



2021 OCC AGM PROPOSED
POLICY RESOLUTIONS
COMPENDIUM



Preface

This booklet contains the proposed policy resolutions for debate at the Annual General Meeting of the Ontario Chamber of Commerce on **May 5, 2021**. These resolutions were developed and submitted by our network of chambers of commerce and boards of trade.

Each resolution has been reviewed by the Policy and Advocacy Committee (PAC), a subcommittee of the OCC's Board of Directors, comprised of representatives from both our chamber and corporate memberships

The PAC is mandated to ensure that all resolutions presented on the floor for discussion are:

- Provincial in scope or impact;
- An important matter of principle that requires the OCC to be on the public record;
- Deemed important enough to be on the legislative agenda of the government or be of considerable concern to a majority of members; and
- Not duplicative of any existing resolutions.

During the debate, resolutions will be discussed before voting delegates are asked to **adopt, defeat, or refer the resolution to the Board of Directors for further study**.

Policy resolutions adopted at the AGM will become part of the Ontario Chamber's advocacy agenda for the next three years.

The resolutions contained within this book are also available on the OCC website at occ.ca

Resolutions Debate Procedures

Prior to debating the proposed resolutions, a motion will be presented to place the entire policy book on the floor (this prevents the need for a motion to adopt each resolution as it comes up).

Resolution Debate

1. The discussion of each resolution will open with the moderator naming the resolution. A representative of the sponsoring group (submitting chamber/board of trade) is entitled to make a brief comment (approximately one minute) to amplify or clarify their resolutions. If the OCC PAC has indicated that they do not support the proposed resolution, a committee representative will be offered an opportunity to comment briefly before the resolution is opened for discussion by all delegates.
2. Although everyone is allowed to participate in the debate, only voting delegates have the right to move or second motions, amendments or other motions to vote.
3. Wait to be recognized by the moderator and then identify yourself and your organization before you begin your remarks.
4. Due to limited time for policy debates, we encourage all delegates to keep their commentary concise.
5. You are responsible to make your voting decisions in accordance with your beliefs about what is in the best interests of the Ontario Chamber of Commerce policy agenda. Delegates have three possible courses of action for each resolution:
 - a. **To adopt it** – with or without amendments – thus making it official OCC policy

- b. **To defeat it;** or
 - c. **To refer it to the Board of Directors for further study.** While this precludes the item from becoming official policy at the time of the AGM, it does permit the board to act upon it.
6. The policy debate is governed by Robert's Rules of Order. It is OCC policy to require a 50% plus one of the voting delegates to pass any motion or amendment.

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

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

Issue

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

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

Ontario must reverse the decline in its ability to produce high skilled, high earning jobs and the economic benefits that come from a strong and growing advanced manufacturing and industrial sector. Ontario needs a long-term strategy to advanced manufacturing and industrial capabilities and competitiveness.

Background

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

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

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

Ontario firms are growing less competitive and thus missing out on the opportunities that expanding local and global economies provide. Canadian manufacturers and industrials are losing

market share at home and abroad. Our foreign competitors are taking an increasing share of new and existing customers and as the US expands the Buy America policy and reduces exceptions Ontario must seek remedies and build a strong strategic direction or as a result lose opportunities to create jobs and grow shared economic prosperity in Ontario.

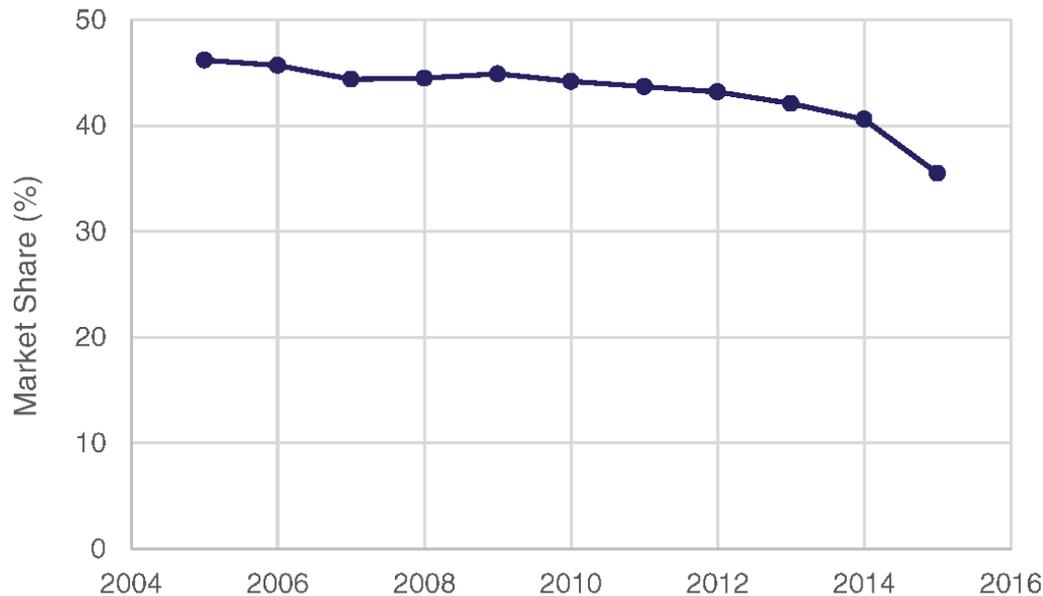


Figure 1. Canadian share of Canadian manufacturing market from 2005-2015. Source: CANSIM Table 304-0014 and Innovation, Science and Economic Development Canada and Trade Online

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

Recommendations

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

1. In collaboration with stakeholders, develop and implement a long-term modern advanced manufacturing and industrial strategy, founded on the principles of continuous improvement, that focuses on increasing investment through reducing production costs, supports innovation and technology adoption with the goal of increasing value-added exports.
2. Introduce a trade strategy that targets reshoring of manufacturing capacity to Ontario and strengthens North American competitiveness.
3. As part of the long-term strategy, work with academic institutions, public and private, to develop advanced manufacturing and industrial curriculum to address the skills shortages.
4. Leverage areas of competitive strength and Ontario's value proposition.
5. Continue to build the "Ontario Made" brand by modernizing the legislated and voluntary expansion of government and public-private partnership procurement tools to evaluate and consider selection of Ontario suppliers.

6. Promote with the Federal Government the concept of adopting a “Buy North American” plan, to avoid complicating supply chain linkages between the two countries and Mexico to ensure government procurement markets do not seriously hurt our precarious economic recovery.
7. Reinforce the historically strong diplomatic relations between Ontario and the United States to maintain open market access.

OCC Policy & Advocacy Committee Position: The submitting chamber amended the resolution based on suggestions made by the Policy & Advocacy Committee. The committee supports the resolution as amended.

2. Create a Provincial Pandemic-Response Strategy and Plan

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

Issue

The COVID-19 pandemic has exposed Ontario's vulnerabilities in its response strategy to health pandemics. Over the past year, the province has faced challenges related to its critical health-care supply chains, infrastructure, and other crisis-response tools. The Government of Ontario should conduct a thorough review of its response to the COVID-19 pandemic and develop a pandemic-response strategy to help manage any future health-care related crises.

Background

The COVID-19 pandemic was an unprecedented health and economic shock for which the province, along with the rest of the world, was underprepared. The early days of the pandemic saw communities around the province struggle with procuring critical Personal Protective Equipment (PPE) supplies for not just average citizens, but frontline health care and essential service workers as well. There were reported shortages in N95 masks, gloves, gowns, face shields, and other equipment. The province responded to these concerns by launching a Workplace PPE Supplier Directory in May 2020, but the initial shortages had already delayed Ontario's safe reopening by several weeks.¹

During normal times, Ontario has relied on its trading partners to supply many materials necessary to power the economy, but due to a variety of reasons, those relationships were not enough in the early days of the crisis and left the province at a disadvantage. In early April 2020, Canada's N95 mask orders from American manufacturer 3M were disrupted due to the US President's invocation of the US Defense Production Act; a shipment of masks ordered by the Government of Ontario were held at the US border in April 2020, but later released; and in early May 2020, news reports indicated that N95 masks imported from China did not meet Canadian health standards and could not be used against COVID-19. These situations eroded trust in our trading partners, and should be seen as an indication that Ontario, despite being a trade-reliant economy, should not rely on other countries to supply critical materials needed to combat a health pandemic.

The provincial government acted to address some of these issues, with multiple investments to increase domestic PPE manufacturing capacity, including launching the Ontario Together fund in April² and the Workplace PPE Supplier Directory in May.³

Additionally, the differences between Ontario's various measures to mitigate the spread of the virus, including states of emergencies, stay-at-home orders, business regulations, etc., and that of other

¹ <https://news.ontario.ca/en/release/56954/ontario-announces-additional-workplaces-that-can-reopen>

² <https://news.ontario.ca/en/release/56537/ontario-joins-forces-with-the-private-sector-to-fight-covid-19>

³ <https://news.ontario.ca/en/release/56954/ontario-announces-additional-workplaces-that-can-reopen>

neighboring provinces like Quebec has also contributed to the entire country's response to COVID-19. The level of coordination between provinces and the federal government in communications and response strategies, including supports for businesses, has led to public confusion, and ultimately some erosion of trust among citizens and businesses.

Various factors led to a delay in the provincial, and national, rollout of the COVID-19 vaccines. The federal government is procuring these vaccines from manufacturers while the provinces are administering it to the population. Despite the federal government signing contracts for multiple doses of vaccine per citizen, vaccine supply shortages still remain an issue as we enter 2021. Part of the reason is the inability to manufacture the vaccine domestically. The province should consider policies to encourage domestic manufacturing of critical, pandemic-related supplies, including vaccines.

Business are doing their part. Many businesses across the country showed organizational flexibility and modified their operations in response to COVID-19 to produce needed PPE equipment. But these were emergency responses to an unprecedented situation, and may not continue in the long-term after recovery, unless there is clear incentive to do so. These businesses may need support from the provincial government to continue such operations, and the Ontario Together fund has a key role to play in this.

The absence of a comprehensive strategic response to the pandemic has led to a difficult response to the pandemic, particularly in the second wave where confusing directives have made public compliance more difficult. The Government of Ontario should ensure these issues are mitigated in the future through the development of a pandemic-response strategy that can be relied upon in any future health-related crises. Part of this should be to conduct a comprehensive review of Ontario's response to COVID-19, and identify opportunities for improvement, inter-provincial partnerships, and plans for improved coordination with the federal government.

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government to:

1. Conduct a comprehensive review of the Ontario's response to COVID-19, with the aim of identifying opportunities for improvement, inter-provincial partnerships, and improved coordination with the federal government.
2. Engage the business community to create a provincial pandemic-response strategy to effectively respond to future health-related crises, paying particular attention to regulatory changes, infrastructure investments, communication strategies, etc., to ensure that business restrictions remain the last resort.
3. Review the performance of the Ontario Together fund and potential for expansion into a permanent investment fund for building capacity for domestic manufacturing of critical pandemic-related materials, including PPE, vaccines, and other related medical materials.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

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

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

Issue

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

Background

While EVs currently consist of a limited portion of vehicles sold in Ontario, their worldwide share grew by 40% between 2018 and 2020.⁴ The Government of Ontario has already signaled its intentions to support the growing EV market by agreeing to work with the Federal Government to co-fund the production of these vehicles at the Ford and GM plants in Oakville and Oshawa⁵ respectively .

Ontario will need to increase its public charging network to support the growth of this market. While private charging would be ideal for EV ownership, this is likely more difficult in densely populated areas including the GTHA⁶.

Currently, there are just 1300⁷ publicly available charging stations available across Ontario. Comparatively, BC has almost 1000 charging stations despite purchasing half as many EVs; as demonstrated in figure 1⁸.

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

Further consideration should be given towards the rate-base classification for charging EVs, with at least one alternative rate needed for EV charging. This is also technical advice that LDCs can provide through an understanding of the kW requirements for different charging classes. Failure to effectively

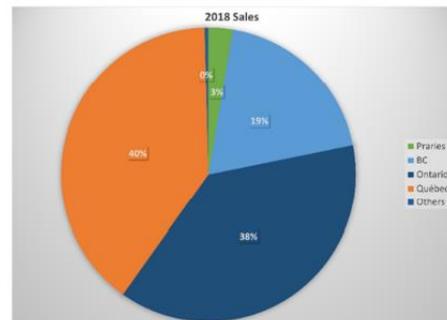


Fig 1: Canadian EV sales

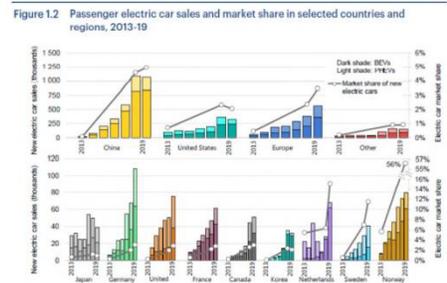


Fig 2: Global Sales of EV

⁴ International Energy Agency Global EV Outlook 2020 - <https://www.iea.org/reports/global-ev-outlook-2020>

⁵ <https://news.ontario.ca/en/release/58736/historic-ford-canada-investment-transforming-ontario-into-global-electric-vehicle-manufacturing-hub>

⁶ <file:///C:/Users/adamsoppelsa/Downloads/EV-Charging-Infrastructure-Guidelines-for-Cities.pdf>

⁷ <https://www.nrcan.gc.ca/energy-efficiency/energy-efficiency-transportation-and-alternative-fuels/electric-charging-alternative-fuelling-stationslocator-map/20487#/find/nearest?country=CA&fuel=ELEC>

⁸ file:///C:/Users/adamsoppelsa/Downloads/Charging%20Ahead_%20EDA%20Position%20Paper%20on%20Electrified%20Transportation.pdf

plan for the expanding EV market will result in the Province having to play catch-up, to the detriment of both the Government and customers.

