

Emerging Stronger 2016



Measuring Progress, Charting a New Course

About Emerging Stronger

Emerging Stronger is a five-year agenda aimed at spurring growth and prosperity in Ontario. It is the product of extensive consultation conducted by the Ontario Chamber of Commerce, the Mowat Centre, and Leger. Each year, we present recommendations that we believe are crucial to help Ontario emerge stronger from this period of economic transformation. We also present our Ontario Economic Update 2016 and an assessment of business confidence. The contents and recommendations reflect what we have heard from Ontario's business and civic leaders, representing thousands of businesses and not-for-profit organizations from across the province.

Acknowledgements

Emerging Stronger 2016 is the product of our most extensive consultation process to date. We express our sincere thanks to those business, government, and not-for-profit leaders who participated in this process. We would also like to extend our appreciation to the leaders from Ontario's chambers of commerce and boards of trade. Your comments and feedback were invaluable. Thank you to the Ontario Chamber of Commerce's Policy Committee and Board of Directors. Your guidance throughout the development of this document allowed us to produce a set of clear and achievable recommendations. We also thank the participants of the 2015 Ontario Economic Summit for their contributions to this report. Finally, thank you to the business, government, and civic organizations that we have interfaced with over the past year. All of our discussions have shaped the economic vision contained in this document.

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OCC MOWAT LEGER

Letter to Ontarians

Much has changed since the Ontario Chamber of Commerce (OCC) and the Mowat Centre partnered to release *Emerging Stronger 2012: A Transformative Agenda for Ontario*.

In some areas, we have made significant progress. For example, Ontario is making much needed investments in infrastructure that will translate into productivity gains.

In other areas, however, Ontario faces significant challenges. Ontario's debt is approaching \$300 billion. Interest payments on that debt now represent the third largest area of provincial spending after health and education.

Despite our challenges, we are confident that Ontario has all the assets it needs to secure its position as the world's best place to work, invest, and live. But we need to act collectively and with renewed determination.

That is the purpose of *Emerging Stronger 2016*; to assess whether Ontario has truly emerged from the economic downturn, and to reflect on – and learn from – our shared successes and failures from the last five years. Most importantly, it is an opportunity to chart an economic course for the next five years.

To that end, *Emerging Stronger 2016* marks a new beginning. Throughout 2016, the OCC will embark on an ambitious consultation process, called *LeadON*, which will engage Ontarians to determine the shape and structure of the successor initiative to *Emerging Stronger*. This new initiative will be outlined at the 2016 Ontario Economic Summit.

Thank you to all those who have helped shape the *Emerging Stronger* vision over the past number of years. We hope to count on your continued support as we move our collective agenda forward.



Allan O'Dette

PRESIDENT & CHIEF EXECUTIVE OFFICER,
ONTARIO CHAMBER OF COMMERCE



William Forward

DIRECTOR (ACTING), THE MOWAT CENTRE

What We've Achieved Together Over the Last Five Years

Over the last five years, *Emerging Stronger* has identified a course of action aimed at making Ontario the best place in the world in which to live, work, and invest.

Over the last five years, together, we've made progress:

- » Ontario remains the North American leader in attracting **foreign capital investment**.
- » The provincial and federal governments are reinvesting in **infrastructure**.
- » Ontarians boast the highest levels of **post-secondary educational** attainment in the world.
- » The Ontario government **spends less per capita** than any other provincial government.
- » Successful **industry supports** have been renewed, including the Accelerated Capital Cost Allowance (ACCA), which is enabling manufacturers to invest in productivity gains.
- » Ontario's world-class **Alternative Financing and Procurement (AFP)** model is delivering value for taxpayer dollars while creating export opportunities for Ontario businesses.
- » Ontario's **new cap and trade system**, if designed correctly, could position Ontario as a world leader in innovative green technologies.
- » The Province has acknowledged a growing cost burden on businesses and is committed to reducing this burden through its **Business Growth Initiative**.
- » The Province has committed \$1 billion in infrastructure funding for the **Ring of Fire**, the 100-year mining opportunity in Ontario's far north.

