

# 2025 Federal Budget Submission



## About the Ontario Chamber of Commerce

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The Ontario Chamber of Commerce (OCC) is the indispensable partner of business and Canada's largest, most influential provincial chamber. It is an independent, non-profit advocacy and member services organization representing a diverse network of 60,000 members. The OCC convenes, mobilizes and empowers businesses and local chambers in pursuit of its purpose: to bring inclusive and sustainable prosperity to Ontario's businesses, workers, and communities.

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## A Message from the President and CEO

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Dear Minister Champagne,

The Ontario Chamber of Commerce (OCC) welcomes the opportunity to participate in Canada's 2025 budget consultation process. In the face of heightened economic and geopolitical challenges, it is time for a new economic vision for Canada.

Budget 2025 must strengthen Canada's competitiveness through a sustainable growth agenda that unleashes business investment, entrepreneurship, innovation, and productivity. To achieve this, we must invest strategically in healthy communities, talent development, infrastructure, and cultivating a thriving business climate.

This submission, representing the collective voice of our network's diverse 60,000 members and nearly 150 local chambers of commerce and boards of trade, outlines 17 key recommendations for the upcoming budget.

We look forward to continuing to work with businesses of all sizes and the Government of Canada to position our nation for inclusive, sustainable prosperity.

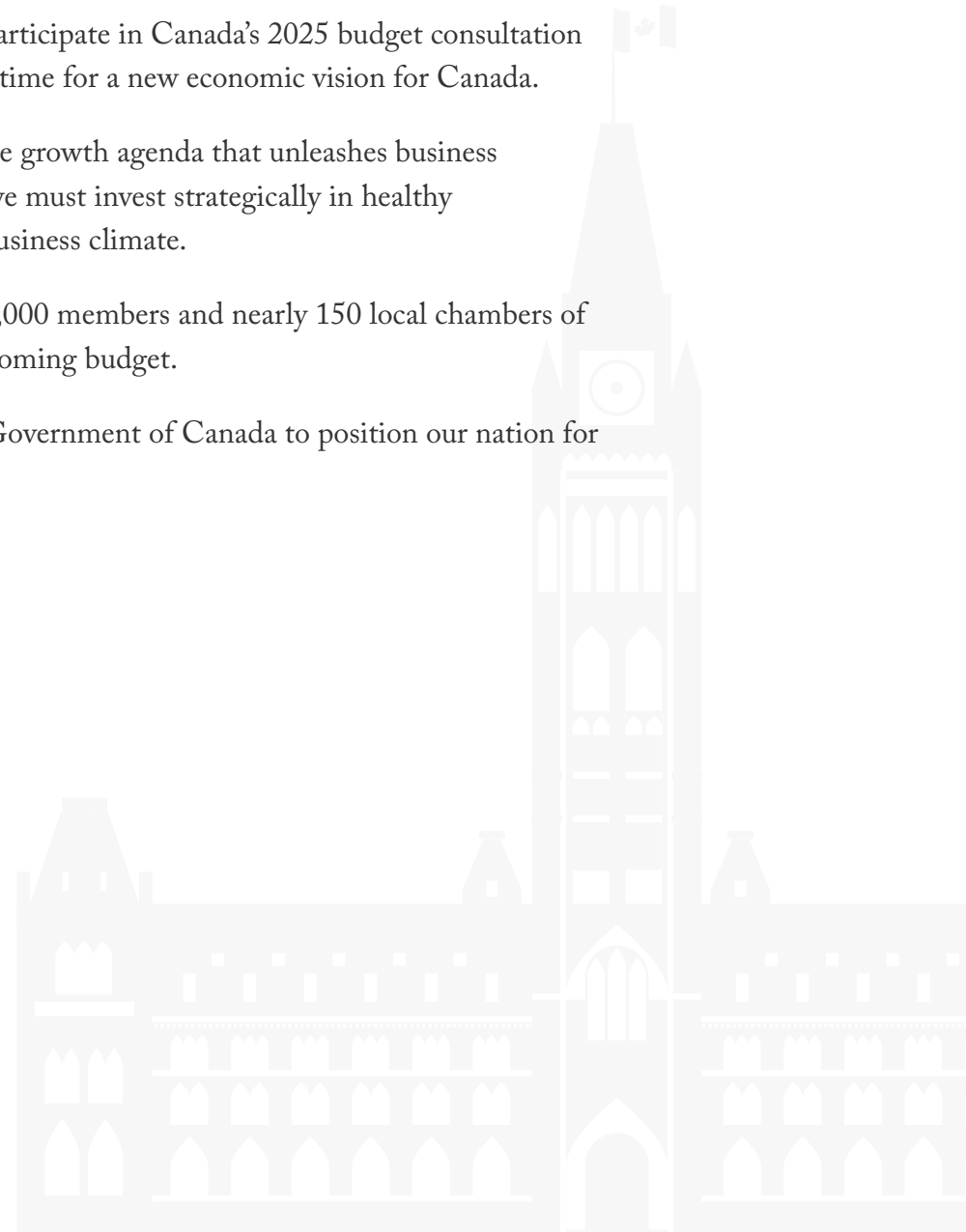
Sincerely,



Daniel Tisch, APR, FCPRS, ICD.D

*President and CEO*

*Ontario Chamber of Commerce*



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# 1. A COMPETITIVE BUSINESS AND TRADE ENVIRONMENT

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## a. Prioritize economic resilience to enable long-term growth.

While inflationary pressures and high interest rates have begun to ease, many businesses are still navigating their residual impacts—particularly in terms of cost structures and access to capital. At the same time, persistent labour shortages and evolving trade tensions with the United States create renewed challenges and uncertainty. These factors continue to strain profitability, limit growth, and threaten long-term sustainability. Supports are needed to ensure Canadian businesses can adapt, compete, and succeed in today's shifting economic landscape.