Recommendations

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

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

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

4. Enbridge Line 5 and Ontario Energy Supplies

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

Issue

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

Background

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

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

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

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

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

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

Ontario Premier Doug Ford has written to Governor Whitmer indicating the potential disruption will threaten 1,000 unionized jobs in the United States and will result in a major fuel shortage, along with nearly 5,000 direct jobs at risk in Sarnia-Lambton. Ontario Energy Minister Greg Rickford has

indicated Line 5 is a key artery supplying the province with oil and warned of the economic disaster that will result if the system is turned off.

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

Recommendation

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

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

OCC Policy & Advocacy Committee Position: The submitting chamber amended the resolution based on suggestions made by the Policy & Advocacy Committee. The committee supports the resolution as amended.

5. Establishment of Small Vessel Marine Trades in Ontario to include Marine Electrician, Service Technician, and the overall expansion for Marine Training Certifications across Ontario

Submitted by: The Prince Edward County Chamber of Commerce. Co-sponsored by: Quinte West Chamber of Commerce, Brockville and District Chamber of Commerce, Napanee and District Chamber of Commerce, 1000 Islands Gananoque Chamber of Commerce, and the Sarnia Lambton Chamber of Commerce

Issue

Ontario boasts many waterways, as such, there is a large and thriving marine industry in the province, but the industry lacks support, resources and safety regulation that is afforded to land-based vehicles. Although there are specific certifications for electrical, engine, etc. technicians for other industries, skilled trades for recreational boats apprenticeships are limited. Not only would the safety of residents and tourists on Ontario's waterways be improved, but also an increase in the current number of technicians and the creation of two new skilled trade designations would strengthen this industry to build the skilled workforce necessary to meet this sector's growing demands.

Background

Ontario has a thriving marine industry with dealerships, marinas, and is home to manufacturers of small vessels for both personal and commercial use. While construction standards exist (see TP1332E, TC), there is no standardization or oversight to ensure the safety of vessels on the water except as applies to their engines (Marine technician is effectively a mechanic trade - Trade Code 435B). As with Recreational Vehicles (RVs) on land, there is more to a boat than its engine, but unlike an RV, if there is a fire, leak, or other issue on a boat, it cannot as easily be moved to the side of the road for repair. Luckily, there are few major safety incidents involving small vessels, but many of the incidents and insurance claims are preventable by improving the general service technician and electrician standards (for construction and maintenance not related to engines). Through expanding marine apprenticeship opportunities, Ontario could lead the way for boating safety and supporting the marine industry.

Transport Canada recognizes training from the "American Boat & Yacht Council (ABYC), a non-profit, member organization that develops voluntary global safety standards for the design, construction, maintenance, and repair of recreational boats."⁹ Courses offered by the ABYC are taught in Ontario by certified instructors, but these classes are not required for technicians to work in the recreational boat sector within the province.

Currently, Georgian College is the only post-secondary institution in Ontario that offers the Marine Engine Technician apprenticeship program. Boat dealership owners and staff are required to receive/attend mandatory training to sell specific companies' products, for example "Legend Boats".¹⁰ But, not all boats are purchased new and serviced/repared at dealerships with company

⁹ <https://abycinc.org/page/About>

¹⁰ <https://boatingindustry.com/top-100/2018/01/03/2017-best-in-class-best-training-benefits/>

certified technicians, especially in emergency repair situations. With cars, all repair shops must have mandatory certified licenced repair personnel.

Recreational boating is an important past time and sector for Canada. According to Pat's Boating in Canada, "The Economic Impact of Recreational Boating in Canada Report' prepared by the National Marine Manufacturers Association Canada (NMMA) tells us that that about 12.4 million adult Canadians go boating every year. Recreational boating adds \$5.6 billion to Canada's GDP with over \$10 billion in revenues. About 75,000 Canadian are employed by the core of the recreational boating industry while boaters themselves spend \$1.4 billion annually in boat trips."¹¹ According to Rick Layzell, the CEO of Boating Ontario "47% of all boats sold in Canada are sold in Ontario"¹²

Other mandatory certified skilled trades, such as electricians, millwrights, have specific training levels (year 1, year 2, etc.) pay scales that reflect this training ensuring standardization of knowledge and a path to completion. A clear-cut path with earning opportunities is used to attract talent to specific occupations. Work within the recreational boating industry's ability to attract a skilled workforce is limited with only a handful of seats available in Midland Ontario, a location that is inconvenient to attend the required in-class training. According to Boating Ontario, over two-thirds marine technicians are offered year-round employment paying up to \$40 an hour. Although the industry works to promote these opportunities, many companies and individuals do not have access to local apprenticeship training. The current model assumes that people are purchasing new boats that can be serviced, winterized, and stored by local dealerships and marines. To attract talent interested in this industry with to growing opportunities, Ontario needs to provide better access to apprenticeship training/certifications across the province.

To protect recreational boaters, the Canadian government has established training and guidelines for people to receive licenses. As boat safety for the operators is a priority, it is logical that the Ontario government would extend these standards to establish certifications under Skilled Trades in more than one location for those responsible for repairing recreational boats ensuring consumer safety.

Supporting organizations for this Policy Resolution include:

- Swiftsure Vessel Solutions, Ltd., Consecon, Ontario
- Hartzel Marine and Auto, Thorold, Ontario

Recommendations

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

1. Work with the marine industry, their associations, and post-secondary institutions to:
 - a. Review opportunities to expand marine apprenticeship training programs to meet the growing and changing needs of the sector.
 - b. Research American Boat and Yacht Council (ABYC) courses that are recognized by Transport Canada.

¹¹ <https://boating.ncf.ca/stats.html#links>

¹² <https://boating.ncf.ca/buyaboat.html#:~:text=%E2%80%9C47%25%20of%20all%20boats%20sold,Canada%20are%20sold%20in%20Ontario.%E2%80%9D>

2. Develop programs for voluntary marine certifications to include small vessel technician and marine electrician through Ontario's Ministry of Labour, Training and Skills Development.
3. Expand/improve access to marine apprenticeships across Ontario (technician, small vessel technician, and electrician).
4. Continue to work with industry and partners to develop and improve certifications as required.
5. Upon successful implementation of more marine certifications, work with other provinces to adopt similar programs to lead to these trades achieving the recognized certification/training standards.

OCC Policy & Advocacy Committee Position: The submitting chamber amended the resolution based on suggestions made by the Policy & Advocacy Committee. The committee supports the resolution as amended.

6. Establishment of the Provincial Termination Severance Fund

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

Issue

Without Government intervention, multiple businesses are liable to enter insolvency once a final date is set for the *Employment Standards Act, 2000* (“ESA”) temporary layoff date, and then resulting termination date.

Background

Understanding the severity of the COVID-19 pandemic on struggling SMEs, the Provincial Government has delayed the start of temporary layoff periods prescribed under the ESA¹³, with the current delay due to expire on July 3, 2021¹⁴. Moving this date has ensured that businesses do not have to worry about the length of time that an employee is placed on a temporary layoff, thereby avoiding the necessity of having to pay statutory termination pay and severance pay pursuant to the ESA should the employee not be recalled to work within the prescribed time limits under the legislation.

While prudent Government policy after the pandemic should assist in an economic recovery, there will still be many unable to recover and permanent job losses. This will particularly be true in some of the hardest-hit sectors such as tourism, hospitality and retail. Such companies will be at risk once the Provincial Government decides to finalize the end of the delayed start of temporary layoff period. At this point, businesses which cannot recall employees to the workplace will effectively be on a temporary layoff pursuant to the ESA, and if not recalled within the prescribed time limits, necessitate the payment of statutory termination pay and severance pay, which can be as high as 34 weeks of wages. Should the July 3rd date remain, multiple companies will go under between the second half of 2021 and the first half of 2022 when they are required to pay the statutory amounts pursuant to the ESA.

The Government could continue to delay this date but there may be a challenge to this through the courts. An employee could challenge the temporary lay-off period in the courts, by arguing that the layoff is the equivalent to a constructive dismissal, which would require their employer to provide them with common law notice. Both due to the aforementioned common-law challenge and public opinion, the government will need to prepare for this layoff period once the pandemic has ended.

While the Federal Government has established some loans, there will still be several companies that require long-term relief. The CEBA¹⁵ loan provides too small a sum to cover costs, whilst the HASCAP¹⁶ requirements are too limited to cover all businesses. The Federal Wage Earner Protection

¹³<https://www.ontario.ca/laws/statute/00e41>

¹⁴<https://www.ontario.ca/document/your-guide-employment-standards-act-0/termination-employment#section-2>

¹⁵<https://ceba-cuec.ca/>

¹⁶<https://www.bdc.ca/en/special-support/hascap>

Program¹⁷ does provide compensation in cases of business insolvency when wages or outstanding severance payments but the sum provided is minimal.

Accordingly, companies that are unable to claim this support and unable to recall employees from a temporary layoff due to the downturn in the economy will eventually have to provide statutory termination pay and severance pay. This will likely result in insolvency for several of them. Businesses remaining open is central to any provincial economic recovery and is imperative that those unable to afford statutory payouts are provided with a support mechanism to keep their doors open.

Recommendations

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

1. Establish a Provincial Termination Severance fund or to support businesses that may enter insolvency, either by covering the costs of statutory termination pay or severance pay.
2. Work with the Federal Government, CRA, and financial institutions to understand which companies have fallen through the cracks of the HASCAP, specifically those who have seen less than a 50% decline in revenue.
3. Work with the financial institutions of businesses to disperse funding easily in accordance with previous government programs.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

¹⁷ <https://www.canada.ca/en/employment-social-development/services/wage-earner-protection/employee/eligibility.html>

7. Implementing Virtual Healthcare in Ontario

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

Issue

Virtual healthcare in Ontario lacks sufficient direction and funding to effectively operate despite the current gaps present in the system.

Background

The Government of Ontario has recognized the benefit of this support by announcing a \$14.5 million¹⁸ investment in the growth of virtual care throughout the Province. While this initial investment represents an important first step in funding virtual health, there will need to be further investments made by the Government to effectively develop this form of healthcare. The first steps are in place with Ontario's Digital Health First Strategy, announced in November 2019.¹⁹ However this strategy needs to be developed beyond its current iteration, which is too broad in scope to be actionable.

This issue has been highlighted by the COVID-19 pandemic, which has exposed gaps in Ontario's healthcare system. A focus on closing these gaps to improve wellness of our communities will be key to enabling better health and a more productive workforce. This means ensuring the right services are in place, with the appropriate mechanisms to enable access and equity across our communities, while empowering people with the information and tools to proactively self-manage their health.

We have seen a recent rise in the use of remote care to connect patients with the supports they need, with a global rise of roughly 130% over a four year period, even prior to COVID-19²⁰. As we look to the future, this will be a key area for growth to enable self-management, access to care, improved patient experience and better health outcomes. The current limitations in the way care is delivered can contribute to longer wait times and challenges in getting resources needed. Digital health capabilities can break down these barriers by enabling people to take greater control of their care and access many services from their home environment.

For example, instead of providers directing where a patient should go through a referral, patients could be given the choice and resources to make an informed decision on where to seek care, with opportunities to access providers across the system and not just within their local region. Modernized digital referral systems can also allow patients to track progress on referrals, minimize time for processing, and help to centralize specialty procedures to level-load demands and improve timely access to care.