But many outstanding challenges remain:

- » Ontario's fiscal situation has only improved marginally; the deficit sits at \$10 billion while the debt has risen to nearly \$300 billion.
- » Ontarians continue to pay more into **Employment Insurance (EI)** than the benefits or training they receive. Meanwhile, only 27 percent of unemployed Ontarians qualify for EI.
- » Federal transfers, and the **equalization program**, continue to treat Ontario unfairly.
- » **Electricity rates** in Ontario continue to rise and are negatively impacting our investment climate.
- » Employers continue to underinvest in the **skills** of their employees: between 1993 and 2013, the amount that Canadian employers invested in employee training declined by 40 percent.
- » The province is a laggard in terms of the number of **patents** it produces and in **labour productivity**. A recent Conference Board report card gives Ontario a "D" grade on both indicators.
- » The new federal government has committed to reinstating the Long-form Census, but a lack of locally-refined **labour market information** poses a persistent challenge to workforce development across Canada.
- » While the ACCA has been extended for another 10 years, Ontario continues to face challenges to the competitiveness of its advanced **manufacturing** sector, including the automotive sector.
- » The commodity downturn is creating challenges for the **mining sector** and for **Northern Ontario**.
- » While new programs show promise, Ontario continues to see its share of **economic immigrants** fall below the national average.
- » The new federal government has committed to lifting **visa restrictions** on visitors from Mexico. However, visitors from other high growth countries still face barriers to entry.
- » Ontario businesses face new costs, unanticipated five years ago, including the new **Ontario Retirement Pension Plan**.
- » Ontario has some of the highest journey-person-to-apprenticeship ratios in Canada, a contributing factor to Ontario's **skills gap**.
- » While Ontario has taken meaningful steps to maximize the value of its public assets, it has yet to undertake much needed **service delivery transformation**.



What the Leaders are Saying



Patrick Brown

LEADER OF THE OFFICIAL
OPPOSITION, LEADER OF THE
ONTARIO PC PARTY

“The Ontario PC Caucus envisions an Ontario that is once again the driving economic engine behind the country – the best place to live, work, and raise a family. Every year, *Emerging Stronger* serves as a valuable blueprint for some of the important steps our province needs to take to thrive, and over the course of this year, we look forward to outlining in greater detail our own complimentary plan for an Ontario that works again.”



Andrea Horwath

LEADER OF ONTARIO'S NEW
DEMOCRATS

“New Democrats believe that Ontario’s economy can only emerge stronger if hardworking families are doing well. Like the authors of *Emerging Stronger*, New Democrats believe that by investing in people – Ontario’s families and businesses – and putting a strategic focus on research and innovation, we can lay the groundwork for a sound economic future. With the right long-term priorities government can help business across sectors to create jobs that you can raise a family on, that give people hope and security.”



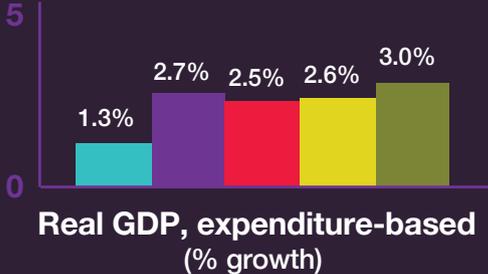
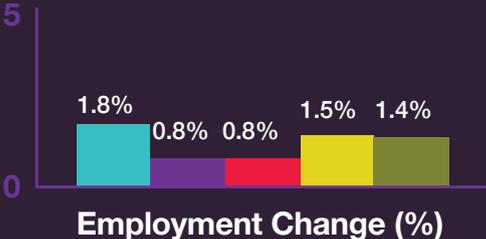
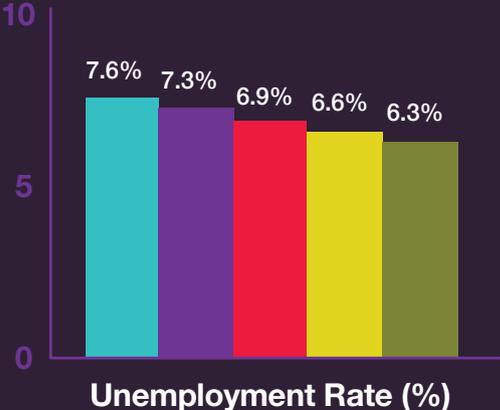
Kathleen Wynne

PREMIER OF ONTARIO,
LEADER OF THE ONTARIO
LIBERAL PARTY

“I want to thank the Ontario Chamber of Commerce (OCC) for the fifth edition of *Emerging Stronger*. It stands as another valuable contribution to our government’s plan to deliver on our number-one priority: creating jobs and growing the economy. This year’s *Emerging Stronger* recommendations and the decisions our government continues to make to keep Ontario on a path of growth in today’s challenging national economy should give us all confidence that Ontario will become even more competitive and create more jobs in 2016 and beyond.”