### Recommendations:

1. Create conditions for high-potential firms to scale and grow, such as through improved financing tools and commercialization pathways to enable innovators to retain and expand their ideas at home.
2. Continue working with provinces, territories, and industry stakeholders to monitor the uptake and impact of recently introduced business trade support programs (e.g., Trade Impact Program, Pivot to Growth Loans), identify gaps in coverage, streamline access for SMEs, and ensure timely support for businesses disproportionately affected by trade disruptions.
3. Launch a securitization program through the Business Development Bank of Canada to provide additional liquidity to asset-based finance lenders.
4. Expand access to public sector procurement opportunities for small and diverse-owned businesses by addressing financial and informational barriers, including following through on the announcement to introduce the *Small Business Innovation and Procurement Act*.
5. Build on measures, such as the \$10 million capital gains exemption, extended capital gains reserve, loan flexibility, and Alternative Minimum Tax relief, to ensure small businesses have the tools and support needed to implement Employee Ownership Trusts. This includes funding targeted outreach, developing standardized legal and financial templates, and supporting access to advisory services that can guide business owners through the transition process.
6. Conduct a comprehensive review of the federal tax framework, including corporate income tax, to identify opportunities for simplification and incentives that directly stimulate business investment, productivity improvements, and growth, particularly for SMEs.



7. Prioritize reducing the administrative burden of tax compliance for small businesses and explore measures to enhance predictability in the tax system. This includes a robust government spending review to ensure every federal dollar spent supports economic efficiency.

For more information, see our reports, [\*Capital is Key: Financing Entrepreneurship in Ontario After COVID-19\*](#), [\*She-coversy Project: Confronting the Gendered Economic Impacts of COVID-19 in Ontario\*](#), and [\*Power of the Purchase Order: Modernizing Public Sector Procurement in Ontario\*](#).

## **b. Accelerate clean energy and sustainability projects as part of Canada's net-zero transition.**

Amid growing supply gaps and the global transition to a green economy, Canada must attract competitive investments in low-carbon energy and adaptation projects to drive climate action and sustainable economic growth.