Similarly, with respect to medication management, this can mean providing patients a common platform to find where their medications are available, put in orders, and have prescriptions sent to their home. This platform should be developed to complement other modalities including phone-in access and video interactions to ensure ease of access for patients. Many vulnerable populations currently have difficulties accessing medications, resulting in poor outcomes and preventable

¹⁸ <https://news.ontario.ca/en/release/59437/ontario-expanding-innovative-home-and-community-care-services>

¹⁹ https://www.health.gov.on.ca/en/news/connectedcare/2019/CC_20191115.aspx

²⁰ <https://lumecca.com/is-telemedicine-actually-more-affordable/>

escalations in care. Improved mechanisms to get the resources people need at home can enable better adherence to care plans and help shift the current system towards a preventative approach to health. To enable these types of services and ensure equal access for our communities, it will be important to ensure the affordable infrastructure is in place, such as high-speed broadband internet²¹. While healthcare is mentioned in the *Broadband and Cellular Action plan* it is primarily targeted at rural communities²². While this scope will support virtual care, it will also need to be adapted in urban municipalities to ensure a Provincial ease of access. This could involve providing free high-speed access in public spaces to ensure local supports for those who cannot otherwise afford these resources.

By adapting the way in which care is delivered and enabling access to health resources across the system, community members can be empowered to manage their care, with information at their fingertips to make informed care decisions and connect to the services they need. This proactive approach to care can make it easier and faster to connect to care supports, contributing to healthier communities.

Recommendations

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

1. Review the current Ontario Digital Health First Strategy to discern how best to implement virtual healthcare. This review should ascertain which areas of health care have the capacity to shift to a virtual setting.
2. The Government must then develop a reasonable funding estimate to support the transition to virtual health for compatible areas. Priority should be given to areas such as a digital referral system and remote medication which would benefit from a move to a virtual platform.
3. The Province must undertake a review to focus on understanding what the broadband requirements are to support virtual healthcare. Sufficient broadband will be essential to delivering virtual healthcare across multiple modalities.
4. Ensure the requirements of the healthcare sector are incorporated into the recently announced broadband funding.

OCC Policy & Advocacy Committee Position: The submitting chamber amended the resolution based on suggestions made by the Policy & Advocacy Committee. The committee supports the resolution as amended.

²¹ <https://occ.ca/wp-content/uploads/COVID19-Policy-Brief-Virtual-Care-final.pdf>

²² <https://www.ontario.ca/page/speed-ontarios-broadband-and-cellular-action-plan#:~:text=Invest%20in%20a%20new%20broadband,and%20promotes%20innovative%20industry%20partnerships.>

8. Improving Long-Term Care Services Across Rural Ontario

Submitted by: Greater Kitchener Waterloo Chamber of Commerce, Port Hope & District Chamber of Commerce, 1000 Islands Gananoque Chamber of Commerce

Issue

The costs of providing Long-Term Care (LTC) services create significant pressures on municipal financial resources particularly across many rural communities.

The Rural Ontario Municipal Association (ROMA) and the Eastern Ontario Wardens' Caucus (EOWC) have advanced a series of measures to provide these services within a more efficient and cost-effective delivery model.

Background

Municipalities operate almost one in five Long-Term Care institutions across Ontario which are home to one of four residents receiving related services.

The Rural Ontario Municipal Association (ROMA) claims there are not enough LTC beds to meet demand and provincial funding has not been maintained at a consistent level. The ability to access a bed in non-urban areas is essential and should be a major component of the universal planning process for allocation across Ontario.

Municipalities contribute more than \$350 million annually in excess of the provincial funding operating subsidy, not including capital costs. The municipal property tax base is not a sufficient or fair source to support Long-Term Care delivery.

On November 2, 2020, Premier Ford accompanied by former Finance Minister Rod Phillips and Long-Term Care Minister Merrilee Fullerton announced that personal care to each Long-Term Care resident across Ontario will be increased to four hours daily. Direct hands-on delivery is generally provided by nurses or personal support workers for individual clinical and personal care requirements.

A commitment was also delivered by the Ministers to work in collaboration with all partners including labour, education, and training providers to advance significant changes across the Long-Term Care sector including the four hour per day commitment.

In early February of 2021, the Eastern Ontario Wardens' Caucus (EOWC) released a report on LTC facilities and proposed five recommendations to improve the efficiency and effectiveness of service delivery including:

- increased direct care funding to achieve the provincial benchmark of the four-hour care model;
- transitioning to a per-bed funding model for more transparency;
- increased provincial capital funding predictability and providing on-going support for capital maintenance;
- supporting resource sharing between institutions;
- improved processes to increase efficiency and cost effectiveness.

A four-hour model will allow the recruitment of additional staff and financial stability to improve the quality of service and increase daily direct care for each resident. The EOWC shares the provincial objective of expanding the number of LTC beds across Ontario along with reducing red tape.

Recommendations

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

1. Review major issues such as staffing, governance, regulations, inspections, and infection control measures to ensure a cost-effective LTC delivery model.
2. Ensure adequate, predictable, and stable multi-year LTC funding.
3. Increase direct care funding to ensure the four-hour care objective.
4. Implement a per-bed funding model.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

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

Submitted by: Timmins Chamber of Commerce

Issue

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

Background

Programs that encourage mineral exploration are paramount to the economic wellbeing of our province and mining communities. The mining industry has played an essential role in the economic growth and sustainability of many communities. Ontario is one of the largest mining regions globally, producing more than 25 different minerals and metals and directly employs 480 people, creates more than 1,100 indirect jobs in the supply and service sector and about 700 induced jobs in the retail industry for a total of 2,280 jobs.²³ This industry provides some of the highest weekly earnings in the economy, and exports of minerals and mineral-based products contribute close to \$12 billion a year to the provincial gross domestic product.²⁴

The Ontario Focused Flow-Through Share (OFFTS) Tax Credit is intended to stimulate mineral exploration in Ontario and improve access to capital for small mining exploration companies. Currently, the OFFTS for shareholders is 5 percent, which is the lowest in Canada.²⁵ In comparison, the British Columbia Mining Flow-Through Share Tax Credit is 20 percent, the Saskatchewan Mineral Exploration Tax Credit is 10 percent, and the Manitoba Mineral Exploration Tax Credit is 30 percent.²⁶ On average, 68 percent of the funds for exploration in Canada on the Toronto Stock Exchange were raised through flow-through share financing. Currently, public offerings on Canadian exchanges are deteriorating. There was a 23 percent decline in 2018 and a 10 percent decline in 2017.²⁷ Public offerings have presently hit a decade low, while the proportion of private transactions reached a high in 2018.

Flow-through share agreements help raise equity by enabling mining corporations to issue shares with particular tax benefits favouring their subscribers at a premium. In a flow-through share agreement, the issuing corporation agrees to incur certain expenses eligible for tax breaks, such as those mentioned above, in an amount equal to the consideration received and to renounce to those same

²³ Dungan, Peter and Murphy, Steve. Ontario Mining: A partner in Prosperity Building, The Economic Impacts of a 'Representative Mine' in Ontario. Institute for Policy Analysis, University of Toronto, 2007.
<https://www.oma.on.ca/en/ontariominning/resources/RepMineFinalReportDec07.pdf>

²⁴ Economic Contribution <https://www.oma.on.ca/en/ontariominning/EconomicContribution.asp>

²⁵ Flow-through Shares <https://www.miningtaxcanada.com/flow-through-shares/>

²⁶ Ibid.

²⁷ Lortie, Pierre. Entrepreneurial Finance and Economic Growth: A Canadian Overview. C. D. Howe Institute, Commentary No. 536, 2019.

eligible expenses in favour of their subscribers. This renunciation is most alluring to investors since it allows eligible expenses to be deemed, for income tax purposes, the investor's expenses, not those of the mining corporation. As a result, investors pay a higher price for flow-through shares than would have been otherwise willing to pay for ordinary, non-flow-through common shares. Depending on the general market and the miner's prestige, flow-through share offerings can be priced at a considerable premium to the corporation's ordinary non-flow-through common share price.²⁸

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

Similarly, the extension of the spending timelines for the British Columbia Mine Flow-Through Shares tax credit aligns with the proposed temporary federal timelines extension to incur expenses for flow-through shares.²⁹ Flow-through shares provide an attractive mechanism for mining companies to raise funds for their projects.³⁰

Quebec and British Columbia have successfully created jobs in the mining sector by providing tax incentives that work, are successful, and verifiable.³¹ In Quebec's case, fully refundable tax credits of 38.75 percent are provided, and British Columbia provides a fully refundable credit of 30 percent. Otherwise stated, if a mining exploration company spends \$1 million in exploration, these governments will reimburse the company \$387,500 and \$300,000, respectively.³² The refund must be reinvested in exploration activities, creating additional jobs, as exploration activities are primarily labour expenses. As an alternative, Quebec and British Columbia mining exploration companies can issue flow-through shares under the Income Tax Act, in which case individual investors access both federal and provincial tax credits. In Quebec's case, the net investor incentive is about 38.75 percent, and in British Columbia, it is 20 percent and is considering an increase to this credit.

However, at this juncture, we are not recommending incentives that are fully refundable even though Natural Resources Canada (NRCan) has proven that there are three dollars of taxable activity in the North for every dollar of tax expenditure.³³

Increasing the Ontario Flow-Through Tax Credit from 5 percent to 25 percent would allow for additional credit to the flow-through regime in which private individuals fund exploration activities.

²⁸ <https://www.northernminer.com/regulatory-issues/commentary-deciding-whether-or-not-to-use-flow-through-shares-in-quebec/1003768265/>

²⁹ <https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/mining-flow-through>

³⁰ The Use of Flow-through Shares in the Canadian Mining Sector Amidst Covid-19 [Www.airdberlis.com](https://www.airdberlis.com) - <https://www.airdberlis.com/insights/publications/publication/the-use-of-flow-through-shares-in-the-canadian-mining-sector-amidst-covid-19>

It is recommended that a pilot project on flow-through financings be undertaken. If tracked, this government can be assured that exploration tax credits are a net tax gain to the Treasury while creating jobs in the North while using this data to determine whether additional credits are warranted to accelerate mining exploration and development further.

Ontario communities are consistently competing against other global jurisdictions for mineral exploration investment, and in the global marketplace, it is imperative to have an edge.³⁴ With mineral reserves reaching an all-time low, it is critical for the survival of many communities that an abundance of exploration activity takes place now to be able to find and mine viable deposits.³⁵ It is vital to keep the momentum going while investors are supporting this cyclical industry. On average, it takes eight to fifteen years of work to bring a new mine into production; therefore, we need to encourage as much exploration as possible during this upswing. We need a continuum in the mining industry to further bring economic prosperity to communities that rely on this means for developmental sustenance. What Ontario, especially Northern Ontario, needs now is an increase to the Flow-Through Tax Credit.

Recommendation

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

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

OCC Policy & Advocacy Committee Position: The submitting chamber amended the resolution based on suggestions made by the Policy & Advocacy Committee. The committee supports the resolution as amended.

³⁴ The Canadian Minerals and Metals Plan: Proposed Government Actions to Address Canada's Declining Mineral Industry Competitiveness A brief to the 76th Energy and Mines Ministers' Conference Cranbrook, British Columbia, July 2019

³⁵ Burkhardt, Rike, Rosenbluth, Peter, Boan, Julee. Mining in Ontario: A Deeper Look, 2017. <https://ontarionature.org/wp-content/uploads/2017/10/mining-in-ontario-web.pdf>

10. Leveraging digital infrastructure to spur economic recovery

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

Issue

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

Background

For the better part of a decade, Digital Transformation has been the core driver of organizational change. The transition from legacy IT to cloud computing; the expansion of retail and banking into the mobile space; the rise of machine learning, artificial intelligence, and smart automation; improving safety and reliability of public transit through predictive maintenance; and the growth of the Internet of Things (IoT) were, among other massively transformative technologies, at the heart of a generational forward evolutionary leap. And it is therefore not surprising that these very technologies have enabled businesses, governments, healthcare systems, tech companies, students, and workers to adapt to the turmoil of disruption caused by the pandemic.³⁶

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

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

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

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

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

³⁶ World Economic Forum

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

Continuous access to information, commerce and communication has become a daily fact of life for billions and will soon become a reality for billions more. As the internet makes its full weight felt in more high-impact areas such as healthcare, education and government services, access to digital services will only become more essential for everyone in the years to come.

The digital economy is growing at more than 10% a year, significantly faster than the economy as a whole. In emerging markets, the internet economy is growing at 12-25% per year, and it is having a far-reaching social and political, as well as economic, impact. Around the world, it is an increasingly important source of growth and, frequently, jobs.³⁷

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

All stakeholders can establish comprehensive, aspirational plans that lay out a path to broadband connectivity for all. Making expanded connectivity a reality requires a continuing commitment to investment and innovation by the private and public sectors – and an understanding of the importance of keeping digital traffic flowing. Governments in particular need to recognize the broader role that digital services can play in economic development and growth; the digital economy is much more than a potential source of tax revenues.³⁸

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

For business and government, the way to remain competitive lies in upskilling to enable them building a future-ready workforce; for individuals, it's a way to keep their skills relevant and stay future-ready. Making deliberate, significant investments in learning will ensure organizations and employees alike have the knowledge, skills, and capabilities needed to work effectively in a digitized, automated world.³⁹

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

³⁷ [World Economic Forum](#)

³⁸ [World Economic Forum](#)

³⁹ [COVID-19 The upskilling imperative - Building a Future Ready Workforce for the AI Age](#)

Recommendations

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

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

OCC Policy & Advocacy Committee Position: The submitting chamber amended the resolution based on suggestions made by the Policy & Advocacy Committee. The committee supports the resolution as amended.