Ontario Economic Update 2016

The Ontario Economic Update 2016 suggests improving overall growth prospects while regional growth differentials will narrow. Growth in Northern regions will lag, however, due to poor mining prospects.



2013 2014 2015 2016 2017



PROJECTED
UNEMPLOYMENT
RATE 2016



PROJECTED
EMPLOYMENT
CHANGE 2016 (%)



MLS AVERAGE RESIDENTIAL
SALES PRICE 2016
(\$, PROJECTED)

NORTHWEST

5.8

-0.2

225K

NORTHEAST

7.7

0.4

219K

MUSKOKA-
KAWARTHAS

7.9

3.2

360K

OTTAWA

6.3

1.1

355K

KINGSTON-
PEMBROKE

7.2

2

275K

TORONTO

6.9

1.7

680K

KITCHENER-
WATERLOO-
BARRIE

5.3

1.1

370K

STRATFORD-
BRUCE
PENINSULA

5.8

1.7

254K

LONDON

5.8

0.9

278K

WINDSOR-
SARNIA

8.2

1.4

205K

HAMILTON-
NIAGARA
PENINSULA

5.8

1.7

410K



Credit Unions
of Ontario

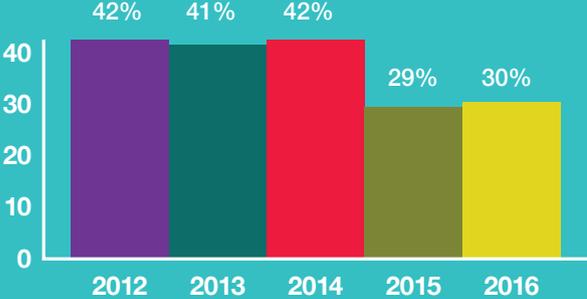
Ontario Business Confidence Index



GLOBAL ECONOMY

In a global economic context, do you believe the Ontario economy is going in the right direction?

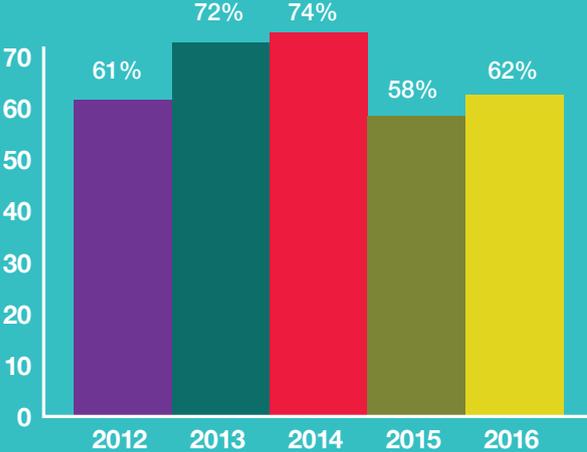
% who answered "in the right direction"



BUSINESS CONFIDENCE

How confident are you in your own organization's economic outlook as of right now?

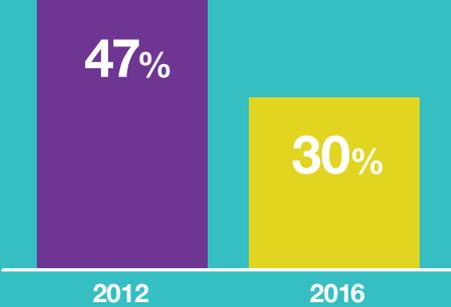
% who are confident



ONTARIO ECONOMY

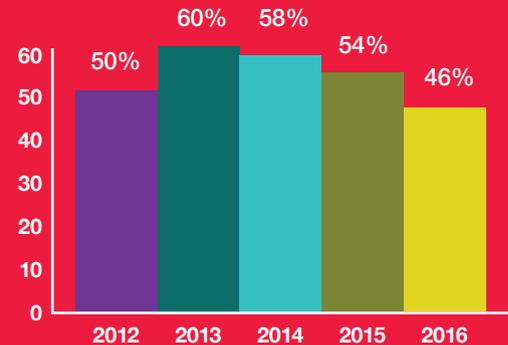
How confident are you in the Ontario economy right now?

