



**Timmins Chamber of Commerce  
Chambre de commerce de Timmins**

**2019 Pre-Budget Presentation to the  
Ontario Standing Committee on Finance and Economic  
Affairs**

**January 22, 2019**

**Timmins Chamber of Commerce Representatives:**

**Nancy Mageau, 2018-19 Board President  
Keitha Robson, Chief Administrative Officer  
Cameron Grant, Policy and Engagement Lead**



Welcome to the Chair and Member of the Standing Committee.

My name is Nancy Mageau, president of the Timmins Chamber of Commerce. Here with me today are Keitha Robson, Chief Administrative Officer and Cameron Grant, Policy and Engagement Lead. The Chamber is proactive in voicing the concerns of our 650 members with respect to local, provincial and federal government policy while actively addressing educational, civic, social and economic issues. It is in that role that we present our priorities for the 2019 Provincial pre-budget hearing.

Timmins is an established resource community, driven by a century-old tradition of mining and forestry. As a result, many of our policy concerns tend to revolve around those particular issues.

I am here today to speak to you of the Chambers' priorities for the 2019 budget produced in consultation with our membership:

### Permitting Delays for Mining Exploration

Ontario's mineral production is essential to its overall economic success. However, this success story is the result of ongoing, diligent efforts by junior firms and major companies alike to conduct exploration, which carries significant risk: the process of developing a single mine can often require 500-1,000 grassroots exploration projects.

Given their importance to the economy, and fluctuations in metal markets, it is crucial for mining exploration projects to receive permits in a timely fashion. It is therefore increasingly problematic that Ontario routinely fails to provide these permits within a reasonable timeframe.

As part of our resolution, the chamber network is urging the provincial government to:

- Dedicate sufficient resources to streamline and improve the process for reviewing and approving exploration permits and environmental assessments; and
- Work with the federal government to address the duplication of regulatory requirements and processes required for mining exploration, including environmental assessments.

In addition to these recommendations, the Chamber network is urging the Province to maintain the current mining tax rate for remote and non-remote mining operations. As Ontario's mining sector continues to face regulatory burdens and soaring energy rates, we urge the government to maintain existing mining tax rates for operations as part of its broader strategy to support regional economic development in Northern Ontario. For an industry already challenged by rising costs, a heavier tax burden would only serve to further undermine the vitality of Ontario's mining sector.

## Municipal Accommodation Tax

On December 17, the Provincial Government granted municipalities the authority to impose a Municipal Accommodation Tax on facilities that offer accommodation stays under 30 days. Different from the previous Destination Marketing Program, the newly implemented Municipal Accommodation Tax remains uncapped and non-voluntary, meaning municipalities are free to impose the rate at any level they choose.

What is also concerning, as little as 50 percent of the Municipal Accommodation Tax revenues must go towards a non-profit tourism industry association, and businesses that are directly impacted by the tax have little spending oversight over those funds. This reduces the industry's ability to ensure that spending is allocated effectively to address new and ongoing challenges.

On behalf of our members in the tourism industry, the Chamber encourages the Ontario government to cap the Municipal Accommodation Tax at 4 percent. Additionally, we urge you to allow business that pay the Municipal Accommodation Tax to participate in the oversight and distribution of the tourism-focused portion of revenues.

Tourism continues to be an important driver of economic activity in Northern Ontario and our recommended changes to the Municipal Accommodation Tax will ensure that the industry remains competitive for our region.

## Service Skills Strategy

One of the biggest concerns of our members is their difficulty in finding skilled workers. The skilled worker shortage is an issue that needs to be addressed by industry and government if northern Ontario businesses are to remain competitive.

To that end, The Timmins Chamber of Commerce requests that the provincial government increase funding to post-secondary institutions in northern Ontario in order for them to accommodate more students in skilled trade courses. In addition, it is imperative that students at the high school level are encouraged to enroll in the trades to help mitigate the increasing number of job vacancies within these industries. Many of our members are faced with workforce shortages as a result of low interest and we implore the government seek ways to boost enrolment in the trades.