11. Lowering our Carbon Footprint through Energy-Smart Building

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

Issue

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

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

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

Background

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

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

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

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

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

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

"Accelerating action on home retrofits will create new demand for jobs". Provides \$2.6 billion over 7 years for homeowners. Provides \$700,000 in grants of up to \$5,000 to help homeowners make energy efficient improvements to their homes. And working with provinces and territories on low income retrofit programs to increase the number of low-income households that benefit from energy retrofits. (CCP - Page 11 Home Retrofits).

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

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

Recommendations

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

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

OCC Policy & Advocacy Committee Position: The submitting chamber amended the resolution based on suggestions made by the Policy & Advocacy Committee. The committee supports the resolution as amended.

12. Making Ontario a Leader in Circular Economy

Submitted by: Guelph Chamber of Commerce

Issue

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

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

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

- Agriculture and AgriFood
- Plastics and manufacturing
- Construction

Background

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

The key objectives of the circular model are to preserve and enhance natural capital, optimize resource yields and foster system effectiveness by revealing and designing out waste.⁴⁰ Circular economies invite businesses to capture waste streams for one industry and turn them into value streams for others. Circularity has the added bonus of driving business efficiency, value creation and innovation while reducing environmental impacts.

Circular economy solutions are being adopted internationally by governments and businesses to help reboot economies after the COVID-19 pandemic and transition to a more resilient system with social and environmental accountability. Some of the lasting benefits include substantial net material

⁴⁰https://www.ellenmacarthurfoundation.org/assets/downloads/government/EllenMacArthurFoundation_Policymakers-Toolkit.pdf (p22)

savings and reduced exposure to price volatility; increased innovation and job potential; as well as increased resilience in both the ecological and economic systems.⁴¹ Circular principles can be applied to just about every sector of the economy, from clothing to computers, compostable packaging to cars.

Canada's federal government is taking cues from international circular success and is promoting circular economic policy as an approach to bolster the transition to a cleaner economy.⁴² In 2019, the City of Guelph and the County of Wellington were awarded \$10 million through Infrastructure Canada's Smart Cities Challenge to develop Our Food Future, Canada's first circular food economy. Guelph-Wellington is one of the first industrialized communities in the world to apply a circular approach to the food system. A circular food system aims to eliminate waste by keeping as much energy, nutrients and materials as possible cycling through the system—and generating value as a result. It looks at everything from how we produce food to how we distribute, sell and consume it. The Our Food Future initiative brings together approximately 127 core stakeholders, including local government, community groups, businesses, industry associations, NGOs, academia, institutes, public agencies and utilities. In its first year, Our Food Future helped launch almost 50 innovative circular companies, with dozens of additional entrepreneurs from across the province looking for support to launch circular businesses. In 2021, collaborators in the Our Food Future initiative are piloting and testing a suite of programs and technologies to support businesses that can help Ontario become a leader in the sustainable economy of the future.

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

Recommendations

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

1. Leverage existing CE programs to attract new business and investment by marketing Ontario globally as a centre for CE innovation.
2. Mandate an existing provincial agency or Ministry to lead both provincial government Ministries and agencies as well Ontario municipalities to set the right conditions that enable CE opportunities to flourish. Empower the provincial lead to create, implement, and promote province-wide standards, goals, benchmarks, and best practices on the implementation of the CE. Among the said goals should be:
 - Promote the development of business models, circular business clusters and resource management systems that keep products and materials in the economy at their highest possible value.
 - Create economic incentives that reward innovation.
 - Invest public money and stimulate private sector investment to develop the skills required to create CE opportunities.
 - Foster responsive public-private collaboration across value chains to remove regulatory barriers, develop new policies and align existing ones.

⁴¹https://www.ellenmacarthurfoundation.org/assets/downloads/government/EllenMacArthurFoundation_Policymakers-Toolkit.pdf (p. 23)

⁴² <https://www.canada.ca/en/services/environment/conservation/sustainability/circular-economy.html>

3. Commit to providing stable funding and/or tax incentives for CE initiatives both at a provincial and municipal level. Such funding should, when possible, be reasonably tied to outcome-based measurements.
4. Promote the adoption of those initiatives and technologies which have been proven to be replicable and scalable throughout the province.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

13. Managing High Water Levels on Lake Ontario

Submitted by: Quinte West Chamber of Commerce. Co-sponsored by: Belleville Chamber of Commerce, Prince Edward County Chamber of Commerce, 1000 Islands Gananoque Chamber of Commerce and Port Hope and District Chamber of Commerce

Issue

The high water levels in Lake Ontario have caused extreme flooding in the spring extending through the summer months, affecting businesses, municipalities and property owners along the Lake Ontario shoreline and St. Lawrence Seaway on both sides of the border. This flooding was especially significant in 2017 and 2019 and there is a moderate risk of high water and more flooding in 2021 according to the International Lake Ontario St Lawrence River Board Dec 11 2020 press release. While the International Joint Commission has made improvements to the implementation of Plan 2014 and is now allowing deviations from the plan; more needs to be done to protect shoreline property and work closer with lakeside communities.

Background

On December 08, 2016 the Commissioners of the International Joint Commission (IJC) signed an updated order of approval for the regulation of water levels and flows in Lake Ontario and the St. Lawrence River. **(Instituted to replace plan 1958D)**

The updated order makes it possible for the IJC to approve Plan 2014, a new regulation plan for determining the flows through the Moses-Saunders Dam located on the St. Lawrence River between Cornwall, Ontario and Massena, New York. The updated order and plan were intended to replace what was believed to be an outdated system of regulating flows developed in the 1950s.

While the intention of Plan 2014 was to protect shoreline property and retain the environmental conditions and coastal protections on the lower St. Lawrence River, the water levels have peaked to 100-year flood levels and caused millions of dollars in damage. While there was a need to maintain water levels through the summer, the new plan did not seem to be prepared to handle unexpected weather patterns.

The plan has failed to improve ecosystem health and diversity on Lake Ontario and the upper St. Lawrence River or provide net economic benefits anticipated. While Plan 2014 is the result of more than 16 years of scientific study, public engagement and governmental review, it has failed to accomplish its intended goals and caused catastrophic damage in its continued implementation. There are calls from both sides of the board for the IJC to develop a comprehensive plan to assess and improve Plan 2014.

The International Joint Commission is not transparent and was slow to respond to requests by municipalities, property owners and government bodies to discuss the impacts of Plan 2014. **(Report from the U.S. Government Accounting Office GAO 20-529)**

In 2020, after public and political pressure was applied, the IJC made big strides in allowing deviations from the plan to lower the water in Lake Ontario; many believe this avoided flooding in 2020. In Dec of 2020, they reduced their board to six members including three from the United States and a representative each for Canada, Quebec, and Ontario. It also announced at the same

time they are establishing an advisory group of stakeholders and Indigenous communities to report their perspectives directly to the commission. While this is a step in the right direction, the lack of transparency, communications, and consultation with shoreline communities about their plans continues to be a problem.

“Trenton Cold Storage Inc., a 117 year old business at the mouth of the Trent Severn Waterway, is experiencing more than \$400,000 in direct costs as a consequence of the high water in 2019. The high water is a government made problem because of the flawed decision-making and processes which adversely impacted all land owners above the Moses Saunders Dam, for the benefit of landowners below the Moses Saunders Dam, as a consequence of Plan 2014,” stated Eben James Junior, owner of Trenton Cold Storage Inc.

“Crate Marine Belleville estimate our loss at \$50K in labour and materials to deal with all the things associated with high water levels in 2017 & 2019, not including the loss of customers,” said Jim Bell, operations manager at Crate Marine.

Insurance companies cover overland flash flooding but not damage from standing water and the wave damage from standing water. To date some businesses and individuals report having paid out over \$70,000 for repairs and mitigation with lands still needing to be relandscaped completely.

Property Owners want to ensure that Conservation Authorities issue Emergency Permits within 24 hours as they can be delayed due to workload during flooding. The Province should outline the type of work that can be completed during flooding to ensure property owners do not face permit delays and potential fines from their actions.

Hon. John Yakabuski, Minister of Natural Resources and Forestry commissioned a report called An Independent Review of the 2019 Flood Events in Ontario. The report, completed by Douglas McNeil, P.Eng. McNeil Consulting Inc. made three recommendations concerning the IJC.

Recommendation #55 That the International Joint Commission, the Ottawa River Regulation Planning Board, and Ontario Power Generation make their detailed information about their flood operations readily available on their respective websites.

Recommendation #56 That the International Joint Commission consider meeting with interested stakeholder groups and individuals to explain in considerable detail how their structures are operated.

Recommendation #57 That the International Joint Commission consider creating specific “2017 Flood” and “2019 Flood” buttons for their home webpage and populating those pages with detailed information on the floods and their operations, as well as providing direct links to related reports.

Recommendations

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

1. Work with the Federal Government to:
 - a. Ensure the International Joint Commission (IJC) provides more transparency and better communications & consultation with impacted groups in Ontario.

- b. Develop a comprehensive plan to assess and improve Plan 2014.
 - c. Ask the IJC to fully implement recommendations 55 – 57 of the 2019 Flood Events in Ontario Report.
2. Allow municipalities to access Provincial aid without the need to declare a state of emergency.
 3. Direct Conservation Authorities to issue emergency permits immediately upon request to allow property owners greater leeway to protect their shorelines during high water without the delay of a permit process and potential fines.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

14. Maximizing Growth in Built Areas

This is a sunseting resolution.

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

Issue

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

Background

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

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

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

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

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

The benefits of upgrading or development of these types of units are numerous, in that, they could be used for commercial space, housing diversity, help infill urban areas and become economic

catalysts for continued development. Reuse of existing buildings is also an effective way of fighting climate change. The challenge is encouraging development with an economically feasible mode that results in buildings that are safe and occupied.

In order to strengthen our built areas, there needs to be a good understanding of the current infrastructure needs and capabilities. Ideally, grants for investments like common fire escapes across the rear of multiple buildings to create an efficient second means of egress would assist developers to make good use of space and finances.

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

Recommendations

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

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

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

15. Ontario's Debt and Deficit Reduction Strategy: A Recovery Path Forward After COVID-19

Submitted by: London Chamber of Commerce

Issue

The COVID-19 pandemic has necessitated increased government spending to support Ontarians, and bolster the economy. And, while we all recognize and appreciate the criticality of these supports in order to sustain our provincial economy, there is an equally critical need to begin to address the massive new debt these supports have created. At the time of writing this paper, the Ontario Government reported a cumulative debt load of \$343 billion dollars⁴³. The Ontario Financing Authority, which manages the provincial debt, forecasts a medium-term debt outlook⁴⁴ of \$437.8 billion dollars for 2021-2022, and \$472.9 billion for 2022-2023. Estimates for 2021-2022 show the fourth largest line item in our province's budget will continue to be interest on the debt at \$13.2 billion dollars. The Ontario Government over the last year has justifiably increased spending in order to help offset some of the negative economic impacts of COVID-19 on its citizens and businesses, however as we emerge on the other side of the pandemic, much work will need to be done to steer the province back toward fiscal balance.

Background

To begin to reduce the debt, the Ontario Government must either increase revenues, decrease spending, or the most likely scenario – it will consider a combination of both.

But first, before any debt can be reduced, the government must establish a target year where it will stop incurring deficits and actually achieve fiscal balance. To get there, the Ontario Government must ensure that it is not utilizing harmful strategies which may impede the recovery of Ontario businesses already suffering the economic repercussions of the pandemic.

Developing a Plan

For an individual or business to eliminate their debt, they must develop a plan which includes both finding ways to save money and ways to generate more revenue. This is also true for government. For the Ontario Government to start to reduce its own debt, it too, must develop a plan, with specific goals and target dates to achieve them.

With a projected slower growth future for the province, combined with the growing demands of an aging population, the need to plan our way back to balance now becomes all the more critical.

Digitizing the Ontario Government

Since the COVID-19 pandemic has forced many Ontarians and organizations within the province to increase their level of digitization, it is an appropriate time for the Ontario Government to use the digitization of programs and processes such as Service Ontario as one of its strategies to help reduce debt and deficit.

⁴³ Ministry of Finance. 2019. <https://www.ontario.ca/page/ontarios-finances>.

⁴⁴ *Province's Debt History*. N.p.: Ontario Financing Authority https://www.ofina.on.ca/borrowing_debt/debt.htm.

While some progress is being made in this area, such as the digitization of the court filing process and consolidating land registry services through Teraview, the digitization of government in this province lags in comparison to other jurisdictions.