% who are confident



Confidence Across Sectors

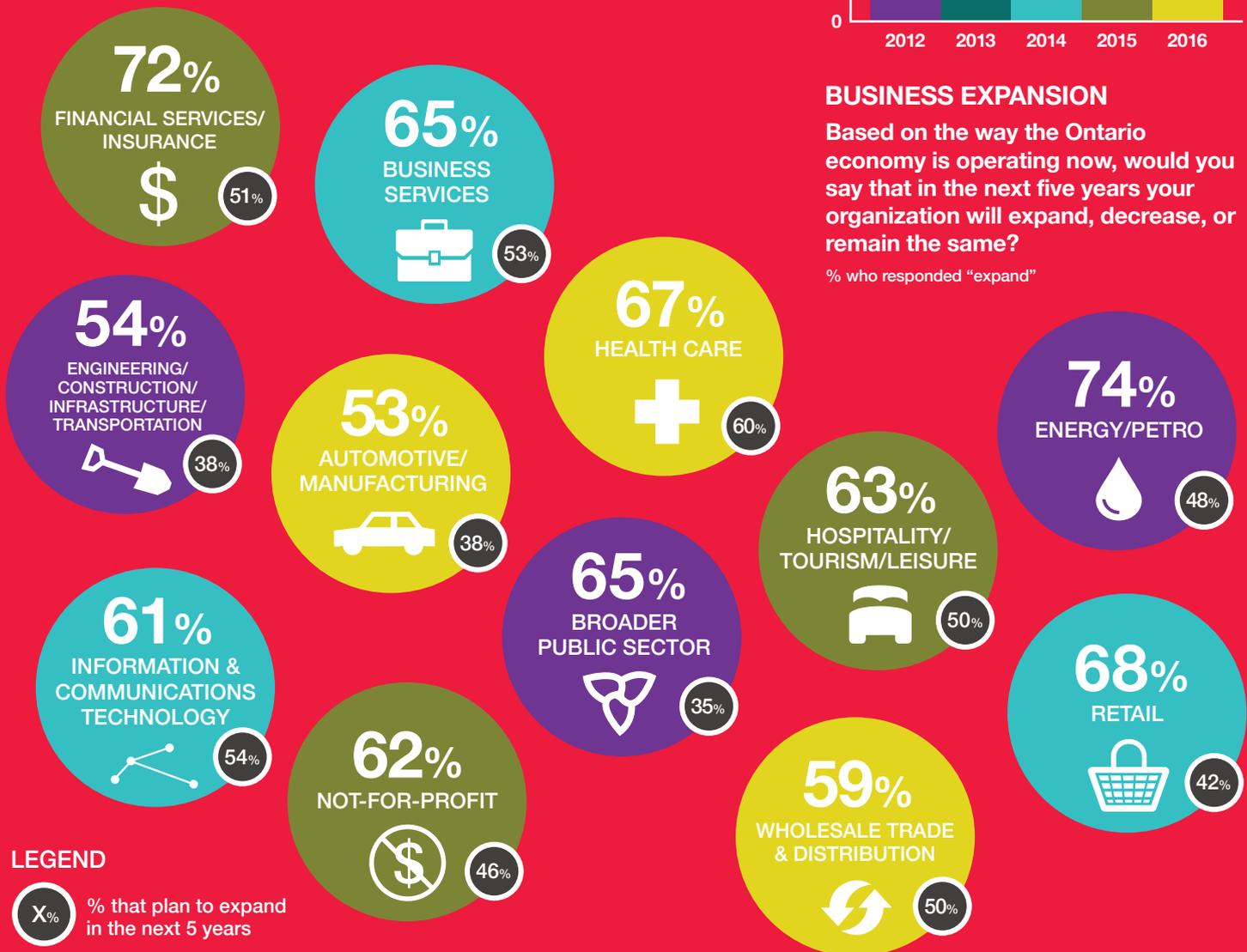
We asked businesses whether or not they are confident in their organization's economic outlook for 2016. The following infographic provides a sector breakdown of the proportion of businesses that were confident in their economic outlook.



BUSINESS EXPANSION

Based on the way the Ontario economy is operating now, would you say that in the next five years your organization will expand, decrease, or remain the same?

% who responded "expand"



LEGEND

X% % that plan to expand in the next 5 years



A photograph of a modern building's interior, featuring a glass and steel structure. The image is dark, with light coming from the building's interior and some light trails at the bottom. The text is overlaid in white, bold font.