### Recommendations:

1. Work with the Ontario government to ensure timelines and limits on natural gas generation outlined by Canada's Clean Electricity Regulations (CERS) do not compromise the reliability of the province's electricity grid.
2. Ensure provincial impact assessments can form the basis for federal project approvals and require early, meaningful Indigenous consultation for all nationally significant projects.
3. Use carbon contracts for difference to reduce risk for private sector investments in the green economy.
4. Support the nuclear energy sector:
  - Remove nuclear power projects from the Impact Assessment Agency Designated Project List and assign responsibility for them to the Canadian Nuclear Safety Commission.
  - Formally recognize nuclear power as green infrastructure and clean energy technology, putting it on a level playing field with other zero-emitting technologies in relevant federal programs such as the Federal Green Bond Framework, the Zero-Emission Technology Manufacturing tax reduction program, and the Appreciated Capital Cost Allowance.
  - Revise the eligibility of the National Greenhouse Gas Offset Credit System to include incremental and new nuclear energy output.



5. Work with municipal, provincial, and territorial governments to implement Canada's National Adaptation Strategy and advance the work of the federal Task Force on Flood Insurance and Relocation.
6. Consider a more wide-scale approach to retrofits, such as the 'energiesprong' model used in the Netherlands, and de-risk deep retrofits through adequate and sustained funding and incentives.
7. Connect the proposed Low-Carbon Building Materials Innovation Hub with federal procurement and retrofit efforts to support domestic commercialization of low-carbon technologies and materials.

For more information, see our letter [summarizing concerns on Clean Energy Regulations; submission](#) on pathways to decarbonization and our report, [Climate Catalyst: Ontario's Leadership in the Green Global Economy](#).

### **c. Take meaningful action on economic reconciliation.**

To realize the full benefits of shared prosperity between Indigenous and non-Indigenous peoples, meaningful action must be taken on the [Truth and Reconciliation Commission's Calls to Action](#) and the [National Inquiry into Missing and Murdered Indigenous Women and Girls' Calls for Justice](#).

#### Recommendations:

1. Expedite the co-development and implementation of the Economic Reconciliation Framework to support mutually beneficial partnerships with Indigenous nations, communities, and businesses, including equitable opportunities for Indigenous procurement, employment, and economic development.
2. Work with industry, including financial institutions, to provide Indigenous businesses and entrepreneurs with direct support and financing, legal advice, mentorship, training, and supplier diversity programs. This could include reassessing provisions under the *Indian Act* restricting the mortgage of property on-reserve, strengthening the capacity of Indigenous Financial Institutions, and removing other barriers to accessing capital.
3. Build on the National Benefits-Sharing Framework to facilitate greater Indigenous equity ownership in major infrastructure, natural resource, and clean energy projects.
4. Increase funding through the Reserve Land and Environment Program and Northern Participant Funding Program to support Indigenous-led environmental assessments, training and skills development programs, and community consultation.



5. Fill the Indigenous education gap by providing equal funding for Indigenous-led educational and training institutions and improving access to culturally based experiential learning and other training opportunities.
6. Ensure the timely and fair resolution of land-related claims and issues to remove systemic barriers to Indigenous sovereignty and self-determination and enable opportunities for engagement, collaboration, and economic development.

For more information, see our reports, [\*Sharing Prosperity: An Introduction to Building Relationships for Economic Reconciliation in Ontario, A Way Forward, Part I: Establishing Equity in Education & Employment for Indigenous Peoples\*](#) and [\*A Way Forward, Part II: Finance and Capital\*](#).

#### **d. Work with provinces and territories to remove barriers and enhance interprovincial trade and labour mobility.**

While provinces and territories have made important progress through bilateral agreements, mutual recognition initiatives, and sector-specific reforms in strengthening internal trade and labour mobility, inconsistencies across jurisdictions continue to raise business costs and limit workforce mobility. A coordinated national framework, developed in partnership with provinces and territories, can complement and support these ongoing efforts by reducing duplication, improving transparency, and achieving skills mobility nationally.

