



## 2019 Oakville Chamber Policy Resolution for the Ontario Chamber of Commerce

### Taking a Principled Approach to Growth and the Planning Process

#### ISSUE

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

#### BACKGROUND

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

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

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

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

Over the next few decades, the Greater Golden Horseshoe (GGH) is expected to experience incredible growth. Ontario has been, and continue to be, one of the fastest growing jurisdictions in North America. By 2041, the population is projected to grow by 50 percent, to 13.5 million, in the GGH alone<sup>1</sup>. Similarly, the number of jobs in the region is expected to grow from 4.5 million to 6.3 million.

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<sup>1</sup> Brad Graham and Tom McCormack, "Improving the Growth Plan: A commentary," September 2015  
[http://ohba.ca/system/documents/documents/340/original/improving\\_the\\_Growth\\_Plan\\_PDF.pdf?1441817423](http://ohba.ca/system/documents/documents/340/original/improving_the_Growth_Plan_PDF.pdf?1441817423)

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

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

If current rates of construction continue, up to 165,600 homes are at risk of not being built over the next 23 years. That's equal to an annual loss of \$1.95 billion in GDP from residential construction activity if various constraints continue to inhibit the goals set by the provincial growth plan, Places to Grow.<sup>2</sup>

Similarly, infrastructure plays a critical role supporting the economic and demographic growth of a region. Investment in infrastructure assets such as roads, and transit is required to meet the needs of a growing population. In addition, infrastructure is crucial to attract and retain industry and employment by providing the ability to move goods and services.

Since 2011, infrastructure investment in Ontario (as a percentage of GDP) has fallen or remained flat. In fact, it was below 3.0% for the 2015 – 2017 period, falling below 2.5% in 2016. It remains considerably below the target of 5.1% of GDP identified in the 2011 report. The lower levels of infrastructure investment are making it harder to achieve greater GDP growth in the long-term. To achieve maximum growth over the next 50 years, the average level of infrastructure investment will now have to increase to 5.4% of GDP<sup>3</sup>.

## RECOMMENDATION

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

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

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

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<sup>2</sup> The GTHA's Housing Stock: Benchmarking Ontario's New LPAT System, An independent research study prepared for the Residential and Civil Construction Alliance of Ontario (RCCAO) BY: CANCEA – Canadian Centre for Economic Analysis, DECEMBER 2018, [http://rccao.com/research/files/RCCAO\\_LPAT\\_REPORT\\_2018.pdf](http://rccao.com/research/files/RCCAO_LPAT_REPORT_2018.pdf)

<sup>3</sup> Infrastructure Update 2018: Ontario Infrastructure Investment – Federal and Provincial Risks & Rewards [http://rccao.com/news/files/RCCAO\\_Infrastructure-Update-2018.pdf](http://rccao.com/news/files/RCCAO_Infrastructure-Update-2018.pdf)