**Fostering a culture
of innovation and
smart risk-taking
in order to become
a productivity
leader**

1

1 Fostering a culture of innovation and smart risk-taking in order to become a productivity leader

Adopt a “Better Regulation” approach that conducts economic impact analyses prior to the development stage of policy changes.

As of 2015, all proposed European Commission initiatives are assessed alongside alternative policy options based on their potential economic, social, and environmental impacts. This “better regulation” approach ensures that regulations are informed by the best available evidence. Ontario’s new *Business Growth Initiative* holds promise; if implemented and enforced government-wide, the initiative could facilitate the creation of proportional, targeted, and evidence-based regulation.

Update Ontario’s labour laws to respond to the evolving needs of employers and employees.

The Government of Ontario is currently considering a number of changes to the *Labour Relations Act (LRA)* and the *Employment Standards Act (ESA)* through its Changing Workplaces review. As changes are being considered, government must consider different sectors’ abilities to foresee future capacity requirements. For example, scheduling provisions should be carefully designed to balance the need for clearer and predictable work schedules for employees, while allowing some degree of flexibility for employers.

Bend the cost curve on rising electricity prices.

Recent Leger polling reveals that, as a result of rising electricity prices, 38 percent of Ontario businesses expect to see their bottom line shrink, with the cost of electricity delaying or canceling investment in the years to come. The problem will only get worse as Ontario’s industrial rates increase by 13 percent over the next five years. There are many incremental solutions that can be adopted to begin to fix Ontario’s energy woes. As a start, the Province should improve the transparency of electricity pricing and system cost drivers. By disclosing the costs of important investments, government will be held accountable for future decision-making. Further, government should ensure that its decisions around energy generation lower long-term costs to consumers while positioning Ontario as an innovation and export leader.

Restore the Scientific Research and Experimental Development (SR&ED) tax credit to 20 percent.

The SR&ED program is the federal government's main R&D investment vehicle. In 2014 however, the 20 percent investment tax credit for SR&ED qualified expenditures was reduced to 15 percent. By the end of fiscal year 2016-2017, this measure and other changes to the program are expected to reduce SR&ED claims by \$500 million across Canada. The reduction disproportionately affects Ontario firms, which account for nearly half of business R&D investment in Canada. The federal government should reinstate the 20 percent SR&ED rate to better support innovation and productivity growth in Canada.

Help SMEs and startups achieve scale by creating procurement opportunities.

Ontario businesses struggle to access procurement opportunities – a problem that can be exacerbated by public fiscal restraint. Yet public procurement is one of the primary tools with which government can have a material impact on the growth of SMEs and startups. Canada and Ontario should learn from the U.S.'s Small Business Innovation and Research Program (SBIR), which earmarks small percentages of public budgets to innovative SMEs through competitive bids, with the goal of providing early stage financial support to innovative firms with commercial promise. As a start, the federal and provincial governments should implement a SBIR-like program as an essential cornerstone of their procurement strategies.



Thinking back to five years ago, would you say that Ontario is *better off* or *worse off* when it comes to **fostering a culture of innovation and smart risk-taking in order to become a productivity leader?**





Building a 21st century workforce

2

2 Building a 21st century workforce

The new federal government must land on a framework for First Nations education that will improve on-reserve education outcomes.

Despite repeated attempts, the previous federal government and the Assembly of First Nations failed to agree on an educational reform framework. Yet a new framework is sorely needed: federal funding for Aboriginal education falls significantly short of parity with provincial education spending on a per-student basis. According to the Centre for the Study of Living Standards, the financial impact associated with closing the education and labour market gaps between Aboriginal and non-Aboriginal communities would significantly drive Canada's GDP upward, by an estimated \$401 billion over a 25-year period.

Government and business must leverage the immigration system to fill skills gaps.

For a variety of reasons, employers are not tapping into international talent. Temporary Foreign Worker (TFW) program rules make it more difficult, costly, and time consuming for organizations to justify their recruitment practices. Meanwhile, too few employers are using the new Express Entry system that aims to provide them with quick access to highly skilled talent. The federal government should ensure the TFW program is accessible and that incentives are in place that impel employers to make greater use of the Express Entry system.

Update Canada's social architecture.

Many of the core social programs and policies designed in the middle of the last century – including Employment Insurance (EI), the Canada Pension Plan, childcare, and Medicare – have not evolved to address current economic and demographic realities. In particular, EI should be reformed to address uneven access to benefits that treat Ontarians unfairly. The federal government should also work with the provinces to update the employment skills training system and to ensure that Canadians are able to maintain their standard of living in retirement. Further, we repeat our call for Ontario to receive its fair share of federal employment skills training funding.