In looking for best practices, one may look to the country of Estonia the first government in the world⁴⁵ to move the entirety (99%) of its government and services online for all citizens, with only a few exceptions.

The process of moving the entirety of the government online saves Estonia 2% of its GDP each year.⁴⁶ That is a savings of \$600 million dollars for a country of 1.3 million people, or, as their former President stated, their yearly contribution to NATO⁴⁷. This has now been adopted by 15 other nations. Apart from the program being free for any government to use, Estonia has made it entirely open-source. It also enables the entire government to fully function from anywhere in the world in the event of war or natural disaster like a full-blown pandemic lockdown.

Supporting Business to Increase the Tax Base

The COVID-19 pandemic and the subsequent lockdowns that accompanied it had devastating consequences on Ontario's business community and those that it employed. In June of 2020, the Ontario Government committed to helping affected businesses by taking steps to reduce business costs, invest in infrastructure, reduce regulatory burdens and enhance labour force skills.⁴⁸

Recognizing that a sound and substantial tax base will be essential to moving the province back toward a balanced budget, the province should look for strategic opportunities to invest in supports for businesses that will enhance and grow the tax base.

Tackling the Underground Economy

It is estimated that the underground economy generates \$45 billion per year in untaxed economic activity across the country. If Ontario has a proportional share of that it means that the underground economy generates more than \$17 billion per year across the province – all of it untaxed.

While the great majority of Ontario businesses operate within the law and pay more than their fair share of business, corporate, property taxes and business education tax, too many underground operators undercut their legal competitors, while not contributing a dime toward government expenditures and debt reduction.

Without addressing this problem more aggressively, fewer and fewer Ontario businesses will be paying the bulk of Ontario's taxes while those that don't continue to grow.

⁴⁵ TVO. *Estonia: The Digital Nation*. 2019. https://www.tvo.org/video/estonia-the-digital-nation?utm_source=TVO&utm_campaign=f50a6e3188-EMAIL_CAMPAIGN_1_17_2019_10_56_COPY_01&utm_medium=email&utm_term=0_eadf6a4c78-f50a6e3188-24183137.

⁴⁶ Heller, Nathan. *Estonia, The Digital Republic*. N.p.: The New Yorker, 2017. <https://www.newyorker.com/magazine/2017/12/18/estonia-the-digital-republic>.

⁴⁷ TVO. *Estonia: The Digital Nation*. 2019.

⁴⁸ <https://www.ontario.ca/page/ontarios-long-term-report-economy>

Reduce the Size of Government and Control Costs

In order to move forward in eliminating the deficit and paying down the debt, the government must also look at its own operations to determine where it can achieve savings. The Government of Ontario currently employs approximately 60,000 people or 11% of Ontario's salaried workers. Those employed by the Government of Ontario on average receive a salary that is 13.4% higher than their counterparts in the private sector. In fact, wages and benefits account for roughly half of Ontario government program spending each year.⁴⁹

The size of government can be reduced through the implementation of hiring freezes and workforce reductions through attrition.

Additionally, measures such as government wage freezes and the expansion of Alternative Service Delivery (ASD) of government services can also help to reduce the size of government and control costs.

Recommendations

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

1. Develop a formal five-year plan that includes a target date for eliminating the provincial deficit along with strategies of how and when it will accomplish those goals.
2. Reduce its costs by moving programs and processes including but not limited to Service Ontario toward a higher level of digitization with the goal of it being 99% digitized within the next 10 years.
3. Strategically invest in business by taking steps to reduce business costs, invest in infrastructure, reduce regulatory burdens and enhance labour force skills in order support the creation of more and higher paying jobs in order to increase the tax base.
4. Tackle the underground economy to increase revenues by establishing tougher penalties for non-compliance with a stronger focus on high-risk industries such as construction.
5. Insofar as doing so is not detrimental to a post pandemic economic recovery, stop the growth and stabilize the ministerial and departmental budgets within the Ontario government.

OCC Policy & Advocacy Committee Position: The committee does not support this resolution because: a) the first four recommendations duplicate existing resolutions in our compendium, which underscore the importance of having a debt and deficit reduction strategy, and b) the immediate emphasis on debt reduction against the current backdrop conflicts with the chamber network's calls for strong government supports to protect businesses and workers during COVID-19 and it may hamper a strong rebound.

⁴⁹ <https://financialpost.com/opinion/why-ontario-government-employees-cost-so-much-more-than-other-workers>

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

Submitted by: Hamilton Chamber of Commerce

Issue

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

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

Background

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

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

Herein lies the opportunity to allow municipalities to utilize these building permit reserve funds that otherwise largely go unused to provide incentives for affordable housing development projects. Similar to the authority Toronto municipal council exercises over exemptions to fees and charges for affordable housing developments as per its *Open Door Affordable Housing Program*,⁵⁰ the province ought to allow other municipalities to exercise some, if not all, of the same flexibility. These could

⁵⁰ City of Toronto Open Door Affordable Housing Program Guidelines: https://www.toronto.ca/wp-content/uploads/2020/09/97c9-2020_OpenDoorGuidelines_FINAL.pdf

include exemptions from Planning Application Fees, Development Charges, Building Permit Fees and/or Parkland Dedication Fees.

Recommendations

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

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

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

17. Prevention - The Need for a Workplace Health and Safety Strategy to Support Small Business

Submitted by: London Chamber of Commerce

Issue

The Covid-19 Pandemic has created more awareness of the need for strong health and safety policies in the workplace yet research shows that small businesses having 1-19 employees are less likely to be aware of their responsibilities under Ontario's *Occupational Health and Safety Act* thus are less likely to adopt the necessary policies to create and maintain safe workplaces both now and in the event of future health calamities.

Background

Data compiled from workers' compensation boards across Canada showed that 951 provincially regulated workers were killed due to their work in 2017⁵¹. In 2017, Ontario witnessed 59,529 lost time injuries, 76 injury related fatalities, and 215 people killed by occupational disease⁵². Ontario workers and business owners share in the belief that the 7.2 million Ontarians that go to work each day expect, and have the right, to return home safely at the end of the day. Every injury and fatality in this province underscores a need for greater collaboration between government and private industry, particularly small business to educate and facilitate business owners to adopt and consistently deliver workplace health and safety programs.

It is a fact that a small business owner can incorporate, obtain access to capital, hire employees, pay taxes, operate, and never once hear of their workplace health and safety obligations under the *Act*. With small business owners likely being their own human resources department, there is no one, at any point from start-up to operation that will advise the owner of their duties and responsibilities under the *Act*⁵³.

With the staggering amount of administrative work placed on an entrepreneur, they may not realise they are not only an employer, but in some scenarios also a supervisor under the *Act*. A new business owner with a new workforce is not advised to ensure their employees are trained⁵⁴ on the core mandatory programs - *Accessibility for Ontarians with Disabilities Act* (AODA), Workplace Violence and Harassment (WVH), worker awareness/supervisor competency (WA/SC), and WHMIS 2015 nor is that process in any way facilitated to ensure compliance. As the employer may also be the supervisor⁵⁵ in a start-up business, it is unlikely the owner/employer has any of the above qualifications, nor a

⁵¹ Tucker, Sean, and Anya Keefe. *2019 Report on Work Fatality and Injury Rates in Canada*. N.p.: University of Regina, 2019. https://www.uregina.ca/business/faculty-staff/faculty/file_download/2019-Report-on-Workplace-Fatalities-and-Injuries.pdf.

⁵² Ibid.

⁵³ Ministry of Labour, Training and Skills Development. *Expert Advisory Panel on Occupational Health and Safety*. N.p.: Ministry of Labour, Training and Skills Development, 2019. <https://www.ontario.ca/document/expert-advisory-panel-occupational-health-and-safety/small-business>.

⁵⁴ e-Laws. *Occupational Health and Safety Act, R.S.O. 1990, c. O.1*. N.p.: Ministry of Labour, Training and Skills Development, 2020. <https://www.ontario.ca/laws/statute/90o01#BK44>.

⁵⁵ Ibid.

proper understanding of what also being a supervisor entails under the *Act*. It is also unlikely that the small business owner has been notified that they face financial penalties or even criminal prosecution if one of their workers is injured or killed in an accident⁵⁶. Small business is clearly a prime area of focus for prevention in this province. With 73.4% of the small businesses in Canada having 1-9 employees⁵⁷, this is a market that is clearly underserved. Given Ontario alone makes up roughly 36% of all Canadian small businesses⁵⁸, the figures speak for themselves. Now is the time to develop a full and comprehensive prevention strategy for small business that must not come with repercussions and costs, but rather with encouragement, education, and easy to use tools together with incentives and grants to comply.

Employers need their workforces healthy, and safe to operate efficiently. In fact healthy and safe workplaces are a real plus for recruitment and retention of employees. A London-Middlesex research study of employer needs found that 112 of the 302 survey respondents identified free health and safety training as being most useful to hire or rehire employees.⁵⁹ Employers recognize that working in a safe environment is key to returning people to the workforce.

While a small business should have an internal responsibility system and a health and safety management system to operate as safely as possible, it all starts with informing them of their obligations and facilitating access to easy to use and affordable tools that deliver the core mandatory programs (AODA, WVH, WHMIS 2015, WA/SC). Once the core four are in place, businesses can expand into other required training and will already have established an understanding of the steps and processes required to access that training. By working with approved, private-sector providers of Joint Health and Safety Committee Part I/II/e-learning, high-quality programs that already exist can be made readily accessible. An online resource should be integrated into the business registration process to help inform employers of their obligations under the Act while providing them access to courses which may be completed online by employees. Not unlike pilot programs currently underway, approved providers would receive a subsidy for each license used within the core programs.

The result is if a small business owner has ten employees, all are trained at no or little cost to the entrepreneur, and ten more Ontarians are now working safely. The modest cost to the Ministry to provide such training would be offset by savings from less claims to WSIB. Unlike the current \$3 million pilot programs⁶⁰, a business owner is in a place to ensure current employees complete the training paid for by the province. This is a clear win for small business, it is a clear win for approved providers (also small businesses), and a clear win for the MLTSD, as up to 25,000 workers are trained and have ongoing support without further MLTSD involvement and job seekers are more confident

⁵⁶ Ibid.

⁵⁷ Innovation, Science and Economic Development Canada. *Key Small Business Statistics - January 2019*. N.p.: Innovation, Science and Economic Development Canada, 2019. https://www.ic.gc.ca/eic/site/061.nsf/eng/h_03090.html.

⁵⁸ Ibid.

⁵⁹ Adeyemo, Bashir et al. *Change Matters – Employer Needs Assessment for COVID-19 Recovery*. Workforce Planning and Development Board. 2020. <https://workforcedevelopment.ca/wordpress/wp-content/uploads/2020/11/Employer-Needs-Assessment-For-COVID-19.pdf>

⁶⁰ Employment Ontario. *Health and Safety Training Pilot Program*. N.p.: Ministry of Labour, Training and skills development, 2020. <https://www.ontario.ca/page/employment-ontario>.

that small businesses will provide a safe workplace that they seek from employers. Sounds like a safe bet.

Recommendations

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

1. Promote and facilitate access to an online resource which informs small business owners of their rights and obligations under the *Occupational Health and Safety Act*. This resource should be integrated into the business registration process.
2. Through the Ministry of Labour, Training and Skills Development (MLTSD), and in partnership with chambers of commerce and boards of trade throughout Ontario, and through approved third-party health and safety providers promote and provide subsidized information sessions to small business owners in order to inform them of their obligations under the *Act*, and provide them with tools and templates to assist in ensuring all workers have training on the core mandatory programs (*Accessibility for Ontarians with Disabilities Act* (AODA), Workplace Violence and Harassment (WVH), worker awareness/supervisor competency (WA/SC), and WHMIS 2015).

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

18. Province of Ontario Oversize/ Overweight Permits

This is a sunseting resolution.

Submitted by: Tillsonburg District Chamber of Commerce

Issue

The Ontario Provincial Oversize/Overweight Permit System is very complex making it difficult for companies to comply when their vehicles travel throughout Ontario's county roads that are not designated as King's highways.

Background

Most companies do not understand the requirements of the permit system. A provincial oversize/overweight permit costs a business \$448.75 annually and is valid ONLY for King's highways. This cost is considered very reasonable.

Alternatively, a business can also purchase a single "trip" permit valid for a limited timeframe with costs varying between \$66.25 to \$714 depending on distance travelled and weight of the load carried.

Since the provincial permit is valid for King's Highways only, in some cases businesses must also purchase county oversize/overweight permits as well as permits from the "lower tier" municipalities in that county.

This current system forces a business to contact each county and municipality that maintains the roads their vehicles will be travelling on to determine the trip permit process and requirements. This is a very inefficient, time consuming and complex process.