##### Recommendations:

1. Support provincial/territorial-led efforts to accelerate mutual recognition of credentials and streamline skills mobility nationwide. This includes empowering federal bodies to work with national standard-setting organizations (e.g., Canadian Standards Authority, Red Seal Program) to reduce duplication and streamline processes. Begin with high-impact sectors like healthcare (as per the \$200 billion federal health care funding deal) and infrastructure-related professions to demonstrate immediate federal leadership and national benefits.
2. Ensure regulations addressing interprovincial trade and labour mobility uphold Indigenous consultation, environmental protections, and procedural transparency.
3. Work with provinces and territories to adopt a bold strategy for low-carbon exports that positions Ontario's energy, cleantech, and natural resource sectors as strategic tools in the transition to net zero.



### **e. Advance Canada's leadership in the AI economy.**

For Canada to be recognized as a leader in the AI economy, focused government action is required in key areas, including boosting skilling and adoption among businesses, strengthening compute infrastructure, with an emphasis on commercialization and promoting data privacy and responsible governance.

#### Recommendations:

1. Expand targeted federal supports and grants to help SMEs adopt and integrate AI and emerging technologies, particularly in high-potential sectors such as manufacturing, retail, and logistics.
2. Scale investments in AI upskilling and re-training initiatives in partnership with industry, academia, and SMEs, ensuring alignment with sector-specific priorities.
3. Enhance awareness and navigation supports for businesses seeking to integrate AI, including toolkits, peer learning platforms, and access to sector-specific use cases.
4. Accelerate the development of sovereign data centres and high-performance computing, including multi-year public procurement strategies that support domestic firms and trusted allied partners.
5. Establish a national semiconductor and compute strategy to secure stable, affordable access to GPUs and critical hardware. This should include coordinated efforts with international partners to mitigate global supply risks.
6. Embed value-based principles in federal funding and procurement to prioritize long-term economic value, sustainability, and supply chain resilience, while improving access to federal contracts for Canadian-owned, Indigenous, and equity-deserving businesses.
7. Expand late-stage capital access for AI firms through targeted streams in the Strategic Innovation Fund or Canada Growth Fund and leverage federal procurement to enable Canadian AI firms to secure early traction, build credibility, and compete globally.
8. Improve SME access to Intellectual Property (IP) legal supports, financing tools, and commercialization pathways to enable innovators to retain and scale their ideas at home.
9. Harmonize Canadian IP and privacy frameworks with international standards to attract investment while safeguarding national interests.
10. Advance a principles-based governance framework that emphasizes accountability, transparency, consent, and explainability, especially in healthcare, finance, and critical infrastructure.



11. Co-develop sector-specific guidance and standards through ongoing engagement with business, academia, civil society, and regulators. This includes embedding privacy-by-design, promoting secure and ethical data sharing, and ensuring interoperability with global norms.
12. Invest in responsible AI capacity-building by supporting education, training, and institutional readiness across both the private and public sectors to meet regulatory expectations and build public trust.

For more information, see our [submission](#) to the Innovation Science and Economic Development on AIC and our report, *[In Data We Trust](#)*.



## 2. HEALTHY AND SUSTAINABLE COMMUNITIES

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### a. **Prioritize federal, provincial, and territorial collaboration to ensure equitable access to health care across the country.**

Ongoing collaboration with health system partners and provinces and territories is critical to maximizing the impact of health transfers. Action on key priorities to meet the current and future pressures facing provincial and territorial health systems, including the health human resources (HHR) crisis, the aging population, and mental health and addictions, will be critical to ensuring a strong and healthy workforce for future generations.

#### Recommendations:

1. Align the National Pharmacare Plan with existing private and provincial programs to target Canadians without coverage while preserving the integrity of current systems.
2. Ensure the Canadian Dental Care Plan integrates seamlessly with provincial guidelines by aligning billing codes, minimizing administrative burdens, and maintaining access to patients' current dentists.
3. Expedite efforts to address immediate HHR workforce shortages by pursuing a national licensure strategy and expanding foreign credential recognition programs for internationally educated professionals, including physicians, nurses, paramedics, and laboratory technologists.
4. Ensure that any further changes to Canada's immigration system continue to prioritize internationally trained medical professionals.
5. Work with provinces and territories to ensure they are prepared to administer emerging disease-modifying treatments for Alzheimer's by investing in critical healthcare infrastructure, including diagnostic capacity, access to team-based primary and specialist care, and public education and awareness.
6. Implement the Canada Mental Health Transfer with clear accountability, targeted funding for underserved communities, and partnerships with provinces, territories and Indigenous Peoples to address unique mental health challenges.