Remove restrictions that prevent skilled trades workers from finding employment in Ontario.

Nearly a third of Ontario employers are unable to fill a job because they cannot find someone with the right qualifications. Ontario's skills gap is exacerbated by the province's disproportionately high journeyman-to-apprentice ratios. While the recent recommendations of the Dean Review regarding the Ontario College of Trades are encouraging (including greater use of independent analysis in its trade classification review process), more work remains. The provincial government must work with employers to ensure that pending legislative changes reflect the concerns of the employer community.

Foster greater connections between graduates and employers.

Ontario faces a labour market paradox. It is experiencing a skills deficit and labour market shortages in key sectors. At the same time, unemployment and underemployment in the province remains high. Part of the problem lies in a disconnect between graduates – as well as underrepresented groups in the labour market such as persons with disabilities – and employers. Successful programs, including the joint Ryerson University-OCC initiative *Magnet*, can help bridge the divide. Employers should make use of these programs, the success of which is contingent on employer engagement.



Thinking back to five years ago, would you say that Ontario is *better off* or *worse off* when it comes to **building a 21st century workforce?**





Restoring fiscal balance by improving the way government works

3

3 Restoring fiscal balance by improving the way government works

Engage in true service delivery reform.

We applaud the Province for implementing the Program Review, Renewal and Transformation approach, which aims to identify opportunities to transform programs and services. Despite its creation, there have been no major programs or services whose provision has been put out to tender over the last year. Using the best evidence, government should identify - and put to open tender - at least one major area of service delivery by the end of 2016. Government should work with the private sector to identify areas where an injection of private sector capital and expertise can improve service quality and/or lower service provision costs.

Reorient Ontario's health care system to ensure it is outcomes-centric and patient-focused.

Health care spending accounts for approximately 40 cents per dollar spent by the provincial government. The provincial government has managed to limit annual health care spending growth to just 1.2 percent on hospitals, doctors, and other services – an increase that is well short of inflation and population growth. The province should continue to ensure that health care funding growth is patient-focused while limiting increases in health care wage expenditures. In 2016, the OCC will release a series of reports that will examine how Ontario can maximize its health care spending.

Make Ontario the first jurisdiction in Canada to adopt forward-looking home sharing and ride sharing regulations.

The sharing economy is fueled by companies that enable individuals to obtain rides, accommodations, and a wide range of other goods and services via online platforms in exchange for monetary and non-monetary benefits. The global value of the sharing economy is projected to grow from \$15 billion to \$330 billion over the next ten years. Despite the positive economic and social impacts brought forth by the sharing economy, no Canadian city or province has yet to adopt a comprehensive regulatory approach. Ontario has the opportunity to act as a regulatory leader by collaborating with cities to adopt home sharing and ride sharing regulations. These regulations would create a safe and legal operating environment for sharing services and would ensure Ontarians can continue to benefit from the sharing economy.

Lighten the fiscal burden on municipalities while avoiding measures that would drive up the cost of doing business.

- i] Reform the interest arbitration system so that arbitrator decisions truly reflect a municipality's economic and fiscal environment. Partly as a result of Ontario's broken interest arbitration system, emergency service costs are outpacing inflation. For the last several years, we have asked the Province to ensure that arbitrator decisions consider municipalities' ability to pay. While little progress has been made, government now has the opportunity to closely review its arbitration system as part of its review of municipally-focused legislation.

- ii] Reform Ontario's tendering rules in order to create a level playing field for all qualified construction companies when competing for public contracts. As it stands, municipalities are treated as businesses under Ontario's *Labour Relations Act*. As a result, the Ontario Labour Board has been applying collective-bargaining rules for construction companies to municipalities. This has forced a growing number of municipalities to restrict tendering, resulting in higher costs for taxpayer funded construction projects. Closing this loophole would ensure municipalities make the most of their infrastructure and taxpayer dollars.

Ensure the provincial budget is balanced by 2017-18.

The provincial government is committed to balancing its budget within two years. However, Ontario's Financial Accountability Officer recently stated that as a result of a slowdown in the provincial economy, there is a risk that the government will not balance the province's books within its projected timeframe. Ontario's fiscal health is a key determinant of its investment climate. As such, the provincial government must publicly reiterate its commitment to balancing the provincial budget by 2017-18 at the latest while ensuring its net debt-to-GDP ratio continues to fall.