It is a burden to small and medium sized companies (SMEs) that require oversize/overweight permits to fulfill their obligations to their clients. Ontario companies affected are: excavating companies, construction companies, farm machinery dealerships, agricultural suppliers, for example.

Complexity Highlights

The regions of the Province of Ontario contain 23 Counties with 211 "lower tier" municipalities embedded within the 23 Counties. And, there are 11 single tier municipalities (i.e. Brantford-Brant, Toronto, Ottawa, Chatham-Kent, Haldimand, etc.); which leaves a total of 245 potential contacts for permits.

Considering these statistics, business owners must know what municipality maintains the particular road their vehicles will be travelling on in order to legally transport equipment. To determine this, a business would need access to an entire database of Ontario roads and who maintains/owns them.

In our research, most businesses did not know their compliance requirements; and only one knew that County permits were required but did not know about the lower tier municipal permits.

In speaking with local businesses who were stopped and charged multiple times in the past 15 years, the fines were at least \$500.00. It is their feeling that it is cheaper to pay the fine than to spend the time to acquire the necessary permits.

In summary, the current oversize/overweight permit system is a barrier and a financial burden for companies in Ontario to do business.

Recommendations

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

1. Investigate the opportunities available to create a one-permit system for wide, high, and heavy loads to navigate throughout Ontario's roads regardless of the regions, counties or municipalities vehicles must travel through.
2. Develop a database with a real-time, interactive map with each municipality's rules, restrictions and information to provide businesses with a centralized hub for all permit information.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

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

Submitted by: Greater Niagara Chamber of Commerce

Issue

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

Background

Charities in Ontario provide many indispensable social goods and services. Charities and qualified donees able to issue tax receipts for gifts received from individuals and corporations include universities, food banks, journalism organizations, amateur athletic associations, museums and art galleries, theatres, immigrant services, women's shelters, mental health services, low-cost housing corporations, municipal bodies, community health services, researchers, and many others. Ontario's non-profits and charities employ over a million workers and contribute \$50 billion in economic impact.⁶¹

Unfortunately, like many economic sectors, charities have been devastated by the COVID-19 pandemic. The Ontario Nonprofit Network estimates the sector's losses in the first three months since emergency closures took effect to be in the range of \$1.8 billion.⁶² Even before the pandemic, the percentage of Canadians giving to charity, and the size of their gifts, were in decline. Between 2007 and 2017, the percentage of tax filers making a charitable contribution fell from 23.8% to 19.9%, while the amount of aggregate income donated to charity fell from 0.75% to 0.54% (it should be noted that the 2008-2009 recession did not have a large impact on these rates, which continued to fall afterwards). For comparison, 24.9% of American tax filers gave to charity in 2017, and they donated 1.52% of their aggregate income. Larger American tax credits may be at least a partial explanation for the greater generosity of Americans.

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

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

⁶¹ Ontario Nonprofit Network, *About the Sector* (<https://theonn.ca/about-the-sector/>) (retrieved on 2021/02/08)

⁶² Ontario Nonprofit Network, *Stabilize the nonprofit sector to rebuild Ontario* (<https://theonn.ca/our-work/covid-19-stabilization/>) (retrieved on 2021/02/08)

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

Recommendation

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

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

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

20. Rapid Testing in Workplaces

Submitted by: Mississauga Board of Trade

Issue

Many workplaces would be pleased to offer rapid testing for COVID on site but regulations require only very specific health professionals to be allowed to administer the test making rapid testing in the workplace difficult and in some cases costly.

Background

The COVID pandemic has significantly changed how workplaces function particularly those deemed essential for in-person work. Employees and customers required to work in a specific business location are susceptible to getting COVID due to the close proximity to fellow workers and layout of the workplace.

One of the ways identified to control the acquisition and spread of COVID is through effective and regular testing. Workplaces are an ideal location for rapid testing to identify positive cases of COVID, isolate the individual and ensure they do not enter the workplace.

Regulations however only permit certain health care professionals from administering the nasopharyngeal swab required for a rapid antigen COVID test, meaning many businesses simply cannot offer the test due to availability of health care professionals or the cost of employing these professionals in a 24/7 operation.

Manufacturers of the COVID rapid tests can train any person to administer and operate a testing machine and have indicated their willingness to do so. Therefore, businesses could arrange for employees within the business to receive the appropriate training and be certified to administer the rapid COVID test and interpret results.

Positive results of the test for an individual would be reported to the local Public Health Unit for the appropriate follow-up and action. The individual would receive on site counselling and be referred to a facility to receive a PCR (Polymerase Chain Reaction) test which is the gold standard for detecting COVID-19.

Recommendation

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

1. Amend the necessary regulations within the Ministry of Health to allow delegation of authority to non-medical professionals, who are trained to administer a nasopharyngeal swab and interpret rapid antigen COVID test results in the workplace.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

21. Resolving Business Ineligibility for COVID-19 Assistance Programs

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

Issue

Ontario businesses applying for COVID-19 assistance require an expedient solution and process for resolving eligibility and ineligibility issues.

Background

The Canadian Manufacturers & Exporters, in their 2020 report *Manufacturing our Future: Leveraging Manufacturing for Long-Term Canadian Prosperity* noted that governments must continue to refine and expand support programs to business for ensuring economic stability. The organization proposed a rapid arbitration process for companies where there are disagreements in COVID-19 financial assistance relief program qualifications.

Businesses that are designated essential and open for personal services such as dry cleaning have experienced significant revenue drops but generally do not qualify for assistance since they are available for regular customer service. Applicants that have either opened or purchased a business between 2019 and 2021 experience chronic challenges in accessing funding programs originating from the verification of revenue declines.

A February 3, 2021 CTV News report indicated there were potentially 56,000 applicants awaiting decisions on assistance from the Ontario Small Business Support Grant. The provincial response was that some applications require “further review.”

The Ontario Restaurant Hotel & Motel Association (ORHMA) wrote to the Ontario Minister of Finance on January 18, 2021 requesting that accommodation establishments secure eligibility for the small business grant. Restaurants and bars are eligible however hotels are not.

Recommendation

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

1. Establish a rapid arbitration process for Ontario businesses applying for COVID-19 relief where there are disagreements on provincial program qualifications.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

22. Responsible Business Protocol

Submitted by: Greater Peterborough Chamber of Commerce. Co-sponsored by: Brampton Board of Trade, Barrie Chamber of Commerce, Greater Sudbury Chamber of Commerce, Milton Chamber of Commerce, 1000 Islands Gananoque Chamber of Commerce

Issue

There is significant evidence that the current system of closing businesses based on the products they sell or services they offer is damaging Ontario's economy and forcing businesses to close permanently. An equitable set of safety standards for all businesses to adhere to in order to remain open will help our economy and save businesses from closure while maintaining public safety.

Background

Compliance with safety standards is an integral part of running a business. It impacts every size and sector, from retail and restaurants to construction and manufacturing. The primary reason Ontario businesses are leaders in workplace safety is to protect their employees and customers. Compliance with regulations that continue to evolve is taken seriously. Businesses are accustomed to having their ability to operate depend on their compliance with current safety standards.

Businesses in Ontario follow the Occupational Health and Safety Act closely or face penalties that can include jail time and fines of \$100,000 for individuals and \$1.5 million for corporations. They work within the Workplace Safety and Insurance Act, Human Rights Code, Canada Labour Code, Ontario Fire Code, Liquor Control Act, Ontario Building Code, Health Protection and Promotion Act of Ontario, and more, each with their own set of financial penalties and potential restrictions to conduct business.

Currently, businesses are being shut down or forced to significantly change their service model not because of their adherence to safety protocols, but because of the products they sell or the services they offer. This shuts down some businesses while allowing others to operate with very few restrictions.

The result is a process that has significantly damaged the economy. People have not stopped shopping, resulting in a system that favours large international department and online retailers over Ontario-based businesses.

To both support the economy and keep Ontarians safe, the system defining which businesses are essential requires reform. Restrictions should hinge on compliance, not solely on perception of essentiality, sector, size, product etc. Businesses that can provide evidence of compliance with COVID-19 health and safety protocols should not be ordered under the same operating restrictions as those that are non-compliant.

The Ontario Chamber of Commerce is confident that businesses and lawmakers can work together to create an equitable framework where businesses can operate in compliance with new safety protocols that will both help Ontario work toward the eradication of COVID-19 and provide sustainability and consistency to the business community.

Recommendations

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

1. Establish a Safe Operating Framework with a uniform and equitable set of safety standards, in line with the Occupational Health and Safety Act, for all businesses regardless of products/services or establishment size — not based on a perception of essentiality — enabling businesses to continue serving the public during a health crisis, including the current COVID-19 pandemic.
2. Establish a Community Contact Reduction Framework that applies the same capacity limits for all public-facing businesses, based on regional virus spread, identifying a clear framework for reducing individual contacts.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

23. Restoring Democracy in Ontario's Workplaces

This is a sunset resolution.

Submitted by: Greater Sudbury Chamber of Commerce. Co-sponsored by: Sault Ste Marie Chamber of Commerce

Issue

The *Labour Relations Act, 1995* creates a legal regime which unduly favours union certification, instead of neutrally regulating the process. The card-based certification process is undemocratic and should be repealed; there should be more options to appeal the decisions of the Ontario Labour Relations Board; and there should be options for employers to seek recompense in failed certification cases.

Background

It is time for the *Labour Relations Act* to be overhauled, with the aim of balancing the rights of employers and employees. The current regime unduly favours union certification and allows for underhanded union organization tactics, with limited opportunities for the will of employers and individual employees to be heard in the process.

Card-Based Certification:

Under Ontario's current labour legislation, a card-based system means that the Ontario Labour Relations Board can order a vote on union certification in construction-industry workplaces if more than 40 percent of employees have signed membership cards to join the union, and furthermore, if more than 55 percent of employees have signed cards, the Board can order certification of a union without a vote at all.

Card-based certification makes employers particularly vulnerable as certification is based on those working on the date of application. This means that automatic certification will apply even where 55 percent of the employees at work on the date of application constitute a minority percentage of the employer's total workforce (i.e., 10 employees working on the date of application to the Board could theoretically unionize an overall workforce of a 100). Union strategies can also include the use of "salts" (individuals sent by the union to seek employment for the sole purpose of bringing a union to the workplace) to certify companies against the will of regular, longer-term employees by bringing forward applications on a day where it is known that only a few employees are working.

Secret ballot voting safeguards employees from intimidation or pressure from union organizers or employers and helps ensure their true opinion is represented – this logic is accepted in election voting around the world in democratic countries. While a secret ballot vote is conducted in a neutral environment by the Labour Relations Board, the collection of signatures on union membership cards is controlled entirely by union leadership. Union organizers can pressure employees to sign

union cards without communicating the actual purpose of those signatures, and can submit applications with cards that do not reflect the true wishes of some signees. Under the current legislation, there is no means to address abuse and fraud by union organizers during an organizing drive.

Card-based certification is undemocratic, threatens economic prosperity and significantly shifts the balance in certification votes in favour of organized labour. Since there is no evidence to suggest that secret ballot voting does not allow employees to express their wishes, and significant risk that card-based certification does just that, the provincial government should eliminate card-based certification and repeal Section 11.2.c of the Act, which permits the Ontario Labour Relations Board to automatically certify a trade union without a secret-ballot vote taking place under certain circumstances.

Adjudication at the Ontario Labour Relations Board:

Under current legislation, the Board is composed of a chair, one or more vice-chairs, and an equal number of members representing labour and management. Section 110.14 authorizes the chair or vice-chairs to hear cases alone rather than in a panel if the chair considers it advisable to do so; in practice, this is often the case. Additionally, there are limited opportunities to appeal a vice-chair's decision, and if a request for reconsideration is brought forward, it is often determined by the same vice-chair that issued the initial decision. The province should amend the Act to remove Section 110.14 to ensure that a panel of Board vice-chairs and members hear each application, similar to other Ministry Boards; the province should also allow for a more responsive appeals process.

Failed Certification Applications:

Under current legislation, in cases where the Board holds a secret ballot vote in a workplace and the union receives 50 percent or less of ballots cast, the certification is deemed to have failed. Section 10.3 of the Act prohibits the Board from considering another application by the same bargaining unit for a period of one year. A certification application is costly, time-consuming and a distraction from the business's operations, and a grace period of one-year is not enough time for a business to recover from the legal proceedings of an attempted union certification. The reapplication ban should be extended from one year to five years.

Additionally, the legislation does not allow for any cost recuperation in failed certification cases, unlike other lawsuits. Such a recourse should be included in the legislation. Without such a provision, there is no disincentive for union organizers to bring forward applications year after year.