## **b. Drive innovation in Canada's life sciences ecosystem.**

As the birthplace of insulin and stem cells and a leader in medical isotope production, Canada has a strong legacy in life sciences. Recent federal investments under the Biomanufacturing and Life Sciences Strategy reinforce this leadership. However, challenges remain: too many Canadian discoveries are commercialized abroad, and patients wait nearly a year longer for new medicines compared to G7 peers.

To realize its potential, Canada must strengthen policies that accelerate research, development, commercialization, and adoption of life sciences innovations through targeted support and deeper collaboration among government, industry, healthcare, and academia.

### Recommendations:

1. Accelerate the approval of innovative medicines by working with provincial and territorial premiers to expedite and streamline the review and approval processes for medical devices, pharmaceuticals, and other healthcare products to ensure timely access to life-saving drugs and devices. Specifically, this includes speeding up Canada's Drug Agency and Pan-Canadian Pharmaceutical Alliance timelines and exploring accelerated access pathways.
2. Leverage the Strategic Innovation Fund to attract world-leading companies to Canada, specifically focusing on the life sciences sector.
3. Prioritize investments throughout the life sciences ecosystem, including renewing existing envelopes and creating new funding streams that encourage innovation and higher-risk ventures. This includes creating targeted tax credits for biomanufacturing and the life sciences sector to promote innovation, attract global leaders, and compete with international incentives.
4. Partner with industry to develop a preparedness model for healthcare supply chains, ensuring a reliable inventory of critical medical supplies and proactively preventing shortages during health crises.
5. Work with provinces and territories to unlock additional funding to support and grow our medical isotope ecosystem and establish Canada's strategic global advantage, including partnering with Indigenous communities, post-secondary institutions, hospitals, and industry.

For more information, see [\*Building Ontario's Resiliency: Empowering the Life Sciences Ecosystem\*](#) and the letter on [\*Building the Bioeconomy: Priorities for Catalyzing Ontario's Life Sciences Sector\*](#).



### **c. Revitalize the National Immunization Strategy.**

The COVID-19 pandemic demonstrated the importance of robust immunization frameworks and highlighted gaps in vaccine access, distribution, and public education. While progress has been made, including funding for the Canadian Immunization Research Network (CIRN) and preparations for a renewed National Immunization Strategy (NIS) in 2025, more action is needed to address coverage gaps, ensure equitable access, and strengthen pandemic preparedness.

#### Recommendations:

1. Expand and resource the National Advisory Committee on Immunization (NACI) by providing sustained funding to improve decision-making and ensure timely recommendations for new vaccines.
2. Support the 2025 renewal of the National Immunization Strategy by allocating funding to close immunization coverage gaps and deliver equitable access to recommended adult vaccines across all regions.
3. Enhance public education and data collection to increase immunization rates among high-risk and underserved populations, address vaccine hesitancy and ensure comprehensive tracking.
4. Bolster Canada's biomanufacturing capabilities, health innovation systems, and supply chain resilience to strengthen pandemic preparedness and ensure the timely availability of critical vaccines and devices.
5. Work with provinces and territories to integrate new vaccines, such as those for pneumococcal disease, shingles, and RSV, into adult immunization schedules based on NACI recommendations.
6. Invest in disease surveillance infrastructure to better track vaccine-preventable diseases and emerging threats.



### 3. QUALIFIED PEOPLE, DIVERSE TALENT

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#### a. **Align immigration and workforce strategies to address continued and forecasted labour shortages.**

In 2024, the federal government implemented several measures to better align immigration policies with labour market demands, including adjustments to immigration levels and targeted investments in skills training. Despite these efforts, many employers in Ontario continue to face labour shortages, particularly in sectors such as construction, manufacturing, and healthcare.