Thinking back to five years ago, would you say that Ontario is *better off* or *worse off* when it comes to **restoring fiscal balance by improving the way government works?**



403 Hamilton

109
B
↗

A nighttime photograph of a highway. A street lamp on the right side of the road is illuminated, casting a warm glow. In the background, several high-voltage power lines are visible against the dark sky. The road curves to the left, and a blue sign on the left side of the road indicates '407 ETR Express Toll Route EAST'. A large white number '4' is positioned in the bottom right corner of the image.

Taking advantage of new opportunities in the global economy

4

4 Taking advantage of new opportunities in the global economy

Lessen the negative impacts of the Trans-Pacific Partnership (TPP) on Ontario's auto sector.

The recently negotiated TPP will give Canadian firms unprecedented access to global markets, but also poses serious challenges for the future of Ontario's automotive sector. Under the new rules, Canada's tariffs on auto vehicle imports will be phased out over five years, a much shorter phase out than that given to the U.S. Further, local-content protections for vehicle components like engine parts and body stampings (including truck frames and metal roof panels) will only be required to have a TPP content of 35 percent. Combined, these TPP provisions give a marked advantage to low-wage Asian suppliers of parts, to the detriment of Canadian firms. The outcomes of the TPP negotiations underscore the need for a targeted and coherent intergovernmental strategy for Ontario's manufacturing sector.

Build on Ontario's successful Global Growth Strategy.

This comprehensive strategy aims to increase the number of Ontario firms engaged in export activities and to diversify Ontario's trading partners. Through the Global Growth Strategy's Export Market Access program, 423 Ontario companies have generated \$89 million in export sales over the past two years, resulting in 260 new jobs in Ontario. To further enable SME export activity, government must provide ongoing support for the Global Growth Strategy.

Invest in trade-enabling infrastructure.

The federal government's pledge to invest \$125 billion in infrastructure over the next 10 years is a welcome one. However, the government has not specified the exact proportion of those funds that will be spent in Ontario. We urge the federal government to devote a proportional amount of those funds to Ontario. Further, we encourage the new federal government to invest those funds in trade-enabling infrastructure – the kind that will help businesses access foreign markets. This includes public assets such as airports, ports, roads, and marine safety systems, all of which play a critical role in providing Ontario businesses with avenues to get their goods to market.

Eliminate interprovincial trade barriers before the Comprehensive Economic and Trade Agreement (CETA) with the European Union (EU) takes effect.

Scheduled to come into effect as early as 2016, CETA will eliminate approximately 98 percent of the tariffs between Canada and the EU. However, without the elimination of inter-provincial trade barriers (many of which are regulatory in nature), CETA could provide European companies bidding on Canadian contracts with an institutionalized edge over Canadian businesses trying to win similar contracts outside their home province. As such, we urge the federal government and the provinces to immediately conduct a full review and renegotiation of the Agreement on Internal Trade in order to eliminate internal barriers to trade, investment, and labour mobility.

Build on Ontario's tourism advantage.

Ontario's tourism industry generates nearly \$22 billion in receipts every year and employs nearly 200,000 Ontarians. Yet the sector faces significant challenges, most significant of which is a decline in the number of American tourism receipts. The success of the tourism sector depends on a strong Canadian brand. Yet over the past number of years, the Canadian Tourism Commission's (CTC) core funding has declined by almost 50 percent from a high of nearly \$100 million in 2001 to \$58 million in 2013/2014. This places Canada 20th in the world in terms of national tourism organization funding. We urge the federal government to reinstate full funding to the CTC. The OCC will be releasing a report in 2016 that will explore how Ontario can better capitalize on its tourism offering.



Thinking back to five years ago, would you say that Ontario is *better off* or *worse off* when it comes to **taking advantage of new opportunities in the global economy?**



A sunset over a body of water with a bridge in the background. The sky is a deep red and orange, and the water reflects the colors. The bridge is silhouetted against the sky, with some lights visible. The overall mood is serene and hopeful.

**Identifying,
championing,
and strategically
investing in our
competitive
advantages in the
global economy**

5

5 Identifying, championing, and strategically investing in our competitive advantages in the global economy

Leverage anchor institutions for local economic development.