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government to:

1. Eliminate the card-based certification system for union certification.

- a. Notwithstanding recommendation 1, the threshold for automatic certification should be raised from 55 percent of the workforce on the day of application to at least 66 percent of the employer's entire workforce.
 - b. Notwithstanding recommendation 1, allow employees a "cooling off" period of at least three business days to dispute the voluntariness of the signature on their union card or their continued interest in membership notwithstanding its use in any application.
 - c. Notwithstanding recommendation 1, repeal Section 11.2.c. of the *Labour Relations Act*.
2. Repeal Section 110.14 and mandate that cases be adjudicated by a panel of Ontario Labour Relations Board chair members, with balanced representation from management and labour representatives, instead of a single Vice Chair to encourage a fair and equitable adjudication process.
 - a. Introduce an appeal/reconsideration process that includes a specific response date and allows for the appeal to be heard by a different Vice Chair or panel than the one that issued the initial decision.
 - b. Introduce a triage system under the Vice Chairs or panels that determine the preliminary viability of any application, including unfair labour practice applications, similar to application processors in the Human Rights Tribunal.
 3. Amend Section 10.3 of the Act to extend the bar for reapplying for certification from one year to five years.
 4. Amend Section 77 to read that "*no person shall attempt at the place at which an employee works to persuade the employee during the employee's working hours to become or refrain from becoming or continuing to be a member of a trade union*"; and introduce a remedy that where a membership card is signed in violation of this section it cannot be relied upon in a certification application.
 5. Mandate that union organizers be required to communicate clearly to employees the purpose and impact of their card signature during their organization campaigns, including union dues, restrictions on working for non-unionized employers, and their use in a certification application in the employee's current workplace; the certification cards should include an acknowledgement via a signature that this information has been communicated to the employee.
 6. Introduce a mechanism that allows for legal costs recuperation in failed certification cases.
 - a. Introduce a filing fee for certification applications and unfair labour practice applications.

OCC Policy & Advocacy Committee Position: The submitting chamber amended the resolution based on suggestions made by the Policy & Advocacy Committee. The committee supports the resolution as amended.

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

This is a sunseting resolution.

Submitted by: Greater Niagara Chamber of Commerce

Issue

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

Background

To balance the provincial budget, the Ontario government began a program of “downloading” its responsibilities onto municipalities in 1995, including programs such as child care, transit, housing, public health, and the Ontario Disability Support Program (ODSP). Even municipal total revenue growth of 1.6 per cent above nominal GDP has not been enough to prevent the appearance of a \$3.3 billion funding gap.^{63 64}

The Province did not give municipalities any additional tools for revenue generation.⁶⁵ The Provincial-Municipal Fiscal and Service Delivery Review resulted in \$1.9 billion being re-uploaded, but this has narrowed the gap, rather than closing it.⁶⁶ While ODSP has been re-uploaded, for instance, municipal governments still fund transit services that used to be provincial, and Ontario is still the only province in Canada where property taxes fund provincial income redistribution programs such as Ontario Works.

Collecting only 7-8 cents of every Ontario tax dollar, municipalities are simply unable to fund these programs adequately.⁶⁷ Factoring in education costs, 50 cents of every 2016 property tax dollar went to running provincial programs.⁶⁸

⁶³ Pat Vanini, Association of Municipalities of Ontario Executive Director, quoted in “The property tax crunch,” Brodie Fenlon (*The Globe and Mail*, March 27, 2017) (retrieved from <https://www.theglobeandmail.com/incoming/the-property-tax-crunch/article1083881/> on January 26, 2018)

⁶⁴ Livio Di Matteo, “Beware of Ontario municipalities asking for ‘revenue tools’” (Vancouver: Fraser Institute, August 18, 2016) (retrieved from <https://www.fraserinstitute.org/blogs/beware-of-ontario-municipalities-asking-for-revenue-tools> on January 26, 2018)

⁶⁵ The City of Toronto has been granted special taxing powers and the 2017 Budget allowed municipalities to levy a per-room hotel tax, which cannot help municipalities which are not tourist hotspots outside Toronto

⁶⁶ Ontario Ministry of Municipal Affairs & Ontario Ministry of Housing, *Provincial Uploads*

⁶⁷ Pat Vanini, *ibid.*

⁶⁸ *Ibid.*

The necessity of spending such a huge amount of municipal tax revenue on provincial programs is that spending in other areas, such as infrastructure, has not kept up. In 2012, the infrastructure backlog alone had reached over \$60 billion.⁶⁹

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

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

Recommendations

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

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

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

⁶⁹ Association of Municipalities of Ontario, *Towards a New Federal Long-Term Infrastructure Plan, AMO's Submission to Infrastructure Canada* (Toronto: AMO, 2012)

25. Small Town Ontario – How to deal with the problem of Brownfield Sites

Submitted by: Napanee and District Chamber of Commerce

Issue

Brownfield sites are an endemic blemish on small town Ontario. For larger jurisdictions with their higher tax base resources and their higher property values, dealing with these Brownfield sites is an easier task. These municipalities have the tax-based resources to investigate and apply available resources, so an action plan for dealing with Brownfield sites can be created and communicated to those interested in developing these properties. Plus, because property values are significantly higher in these larger jurisdictions, and the financially viable alternative uses to which a remediated Brownfield site can be converted allows for an appealing return on the remediation investment, many Brownfield sites in these larger centres are being converted.

With smaller towns and villages, these conditions do not exist, so the Brownfield sites are left unaddressed. Any development in these towns is moved to the fringes of the town, consuming, as often as not, fertile agricultural land and diverting consumers away from the downtown core. The downtown cores already have the infrastructure (electricity, water, sewer, streets, etc) that these ‘edge of town’ sites do not, and which have to be created in order for these sites to be used for development. Rather than building on the fertile farmlands around the towns, it makes much more sense to utilize the space within the towns that is already available for development. Instead, we are allowing devolution of these municipalities into decrepit ghost towns, with councils and local citizen groups constantly trying to regenerate their towns despite the open Brownfield sores that make regeneration a losing proposition.

Background

Brownfield sites are those that may be contaminated, often due to a previous use, and which may require remediation before they can be developed and used. The cost for assessing the contamination status of the property and, if necessary, rehabilitation of that property can be extensive. When in a smaller town, the value of the property post-rehabilitation typically does not justify the expense of rehabilitation. These properties are left to further decay and besmirch the downtown cores – the downtown core is the town’s heart in these smaller communities. Consequently, these communities across Ontario are dying. This needs to be fixed.

Small towns in Ontario are in this situation with Brownfield sites through no fault of their own. Main street Ontario was developed before current environmental laws and policies were put in place. The Brownfield issue is a consequence of this historic ‘changing of the rules’ combined with the lower property values that demotivates remediation.

Regeneration brings back the historic façade of a downtown core – this is not possible with these Brownfield blemishes. A side benefit of healing this Brownfield site issue is the impetus that it provides for neighbours to enhance their properties, further adding to the appeal of these downtown cores – all this further adds to the municipalities’ tax bases.

COVID-19 has led to an increase of individuals from larger centres moving to smaller communities, drawn by the desire for a better quality of life, spurred by the increased opportunity to work from home. Clearing up these Brownfield sites increases the options for those migrating from the larger centres and makes the smalltown life a more appealing option.

The submission by the Greater Barrie Chamber of Commerce (Effective Date: May 4, 2019 and Sunset Date: May 4, 2022) outlines a proposal that Brownfields Legislation be overhauled to make it effective for dealing with these Brownfield rehabilitations rather than discouraging people and companies from dealing with properties that have potential contamination problems. This is critical, and we certainly support that OCC initiative. Our concern is that the smaller jurisdictions will still be left out in the cold for the reasons previously mentioned.

The purpose of this submission is to focus on the many smaller Ontario communities with Brownfield issues by giving them a resource to deal with Brownfields (a resource that provides a roadmap for creating a Brownfields strategy), and outlines what financial support alternatives are available. By providing this information in a format that is easily accessible to small towns, and easy to apply, more smaller jurisdictions will be able to develop plans for rejuvenating their downtown cores and help their towns to thrive.

This, of course, does not remove the need for advocacy and lobbying. It does add the need for addressing the unique situations many of these smaller municipalities are facing with regards to dealing with these Brownfield sites. This must be incorporated into the lobbying strategy. Brownfields Legislation needs to be augmented to be more supportive of initiatives in these smaller jurisdictions.

These smaller towns need:

- A clear prescription for alternative ways that the issue of Brownfield Sites can be and has been addressed,
- An easy to access list of government resources regarding Brownfield sites, and a user-friendly process whereby these can be accessed, and
- An indication of what government planned initiatives are in the works to assist in resolving this Brownfields issue.

Recommendations

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

1. As part of an overhaul of the Brownfields Legislation, as proposed by the Greater Barrie Chamber of Commerce, the unique challenges faced by Ontario's smaller communities be addressed; and
2. Create a clear, easy to access process wherein the smaller jurisdictions can establish protocols to positive address and overcome the Brownfields problems these jurisdictions face.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

26. Supporting Industry Use of Biochar as a Tool for Climate Change Mitigation and Soil Management

Submitted by: Timmins Chamber of Commerce

Issue

Biochar is the solid remains of any organic material that has been heated to at least 350 degrees Celsius in a zero-oxygen or oxygen-limited environment, which is intended to be mixed with soils. If the solid remains are not suitable for addition to soils or will be burned as a fuel or used as an aggregate in construction, it is defined as char, not biochar. There is a very wide range of potential biochar feedstocks, e.g., wood waste, timber, agricultural residues and wastes (straws, bagasse, manure, husks, shells, fibres, etc.), leaves, food wastes, paper and sewage sludge, green waste, distiller's grain, and many others.

Background

Biochar is created using a process called pyrolysis. Organic waste such as wood chips, agricultural byproducts or switchgrass is burned in the presence of little or no oxygen, yielding oil, synthetic gas (known as syngas), and a solid residue resembling charcoal. It is charcoal, except that the point is not to burn it but to bury it. The pyrolysis process can be tweaked, with "slow pyrolysis" yielding more biochar and less oil and gas, and a faster version — seconds rather than hours or days — lowering the biochar product and upping the bio-energy side of the equation. In some systems, the syngas and oil can be used as a fuel to run the pyrolysis reaction, meaning it requires no external energy source beyond the organic waste itself. Proponents point to two completely distinct benefits to burying biochar.

The first is biochar's ability to store carbon in a stable form, preventing the CO₂ from organic matter from leaking into the atmosphere, where it contributes to climate change. Biochar also enriches the soil, which improves food security in developing countries and crop production almost anywhere. The details on the benefit to soil are still being researched, but in certain soil types, burying biochar can improve crop yields by improving water retention and moderating the soil's pH, or acidity.

Creating biochar reduces CO₂ in the atmosphere because the process takes a theoretically carbon-neutral process of naturally decaying organic matter and turns it carbon-negative: When plants decay, they emit CO₂, which other plants eventually absorb, and the cycle continues. Biochar stabilizes that decaying matter and accompanying CO₂ and puts it in the ground to stay for — potentially — hundreds or even thousands of years. With supposedly enormous potential to help slow global warming, this idea has drawn an impressive array of supporters toward biochar. Among its most vocal proponents is James Lovelock, founder of Gaia theory, who has touted biochar as the way to save the planet.

As the commercial biochar field begins to take off, the idea is also getting attention from policymakers.

Recommendations

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

1. Fully fund research-based projects that seek to understand how biochar offers high potential as a climate change mitigation technology.
2. Carefully design projects, policy frameworks, and agricultural extension advice to optimize results and avoid adverse outcomes from poor implementation practices.
3. Encourage well-designed biochar projects ready to be deployed.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

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

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

Issue

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

Background

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

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

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

One Ontario, an initiative through the AECO Innovation Lab, is a proposal for a common Development Approval Data and Information Exchange Standard, a Central Review Platform and Central Analytics and Reporting Platform to be used by municipalities, Provincial Ministries, and other approval agencies in Ontario for the development and building permitting processes. A fully integrated system proposed by One Ontario would enable data exchange between applicants, municipalities, and provincial applicable law agencies. A fully integrated system would considerably improve workflow

efficiencies, increase transparency, and defragment the process and create a secure central source of reliable data for all permitting processes.

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

Recommendation

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

1. Implement the One Ontario concept which will create a common Development Approval Data and Information Exchange Standard, a Central Review Platform and Central Analytics and Reporting Platform to be used by municipalities, Provincial Ministries, and other approval agencies in Ontario for the development and building permitting processes.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

28. Supporting Ontario's diverse business community

Submitted by: Ajax-Pickering Board of Trade. Co-sponsored by: Burlington Chamber of Commerce and Whitby Chamber of Commerce

Issue

Following the first wave of the COVID-19 pandemic, many small business owners across Ontario began to pivot their business models, including adopting new safety measures and shifting to online sales platforms. While this massive shift has challenged Ontario's entire small business community, it has taken an additional toll on the many small business owners in Ontario who have limited English and/or French speaking skills. To support growth and diversity, the government of Ontario must ensure resources and supports are available to the whole business community.