#### Recommendations:

1. Prioritize immigration policies that address labour shortages by aligning federal programs—including the Immigration Levels Plan, the Temporary Foreign Worker Program, and international student study permits—with regional labour market needs in sectors such as transportation, construction, hospitality and tourism, manufacturing, and healthcare. This includes streamlining application processes for high-demand occupations and reducing processing backlogs for skilled immigrants and temporary foreign workers where provincial and industry demand is high.
2. Enhance federal tri-council funding for discovery-based research to make Canada a leading destination for top global talent at a time of uncertainty in the US and other markets.
3. Expand pilots, such as the Rural Community Immigration Pilot, to create pathways to permanent residency for skilled workers who want to settle in rural and remote communities.
4. Work with the Ontario government to tailor the Ontario Immigrant Nominee Program to target candidates who meet regional labour demands but may not align with federal criteria.
5. Increase funding for workforce readiness programs at the provincial and territorial levels to help skilled newcomers integrate into employment opportunities aligned with their existing skills and education.
6. Enhance work-integrated learning opportunities for students prior to graduation to leverage the domestic talent pipeline and strengthen connections between SMEs and academia.
7. Work with the provinces and territories to invest in reskilling and upskilling workers in industries undergoing transitions, such as energy and emerging technologies, to prepare for shifts in labour demands.



8. Continue working with provincial and territorial governments to increase the supply of affordable and accessible childcare while supporting the creation of a pipeline of childcare providers to enable greater workforce participation, especially among parents.

**b. Reform Employment Insurance (EI) to reflect the needs of today's workforce.**

Canada's economic potential can only be realized with all eligible workers participating in our labour force. Employers are committed to reforming EI to help ensure we have a modern, productive, and inclusive workforce.

Recommendations:

1. Apply a tripartite-led approach to EI reforms, based on a comprehensive review of the current system, to ensure EI's governance, programs, policies, and operations are sustainable, affordable, inclusive, and relevant for current and future generations of Canadian employers and employees.
2. Continue dialogue with stakeholders, including employers and private insurers, to ensure reforms to the Premium Reduction Program are meaningful and achieve the objective of greater program uptake.



## 4. GROWTH-ENABLING INFRASTRUCTURE

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### a. Continue to tackle the housing affordability crisis by leveraging partnerships and innovative solutions.

Housing continues to be a challenge across Canada, impacting businesses' ability to attract and retain workers. With fewer affordable options, communities across the country are facing increasing rates of homelessness, leading to deep inequities and higher health, justice, and social service costs. Tackling this crisis will require an all-hands-on-deck approach, leveraging the strengths of the private, public, and non-profit sectors.

#### Recommendations:

1. The federal government must build on recent reforms and expand the National Housing Strategy (NHS) to support a full spectrum of housing solutions, including non-profit, co-operative, student, supportive housing, purpose-built rentals, mixed-use and mixed-income buildings, and “missing middle” housing. This aligns with the federal mandate to ensure Canadians have access to safe, affordable housing. This can be achieved by:
  - a. Building on the expanded Housing Accelerator Fund and Apartment Construction Loan Program to establish a framework for private lending institutions to provide low-interest loans and other financing options tied to affordable housing production targets.
  - b. Addressing the urgent need for student housing at Indigenous Institutes in Ontario, ensuring equitable access to on-campus housing resources for Indigenous learners.
  - c. Continuing to identify and repurpose surplus public lands for affordable housing development through the Federal Lands Initiative.
  - d. Expediting project timelines by streamlining approvals and funding disbursements, including automatic approvals for applications meeting affordability criteria.
  - e. Developing a rental housing acquisition program to preserve low-end market rental housing and prevent displacement.
  - f. Supporting community land trusts to maintain affordable rental stock.
  - g. Accelerating the implementation of the Urban, Rural, and Northern Indigenous Housing Strategy by working closely with Indigenous organizations to ensure the success of the federal government's \$4 billion commitment.



