

“Provincial Pre-Budget presentation 2020,
Driving Ontario”

A report presented to

The Standing Committee on Finance and
Economic Affairs

By

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Table of Contents

1. Executive summary	p 3
2. A vibrant economy through health care	p 4
3. Generating economic growth	p 5
4. Improving business efficiency	p 9
5. Fairness through finance and economics	p 10
6. Contact information	p 11

Executive Summary

As Ontario seeks to modernize its economy and secure growth, there is a need to look beyond deregulation and program delivery improvements to the issues of people and mobility and the physical and mental health of all. Reducing social and geographic isolation should be a priority for Ontario in order that goals and subsequent benefits are achieved.

Key to this is the need for a balanced connected transportation system that considers industry, the travelling public and the environment. Such a system is achievable and enunciated in the report “Connecting the Southwest”. **A successful transportation outcome must include expansion of VIA rail on the North Main Line in Ontario.**

Efforts, such as these, must be supported by businesses liberated from red tape and balanced budgets. In Ontario, 22% additional assistance could be dedicated to health care, transit, education and other areas with the elimination of federal and provincial interest on Ontario’s debt.

We believe the best way to make improvements in all facets of government action is for ministers to review all planned initiatives with business persons before implementation.

Canadians and Ontarians, by extension, are also focused on:¹

- Having integrity, ethics and trust in government
- Reducing hospital and surgery wait times
- Increasing access to post-secondary education
- Making it easier to find a family doctor
- Giving young adults valuable work experience
- Helping their businesses grow
- Investing in new schools and hospitals
- Building transit to reduce congestion
- Connecting communities

¹ Abacus Data September 16, 2011

1. A vibrant Ontario economy through health care

Natalie Mehra, Ontario Health Coalition, states “we need a clear commitment to protect small & rural hospitals from the continual erosion of services and/or closure....there should be a plan to establish a basket of services for small & rural hospitals and a clear commitment to keep them open (sic)”.

Recommendation 1: Focus on health care professionals. With a more efficient system, health care professionals will significantly improve patient health and mitigate the increasing cost of health care.

In order to reduce costs to the health care system, improve health outcomes and mitigate the demand for doctors, the medical community should work with massage therapists and physiotherapists. These professionals are successfully assisting patients with reduction in stress and headaches and improved mobility while reducing pressure on Ontario's health care system.

Recommendation 2: Charge patients that reside outside Canada rates similar to those charged to Canadian users accessing the US system. We recommend a base fee for non-Canadian residents of \$300 plus \$500 per day for hospital stays.

Recommendation 3: Insurance companies should be assessed the same amounts in recommendation # 2 for all motor vehicle accident victims plus a medical building facility fee equal to 15% of the amount charged.

Recommendation 4: Those charged and convicted of spousal abuse, where hospitalization or other medical assistance is required, should be assessed the fees for residents from outside Canada.

Recommendation 5: Adapt the current US testing system for the proper diagnosis and treatment for those affected by symptoms of Lyme disease. There are four members of parliament and/or legislative assemblies; namely Hillier, Bailey, Thompson and May (and previously Carmichael) that, on record, recognize the neurological and arthritic problems caused and the need for proper testing and treatment.

Ontario is expending valuable health care through potential misdiagnosis of Lyme. Because of inadequate and incorrect testing, many patients in Canada that have Lyme disease are incorrectly being diagnosed with MS, Crohn's, Alzheimer's, Depression, Chronic Fatigue Syndrome and Fibromyalgia.

The US estimates 300,000 Americans with Lyme disease. Most of those became affected near the Ontario border. Stats from Canada appear woefully underestimated.

1. A vibrant Ontario economy through health care (continued)

Provide added resources for the treatment of Chronic Fatigue Syndrome, “CFS”. CFS is a serious issue that requires more attention; the Canadian Institutes of Health Research estimates 580,000 Canadians with CFS.

2. Generating economic growth

a) Education

Recommendation 6: Provide young adults and immigrants valuable work experience with the expansion of co-op education. Offer additional programs and provide business sponsors a credit of up to 50% of the cost of hiring a co-op student or immigrant. Training programs, such as these, will ensure greater levels of youth employment, job skill development and economic growth. The German concept of awarding bachelor’s degrees to those qualifying for the highest trades journeyman accreditation has merit and it would assist in solving the skills gap in Ontario industry and mitigate the “blue collar/white collar” discrimination.

b) Transportation

Recommendation 7: Work with the federal government to fulfil their commitment made at a recent first minister’s conference, **“we are serious about climate change”**. **Adding additional VIA schedules** is a logical move.

All Aboard St. Marys, “AASM”, is an organization formed by concerned residents of St. Marys and surrounding area in response to the VIA Rail Canada train service cuts of 2012. Passenger trains are the only form of public transportation available to St. Marys and many other rural Ontario communities. VIA trains connect St. Marys and other rural areas with other communities, friends and relatives, specialized medical care, leisure and cultural activities, and a multitude of educational, employment and economic opportunities.