Additionally, youth out-migration continues to contribute to the labour shortage in Northern Ontario, specifically the Timmins region, we see students leaving the community to seek education elsewhere. Research has directly linked post-secondary education with community prosperity. Communities with higher numbers of university graduates tend to earn more and have a more stable economic future.

At the same time, the provincial government should recognize the valuable role played by Northern College in Timmins and surrounding area. For many young people, the college is a springboard to a lucrative career.

## Transportation

Recently, the Chamber network released a policy report calling on the Ontario Government to develop a Long-Term Transportation Plan. To address the current and future transportation needs of the province, the report highlighted three areas of opportunity that will help improve the mobility of Northern Ontarians:

- Transit planning governance;
- Moving people and goods by rail; and
- Autonomous vehicles.

Increases in commercial activity means there are more trucks on our roads contributing to the erosion of our streets, and this highlights the need for highway maintenance dollars. The City of Timmins needs the province to continue and enhance the funding received for Connecting Link maintenance.

Transportation is the backbone of our economy, affecting the movement of people and goods and the everyday lives of Northern businesses, yet limited transit connectivity, aging assets, unique regional needs, and a historic under-investment in infrastructure have led to a significant gap between the actual and needed infrastructure in the North. This has led to real challenges faced by Northern Ontario residents and businesses every single day.

While Ontario was the first province to implement a pilot regulatory framework to allow for the testing of driverless technologies, Canadian roads will soon see fully self-driving vehicles in only 20 years. The Chamber network urges all levels of government to work together with industry voices to attract future investments, innovation, and jobs, as well as ensure Ontario is the first province to reap the benefits associated with this technology. Supporting the fiscal capacity of municipalities is essential to ensuring that individuals and businesses across the province are provided with the conditions they need to prosper.

### Enhancing Fiscal Capacity for Municipalities

The lack of adequate transportation infrastructure in Northern Ontario is a significant barrier to economic development. In recent years, mass transit service within Northern Ontario has been significantly reduced or cancelled, limiting mobility in a region already underserved compared to the rest of the province. In 2012, the Northlander passenger rail service came to an end, followed in 2018 by the cancellation of inter-city Greyhound routes as well as those that link the North to Western Canada.

A lack of transit limits access to health care, jobs, and business opportunities for Northern communities. It also hinders development of the Ring of Fire, which has the potential to generate up to \$9.4 billion in GDP over 10 years for this province. This of course brings up the topic of energy and rate stability for industry.

In its 2018 Fall Economic Statement, the Ontario government committed to supporting economic development and job creation in the North by investing in infrastructure. Since

the expansion of passenger rail in Northern Ontario would generate fare revenue, it can be funded in part by the Canada Infrastructure Bank. By partnering with the Infrastructure Bank, the Ontario government would take considerable strides towards unlocking economic development opportunities in Northern Ontario—including the Ring of Fire—at an acceptable cost to Ontario taxpayers.

### Increasing Broadband to Business in Northern Communities

Many within the Timmins Chamber membership lack adequate access to high-speed internet. These include rural, remote and last-mile businesses, some still within the limits of the City of Timmins. A lack of broadband and internet capabilities heavily impacts business decisions growth, location, and inability to continue providing services as a result. This compromises the ability of our business community to innovate and modernize their enterprises and remain competitive.

In today's economy, access to broadband services is considered a basic infrastructure requirement. In its 2018 Fall Economic Statement, the Government of Ontario committed to releasing a broadband strategy in early 2019. The Chamber urges the Province to invest in digital infrastructure across Northern Ontario so business can remain competitive. The government can look for investment from the private sector and alternate funding sources for last-mile connectivity.

Northern Ontario has a unique economy prone to boom and bust cycles. Our economy largely depends on non-renewable natural resources, and we must balance the need for sustainability of our economy with sustainability of our communities. While Northerners often feel alienated and left out of the decision-making process, the future is the one thing we all have in common, and in closing we would like to remind the provincial government that what is good for the north is also good for the south.

I would like to thank all Members of the Standing Committee for your attention and consideration. Best wishes for productive consultations.

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