2. Work with all levels of government and industry to establish standard definitions of affordable and attainable housing, focusing on regional variations in market rates, income levels, and cost of living. Address constraints in enabling infrastructure by enhancing access to programs like the Canada Infrastructure Bank's Infrastructure for Housing Initiative.
3. Provide municipalities and private developers with resources to overcome infrastructure bottlenecks that hinder housing development.
4. Collaborate with provinces and territories to develop climate-resilient building codes integrating low-carbon technologies and energy sources.

For more information, see our report, [\*Home Stretched: Tackling Ontario's Housing Affordability Crisis Through Innovative Solutions and Partnerships\*](#).

### **b. Prioritize resilient and growth-enabling infrastructure.**

Strategic, nation-building infrastructure is critical to Canada's economic competitiveness. It strengthens supply chains, enables trade, attracts investment, and supports population growth. While provinces and municipalities own much of the physical infrastructure, the federal government plays a vital role in national coordination, funding, and regulation.

#### Recommendations:

1. Lead the development of a national energy and infrastructure corridor by working with provinces, territories, and Indigenous partners to identify routes, coordinate funding, and streamline regulatory approvals. Strategic investments in transmission lines, pipelines, rail networks, and ports would strengthen energy security and ensure Canadian resources and goods can efficiently access domestic and global markets.
2. Advance the National Infrastructure Assessment (NIA) by setting clear long-term goals, assessing existing infrastructure assets, and providing region-specific implementation roadmaps while ensuring regular updates to reflect evolving needs.
3. Renew funding for the Investing in Canada Infrastructure Program or unveil its successor program to ensure stability and certainty for infrastructure projects and proponents.
4. Ensure future infrastructure investment plans allow for multi-project applications based on sound asset management planning and individual project applications.
5. Work with provinces and territories to implement resilient maritime strategies, including investing in waterway infrastructure repairs and maintenance to ensure ongoing viability and community and economic growth.



6. Build and maintain resilient and reliable energy infrastructure that can guarantee an uninterrupted supply to homes and businesses.
7. Identify Billy Bishop Toronto City Airport as a critical transportation link for Canada by working with the City of Toronto, the Government of Ontario, and Ports Toronto to advance modernizing and renewing the Tripartite Agreement with urgency.

**c. Invest in climate-resilient natural infrastructure.**

Investing in nature is one of the most cost-effective ways to protect against the effects and costs of climate change. Building robust public infrastructure and maintaining a state of good repair directly impacts communities, facilitating the day-to-day operation of the economy and society.

Recommendations:

1. Collaborate with industry and other levels of government to ensure that built natural infrastructure is informed by the latest science, best practices, and expertise, with dedicated funding for capacity development and technical support for practitioners.
2. Establish a reliable, long-term Natural Infrastructure Fund for municipalities to support mainstreaming natural infrastructure projects and natural asset management.
3. Incentivize watershed-scale projects to address flooding, erosion, and groundwater protection through cross-jurisdictional collaboration and the adoption of nature-based solutions.

**d. Build more resilient supply chains across Canada.**

Climate-related disasters, economic disruption, and geopolitical unrest have exposed vulnerabilities in Canada's supply chains, threatening economic growth, national security, and business competitiveness. The government must make further strategic investments and collaborate with stakeholders to strengthen supply chain infrastructure, technology, and labour.

Recommendations:

1. Expand existing financial support programs such as the Strategic Innovation Fund, Global Affairs Canada's Trade Commissioner Service, and the National Research Council's Industrial Research Assistance Program to provide dedicated support for small and medium-sized businesses to adopt risk-management and diversification strategies, and to implement technology that improves visibility, enables predictive analytics, and supports real-time management across their supply chains.