Background

The COVID-19 pandemic has disproportionately impacted immigrants and under-represented groups. While there is no requirement to collect race-based data in Canada related to COVID-19, in Ontario, Census data were used to analyze the distribution of COVID cases across neighbourhoods with higher vs lower concentration of visible minorities. The findings show that the rate of COVID-19 infections were three times higher, hospitalizations rates were four times higher, and deaths were twice as high.⁷⁰

Further, according to Statistics Canada, the pandemic has also had a greater impact on immigrants and visible minorities in the workforce:⁷¹

- 34% of front-line/essential service workers identify as visible minorities (compared with 21% in other sectors).
- Visible minorities are also more likely to work in industries worst affected by the pandemic, such as food and accommodation services – compounding health and economic risks.
- Impact of COVID-19 on immigrants' employment could reverse gains made in recent years to close the gap.

The Government of Ontario has offered support in the form of multilingual health sheets⁷² and workplace safety posters⁷³, however live support services like those provided by the toll free Stop the Spread Information Line are available only in English and French.

Programs developed to help reduce the spread of COVID-19 and move businesses to an online platform, such as Digital Main St., rely on business owners' ability to have English or French verbal and oral communication skills.

⁷⁰ Public Health Ontario. COVID-19 in Ontario – A Focus on Diversity. <https://www.publichealthontario.ca/-/media/documents/ncov/epi/2020/06/covid-19-epi-diversity.htm>

⁷¹ Statistics Canada. Impacts on Immigrants and People Designated as Visible Minorities (October 2020). <https://www150.statcan.gc.ca/n1/pub/11-631-x/2020004/s6-eng.htm>

⁷² Public Health Ontario. Multilingual COVID-19 Factsheets. <https://www.publichealthontario.ca/en/diseases-and-conditions/infectious-diseases/respiratory-diseases/novel-coronavirus/public-resources?tab=6>

⁷³ Government of Ontario. Resources to prevent COVID-19 in the workplace. <https://www.ontario.ca/page/resources-prevent-covid-19-workplace#section-3>

The lack of multilingual supports could result in non-English and non-French speaking business owners being put at a digital, economic, and safety disadvantage.

As Ontario looks towards recovery, the Ontario Government should ensure that tools are in place to help the entire business community thrive.

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government to:

1. Encourage immigrants and non-English and non-French speaking business owners to fully participate in the local and provincial economy by offering pandemic grants to improve on language skills, and actively market that offering.
2. Ensure that pandemic resources, including live support workers, are available in a variety of languages, based on provincial demographics and need.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

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

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

Issue

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

Background

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

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

Primarily, a local company that has shown a real effort to re-invent itself during the trying times of COVID-19 should be afforded a boosted seat at the table when it comes to local request for proposals. Sustainable and responsible business builds resiliency into every role in the industry – creator, distributor and advertiser. Sustainable and responsible business encompasses both environmental considerations (e.g., minimizing operational waste, energy and water use) and social considerations (e.g., human rights, labour rights, inclusion and diversity). Even before COVID-19,

the industry's commitment to sustainability left much to be desired. (Source Building Back Better: An Action Plan for the Media, Entertainment and Culture Industry WHITE PAPER JULY 2020)

Recommendations

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

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

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

30. The Case for Levelling the Field

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

Issue

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

Background

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

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

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

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

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

graduated on or after April 1, 2020 in exchange for a six-month commitment in a Long-Term Care home or Home and Community Care agency.

Although progressive in nature, this is but a drop in the bucket when it comes to municipally funded long-term care homes and hospitals. Personal health and childcare support workers have not been considered essential and this impact both the public and private sectors. These jobs are generally lower paying positions in the private sector, because the costs for services are passed on directly to the end user. With both home and childcare critical to support seniors living at home or young parents in the work force, this puts extreme pressure on the private sector to keep their fees affordable.

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

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

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government to:

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

OCC Policy & Advocacy Committee Position: The submitting chamber amended the resolution based on suggestions made by the Policy & Advocacy Committee. The committee supports the resolution as amended.

31. Unrealized “Heads and Beds Levy” hurts Ontario’s Economic Competitiveness

This is a sunseting resolution.

Submitted by: Greater Peterborough Chamber of Commerce. Co-sponsored by: Greater Kingston Chamber of Commerce, and 1000 Islands Gananoque Chamber of Commerce

Issue

There has been an unacceptable period of inaction to raise the annual payment in lieu of taxes or “heads and beds levy” (*Section 323 of the Municipal Act 2001*) on specified public institutions (i.e. provincial correctional facilities, hospitals, and universities). As a result, municipalities are forced to compensate in other ways, including hiking property taxes.

Background

The payment in lieu of taxes made by the Province of Ontario on behalf of post-secondary education institutions and hospitals was \$50 per student or hospital bed in 1973. This rate changed to \$75 in 1987 and has not changed since.

This rate of \$75 per student/bed does not reflect the change in cost of delivering services to Ontario municipalities. The result is undue pressure on all tax classes, particularly the commercial and industrial classes, which are taxed at a ratio that averages about 1.5 times the residential rate.

Payments in lieu of taxes tend to be a controversial issue, but with all of the pressures on municipalities, including the arbitration system, this levy is an unrealized resource. The Ontario Chamber of Commerce (OCC) asked in 2012 to increase the heads and beds payments to \$140 per student/bed to reflect inflation. Current inflation figures would put the appropriate increase to \$148. However, given the current provincial financial pressures we are suggesting an increase of the levy to \$100 per student/bed then attach it to the Consumer Price Index (CPI).

Using the \$100 to reflect inflation:

In Kingston, it has been estimated that an increase in the heads and beds levy to adjust for inflation would provide approximately \$1 million to the City’s annual budget.

In Peterborough, based on current expectations, an increase in the heads and beds levy would result in approximately \$1.3 million to the annual budget. That is approximately \$331,000 in extra funding per year.

The economic impact of such funds in municipalities would be immediate.

Post-secondary institutions across the province are working on the premise that full-time enrollment numbers will continue to increase. While the number of acute beds in the Ontario health care system was stagnant for a while, the Province announced in October 2020 that an additional 760 beds would be added across Ontario. As a result of the levy remaining at 1987 levels, Ontario municipalities with post-secondary institutions and hospitals are facing significant competitive disadvantages and ultimately, this will have an impact on Ontario’s economic recovery.

In its 2017 pre-budget submission to the Provincial Government, the Ontario Chamber of Commerce identified the heads and beds levy as a way to improve the conditions for municipalities to thrive.

Recommendation

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

1. To reflect inflation since the last levy increase in 1987, increase the “Heads and Beds Levy” to \$100 per student/bed and then tie future yearly increases to the Consumer Price Index (CPI).

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

32. Vaccine Manufacturing in Ontario

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

Issue

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

Background

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

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

Even when accounting for population size, the U.S. had inoculated five times more people per capita than Canada and administered nearly 60 million doses of vaccines, compared to just over a million in Canada.⁷⁴

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

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

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

⁷⁴ <https://www.bloomberg.com/graphics/covid-vaccine-tracker-global-distribution/>

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

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

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

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

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

Recommendation

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

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

OCC Policy & Advocacy Committee Position: The committee supports this resolution.

33. Workplace Mental Health Strategy

This is a sunseting resolution.

Authored by: Ajax-Pickering Board of Trade and Burlington Chamber of Commerce

Issue

It is widely recognized that mental health problems in the workplace have a severe impact on Canada's and Ontario's productivity. The COVID-19 pandemic has only magnified an existing challenge. In addition, it's clear that providing help to those struggling with mental issues borne out of the pandemic will be key to our recovery as a province – both economically and socially. Ensuring Ontario's workforce and its citizens have the resources they need to improve their mental health is more than good business; it is the right thing to do. The Ontario government's \$12 million commitment to support and develop mental health programs specifically as a result of COVID-19 is a welcome contribution, but we must continue to look ahead and build on these efforts. There continues to be more that needs to be done in the areas of research and promotion. The provincial government has a key role to play in continuing its efforts at mitigating the costs of workplace mental health issues and ensuring that employers are ready and able to properly and positively address workplace mental health issues.

Background

The Centre for Addiction and Mental Health (CAMH) has reported⁷⁵ that the pandemic has had the following detrimental impacts on the mental health of Canadians:

- 50% of Canadians reported worsening mental health since the pandemic began with many feeling worried (44%) and anxious (41%)⁷⁶
- 81% of Canadian workers reported that the pandemic is negatively impacting their mental health⁷⁷
- Experts have warned that pandemic related unemployment, job insecurity, reduced wages and increased workloads could result in 418 to 2,114 excess deaths due to suicide in Canada in 2020-2021.⁷⁸

The following research evidence, which was provided prior to the pandemic, demonstrates the significant impact of mental health problems in the workplace:

- 1 in 5 Canadians experience a psychological health problem or illness in any given year.⁷⁹
- Psychological health problems or illnesses are the number one cause of disability in Canada.⁸⁰

⁷⁵ Centre for Addictions and Mental Health (2020) Mental Health in Canada: Covid-19 and Beyond <http://www.camh.ca/-/media/files/pdfs---public-policy-submissions/covid-and-mh-policy-paper-pdf.pdf>

⁷⁶ Angus Reid Institute, 2020

⁷⁷ Morneau Shepell, 2020

⁷⁸ 7 McIntyre & Lee, 2020

⁷⁹ Smetanin et al. (2011). The life and economic impact of major mental illnesses in Canada: 2011-2041. Prepared for the Mental Health Commission of Canada. Toronto: RiskAnalytica.

⁸⁰ Institute for Health Metrics and Evaluation (2015). *Global Burden of Diseases, Injuries, and Risk Factors Study, 2013*. Data retrieved from <http://www.healthdata.org/data-visualization/gbd-compare>.

- The economic burden of mental illness in Canada is estimated at \$51 billion per year. This includes health care costs, lost productivity, and reductions in health-related quality of life.⁷⁹
- In any given week, at least 500,000 employed Canadians are unable to work due to mental health problems. This includes:
 - approximately 355,000 disability cases due to mental and/or behavioural disorders⁸¹
 - approximately 175,000 full-time workers absent from work due to mental illness⁸²
- 39% of Ontario workers indicate that they would not tell their managers if they were experiencing a mental health problem.⁸³

At one time a similar crisis existed with workplace physical safety. Measurement and tracking of incidence rates, coupled with public awareness and the implementation of occupational health and safety regulations and legislation, played a strategic role in turning the tide. The same can be true for workplace mental health.

When not addressed, psychological health problems in the workplace lead to absenteeism, presenteeism, decreased productivity and quality of work issues, which in turn impact business success. By identifying and reducing workplace risks of psychological injury or illness and adopting accommodations specific to mental health, employers will benefit from workforce stability, increased productivity, reduced insurance costs, reduced risk of legal or regulatory sanctions, and a healthier financial bottom line. Similarly, employees will benefit due to the impact upon their health, morale, work life quality and ability to perform at their highest capacity.

The National Standard of Canada for Psychological Health and Safety in the Workplace (the Standard)⁸⁴ – the first of its kind in the world, is a set of voluntary guidelines, tools and resources. It is one of the tools available to business and lawmakers moving forward, which will be invaluable in promoting mental health and preventing psychological harm at work.

Recommendations

The Ontario Chamber of Commerce urges the Ontario government to:

1. Ensure mental health resources, including stigma reduction, are integrated into the Ontario government's long-term economic recovery plan.
2. Continue to build on existing commitments and identify mental health in the workplace as a key priority for occupational health and safety research grants and funding innovation projects.
3. Ensure that local community resources, using evidence-based treatment practices, are visible to employers and employees, easily accessible and affordable.

⁸¹ Institute of Health Economics (2007). *Mental health economics statistics in your pocket*. Edmonton: IHE. Number of absent workers calculated using Statistics Canada work absence rates, retrieved from <http://www.statcan.gc.ca/pub/71-211-x/71-211-x2011000-eng.pdf>.

⁸² De Oliveira et al. (2016). Patients with high mental health costs incur over 30% more costs than other high-cost patients. *Health Affairs*, 35: 36-43.

⁸³ Canadian Medical Association (2008). 8th annual National Report Card on Health Care. Retrieved from https://www.cma.ca/multimedia/CMA/Content/Images/Inside_cma/Annual_Meeting/2008/GC_Bulletin/National_Report_Card_EN.pdf.

⁸⁴ Mental Health Commission of Canada. National Standard. <https://www.mentalhealthcommission.ca/English/what-we-do/workplace/national-standard>

4. Promote the National Standard of Canada for Psychological Health and Safety in the Workplace (CSA Z1003)
5. Provide training and education for business leaders with a focus on positive ways to address and respond to workplace mental health issues.
6. Consult with private sector workplace benefit providers to ensure an appropriate supporting policy framework exists to allow more employers to offer Employee Assistance Programs (EAP) to their employees.

OCC Policy & Advocacy Committee Position: The committee supports this resolution.