Anchor institutions – large public or non-profit institutions, such as hospitals, universities or municipal governments, rooted in a specific place – are among a region’s biggest employers and purchasers of goods and services. Anchors also possess significant fixed assets, endowments, and real estate holdings. In the U.S., U.K., and Australia, governments are working with anchor institutions to put their vast economic resources to more strategic use for local economic development. Ontario has not done enough to unlock the potential of anchor institutions in the province. As a start, government should engage anchor institutions in a formal discussion on how best to leverage their economic potential.

Develop standards for availability and access to broadband internet infrastructure.

As is stands, there are no standards that regulate the availability and access to high-speed internet infrastructure in Ontario. The U.S. recently classified the internet as a utility, a policy shift that recognizes the integral role that high-speed internet access plays in local economic development. The Province, in partnership with the federal government, should ensure that broadband internet access is provided to communities across Ontario.

Build on Ontario’s “Northern Advantage”.

Ontario’s northern communities face unique challenges: commodity prices negatively impacting the mining sector, stagnant job growth, and in some cases declining population. Not all the news is bad, however: Ontario’s forest products sector is benefiting from firmer prices and increased foreign demand, with overall forest products shipments climbing 12 percent in the first nine months of 2015, compared to the same period last year. To spur growth in Northern Ontario, the Province should adopt the following measures: increase the flow-through share tax credit for the mining sector; provide the forest products sector with consistent access to affordable, sustainable, and renewable wood; and refocus its immigration programs with an emphasis on immigrant retention in Northern Ontario.

Direct cap and trade revenue to efforts that directly facilitate businesses' transition to a lower carbon economy.

Ontario is implementing a cap and trade system in 2017. The system allows the government to set a limit on the total level of greenhouse gas emissions (GHGs) produced by entities covered by the cap and trade system. As part of the system, GHG emitters can purchase emissions allowances from the government through quarterly auctions. These auctions are expected to accumulate significant proceeds. Ontario should use the proceeds to help businesses invest in low-carbon processes, technology, and other capital. Ontario should consider adopting a model similar to Alberta's Climate Change and Emissions Management Fund which is managed by the Climate Change and Emissions Management Corporation (CCEMC), an arms-length body. So far, the CCEMC has committed \$349.8 million to 109 projects, with a total project value of \$2.2 billion.

Increase government and industry promotion of Ontario's agri-food sector at home and abroad.

In 2013, Premier Kathleen Wynne challenged the agri-food sector to double its annual growth rate and create 120,000 new jobs by 2020. Since the Premier issued this challenge, the industry has added \$1.3 billion in GDP and over 34,000 jobs. In order to meet the 2020 goal, the provincial and federal governments, together with industry, need to do a better job promoting Ontario's agri-food sector at home and abroad. Specifically, the provincial government should redouble its efforts to promote the industry through future trade missions to emerging markets. Global food demand is expected to double over the next 30 years and Ontario must be well positioned to meet this demand.



Thinking back to five years ago, would you say that Ontario is *better off* or *worse off* when it comes to **identifying, championing, and strategically investing in our competitive advantages in the global economy?**



Conclusion

In 2012, we set out a transformative agenda for Ontario designed to ensure the province's continued prosperity. The agenda outlined five priorities for Ontario: fostering a culture of innovation; assembling a 21st century workforce; putting public finances on a fiscally sustainable path; diversifying export markets; and identifying and leveraging new and existing competitive advantages.

Through our collective efforts, we have achieved much over the last several years. Governments have embraced our calls for greater infrastructure spending, strategic industry supports, and more responsive training and immigration programs.

Yet our province still faces extraordinary challenges. Economic growth will remain slow for the foreseeable future. Regional disparities are becoming more pronounced. Business confidence is sagging. Stimulative government spending, while helpful in the short-term, cannot sustain economic growth in the long-term.

Simply put, our economic recovery is not yet assured.

That is why, more than ever, we must work collectively towards a renewed economic agenda for our province – a strategic plan to ensure that Ontario can fulfill its potential. A plan that – importantly – will boost business confidence and spur greater investment.

As such, we invite government, business, civic leaders, and all Ontarians to join us as we shape our next economic vision through our *LeadON* initiative. Through this dialogue, we will continue to provide leadership as we collectively work to make Ontario more competitive, more productive, and more global.



Mowat Centre
ONTARIO'S VOICE ON PUBLIC POLICY

Leger
THE RESEARCH INTELLIGENCE GROUP