2. Continue collaborating with the private sector to digitize key supply chain components – including infrastructure, air, freight, and sea cargo – to enable system-wide adoption of emerging technologies, real-time product management tools, and automation, while improving efficiency and communication across the entire supply chain network.
3. Work alongside all levels of government and direct funding through federal infrastructure programs to:
  - a. Help build necessary capacity across all modes and channels of distribution across Canada, while expanding the availability of logistics and warehousing facilities.
  - b. Urgently identify, protect, and invest in the future of critical trade-enabling infrastructure assets, including ports, rail, roadways, and airports – such as Billy Bishop Toronto City Airport, and Northern Ontario’s highway infrastructure and forest access roads.
  - c. Expand and strategically target funding through the Federal National Trade Corridor Fund for critical component ports of the global supply chain, including airports with cargo capacity, that can increase the resilience of the global supply chain network by offering alternative modes of transportation.
4. Explore and develop contingency plans in partnership with key existing and new trading partners to strengthen the resiliency of supply chain networks, ensure rapid response mechanisms to disruptions, and keep supply chains moving.

For more information, see our policy primer, [\*Supply Chain Disruptions and Delays\*](#).

#### **e. Accelerate investments in digital and broadband infrastructure.**

As businesses and consumers increasingly adopt new technology and shift to online marketplaces, continued investments in broadband infrastructure are essential to ensure equitable access to digital goods and services. The government must build on existing efforts to increase access to high-speed internet nationwide to future-proof its digital infrastructure. Coordinated investments and a collaborative approach will be critical to maximizing public program impact while supporting underserved communities.

##### Recommendations:

1. Work with industry partners to build greater redundancy and resiliency into broadband networks to ensure equitable access to critical broadband infrastructure.
2. Integrate broadband in infrastructure planning by ensuring broadband deployment is considered alongside electricity and other infrastructure upgrades to optimize investments and minimize disruption.



3. Collaborate with provinces and territories to align infrastructure investments with future technology needs beyond existing targets (e.g., Quebec province-wide 5G connectivity goal).
4. Assess opportunities to promote greater competition and private sector investments in the broadband sector.
5. Continue fast-tracking funding commitments and improving coordination with stakeholders to ensure public funds address gaps in private sector expansion plans.
6. Expand investments in broadband through the Universal Broadband Fund to allow more access and higher internet speed in rural and remote communities through initiatives such as the Southwestern Integrated Fibre Technology.
7. Support providers by developing an effective federal regulatory framework for carrier access to passive infrastructure.
8. Consult with provinces and territories to identify how financial tools can be leveraged to offset investment and provide affordable, equitable access to underserved communities.

#### **f. Support the adoption of low-carbon vehicles.**

Recognizing action to extend incentives for zero-emission vehicles (ZEVs) and expand charging infrastructure, further efforts are needed to accelerate low-carbon vehicle adoption to meet Canada's net-zero target and attract businesses looking to meet these ambitious climate goals.

##### Recommendations:

1. Expand and incentivize charging and refuelling station infrastructure investments for low-carbon commercial fleets across major supply chain and commercial transportation routes.
2. Invest in low-carbon vehicle research and development programs at Ontario's post-secondary institutions to support the advancement and commercialization of new technologies for medium—and heavy-duty vehicle classes.
3. Collaborate with industry stakeholders to standardize electric vehicle charging connectors, aligning with international standards to enhance user convenience and interoperability.

For more information, see our policy primer, [\*Transitioning to Carbon-Neutral Fleets in Ontario\*](#).



### **g. Fast-track investments in rail and transit solutions.**

Efficient transportation systems are essential to Canada's economy. They facilitate the movement of goods, services, and people, which drives economic growth and job creation. Strategic investments in transit and rail infrastructure are vital for fostering prosperity in rural, urban, remote, and Indigenous communities and advancing the federal government's climate action targets.

#### Recommendations:

1. Work with municipal, territorial, and provincial governments to develop additional rail capacity, strengthen supply chain networks, and invest in long-term transit infrastructure projects, including cross-regional rail, light rail transit, bus rapid transit, and fleet electrification.
2. Partner with the private sector to raise capital for large-scale transit projects and new rail lines that serve more communities in Ontario, including rural, northern, and southern communities.
3. Fund critical rail projects, such as replacing the fleet used for long hauls and regional services in Northern and Southern Ontario and the VIA Rail/AMTRAK service project between Toronto and Chicago, including leveraging the Canada Infrastructure Bank.
4. Promote energy-efficient transit solutions, including electrification and vehicles blending renewable natural gas and hydrogen.

