue-horizon approach for new connections beyond Jan. 1, 2029, and require transparent impact analysis and adequate notice before major changes to connection policy or cost recovery.<sup>473</sup>

<sup>470</sup> Environmental Registry of Ontario. "Consultation to support the important role for natural gas in Ontario's energy system and economy" (ERO No. 019-9501). <https://ero.ontario.ca/notice/019-9501> (accessed 2026-02-05).; Natural Resources Canada. "Roadmap for the Decarbonization of Canada's Oil and Gas Sector" (backgrounder, Dec 2023). <https://www.canada.ca/en/natural-resources-canada/news/2023/12/roadmap-for-the-decarbonization-of-canadas-oil-and-gas-sector.html> (accessed 2026-02-05).

<sup>471</sup> Government of Ontario. "Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the G7." <https://www.ontario.ca/page/energy-generations> (accessed 2026-02-05).

<sup>472</sup> Ontario Energy Board. "Decision and Order – EB-2022-0157 – Enbridge Gas Inc. (Panhandle System Expansion Project) – Backgrounder (May 14, 2024)." <https://www.oeb.ca/sites/default/files/ENBRIDGE%20GAS-LTC-EB-2022-0157-PANHANDLE-BG-FINAL-14-05-24.pdf> (accessed 2026-02-05).; Environmental Registry of Ontario. "Consultation to support the important role for natural gas in Ontario's energy system and economy" (ERO No. 019-9501). <https://ero.ontario.ca/notice/019-9501> (accessed 2026-02-05).; Government of Ontario. "Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the G7." <https://www.ontario.ca/page/energy-generations> (accessed 2026-02-05).; Ontario Energy Board. "Natural Gas Integrated Resource Planning (IRP)." <https://www.oeb.ca/consultations-and-projects/policy-initiatives-and-consultations/natural-gas-integrated-resource> (accessed 2026-02-05).

<sup>473</sup> Environmental Registry of Ontario. "Consultation to support the important role for natural gas in Ontario's energy system and economy" (ERO No. 019-9501). <https://ero.ontario.ca/notice/019-9501> (accessed 2026-02-05).

4. Enable, through provincial and federal infrastructure funding partnerships, gas-network decarbonization by establishing clear, safety-first pathways for renewable natural gas (RNG) approvals and injection (including cost-recovery treatment), issuing guidance for safe hydrogen blending and hydrogen-ready infrastructure, and coordinating Carbon Capture, Utilization and Storage (CCUS) planning with Canada and industry.<sup>474</sup>
5. Expand targeted incentives and financing so industrial, commercial, and agricultural users (including greenhouses) can adopt high-efficiency equipment, hybrid electric-gas systems, Combined Heat and Power (CHP), and other commercially available options that cut emissions while protecting competitiveness.<sup>475</sup>

**Effective Date:** April 25, 2026

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<sup>474</sup> Environmental Registry of Ontario. “Consultation to support the important role for natural gas in Ontario’s energy system and economy” (ERO No. 019-9501). <https://ero.ontario.ca/notice/019-9501> (accessed 2026-02-05).; Natural Resources Canada. “Roadmap for the Decarbonization of Canada’s Oil and Gas Sector” (backgrounder, Dec 2023). <https://www.canada.ca/en/natural-resources-canada/news/2023/12/roadmap-for-the-decarbonization-of-canadas-oil-and-gas-sector.html> (accessed 2026-02-05).

<sup>475</sup> Government of Ontario. “Supplemental carbon dioxide in greenhouses.” <https://www.ontario.ca/page/supplemental-carbon-dioxide-greenhouses> (accessed 2026-02-05). ; University of Guelph – Ontario Agri-Food Innovation Alliance. “Decarbonizing Ontario greenhouse heating and CO2 production.” <https://www.uoguelph.ca/alliance/projects/decarbonizing-Ontario-greenhouse-heating-CO2-production> (accessed 2026-02-05).