Rail service is a lifeline for St. Marys and other rural communities. It is becoming increasingly important based on the Ontario Finance Ministry’s prediction of up to 30% population growth in the GTA-London axis between 2017 and 2041. Improvements to arterial highways (#401,403 and #7/8) will not accommodate this population and economic activity growth as they are already highly constrained and a major source of air and water pollution.

“You can’t have policies put in place that pull the rug out from under the viability of communities. A small community won’t survive if you’re shutting its schools, taking away its employment, taking away its transit opportunities” Andrea Horwath, Ontario provincial leader, NDP.

2. Generating economic growth (continued)

Improving **VIA rail** service on the North Main Line, “NML”, from Union Station through Malton, Brampton, Georgetown, Guelph, Kitchener, Stratford, St. Marys, London, Strathroy, Wyoming and Sarnia may eventually require the construction of a bypass lines as described in “Connecting the Southwest”. The importance of moving university and college students from Toronto, Waterloo, Guelph, London and Sarnia effectively must be an important consideration when establishing added schedules.

To improve rail service, it is recommended that there be **initially 3 VIA rail round trips per day** on the North Main Line in 2019 and 2 round trips on the London to Sarnia portion of the North Main Line. We suggest the 3 round trip times be eastbound departures from St. Marys 6:00 am, 8:16 am and 8:41 pm. We suggest the westbound departures from Union Station at 10:00 am, 5:41 pm and 10:30 pm.

Recommendation 8: A proposal from AASM, in conjunction with the federal government, is to allocate GO trains from rail lines currently serviced by VIA and have VIA return to schedules in place in 1977. The North Main Line carried 1,961,000 passengers, “the potential ridership” in 1988. After 2012 cuts, ridership declined to 997,000!

Specifically, the Barrie, Richmond Hill, Stouffville and Milton GO rail lines should be allocated the GO trains from the North Main Line currently serviced by VIA. The added benefit is an increased flow of GTA area riders from the combined double digit GTA stops on these routes and the reduction in vehicular traffic and subsequent improvements in environment and highway and roadway congestion reduction.

It is in Ontario’s interest to support VIA expansion since the federal government is responsible for the deficit and since the subsidized cost of a VIA ride is \$20, less subsidy than other forms of transportation. In addition, VIA trains are much more comfortable and convenient with better seating with arms, storage and luggage space, always accessible washrooms, power for electronic devices and provision for food and beverage. These benefits are enjoyed by people of all ages.

Congestion, particularly, in the GTHA, is costly. A CD Howe Institute study by Benjamin Dachis, senior policy adviser, estimates congestion costs in the Greater Toronto/Hamilton Area, “GTHA”, at between \$7.5 and \$11 billion annually. According to Desrosiers Consultants, there are 10 million more vehicles on the road today than there were in 2000, from 17 million to 27 million, a 58% increase! With a possible increase of a further 3 % per year, congestion will worsen without action.

2. Generating economic growth (continued)

Congestion is greatly reduced by rail service. According to Southwest Lynx report, (available on City of Woodstock web site), double rail track can handle the equivalent of 16 lanes of highway traffic!

Recommendation 9:

Work in conjunction with the federal government to institute High Performance Rail, “HPR” for ***VIA trains***.

HPR is an affordable near-term option that can be implemented incrementally on existing rail corridors and utilized to build market demand. It maximizes existing rail assets and produces benefits for both rail passenger and freight users by frequently sharing the improved and expanded tracks.

HPR delivers higher-than-conventional train speeds that shorten travel times and allow for higher service frequency. By maximizing the existing rail infrastructure, HPR lowers costs and shortens implementation timelines. It also minimizes the impact on the environment, on agriculture and on communities.

HPR does not require imported technology and therefore maximizes the use of Canadian rail expertise and offers long-term, high-paying jobs. It can fully leverage the Canadian rail equipment industrial base and made-in-Canada, high-technology solutions in train control, signaling and maintenance.

HPR is a proven solution that has been applied on dozens of corridors around the world, including 15 in the U.S. It has paved the way for eventual HSR service on routes in Asia and Europe, and it has remained as a necessary adjunct to those with high speed 250 kph+ services.

Facilitating the travel of Canadians and visitors would mitigate the \$37 billion cost to the health care system caused as a result of motor vehicle accidents and at the same time reduce congestion.

The estimated cost of implementation is \$6 billion.

Studies by the US Department of Commerce and others have shown economic growth along rail lines equal to three times the investment in passenger rail.

2. Generating economic growth (continued)

Recommendation 10: To generate income and improve environment and safety:

- encourage recycling of unused and/or unplated vehicles by requiring all vehicles registered be assessed yearly vehicle registration fees.
- Bicycles operated in urban areas with bicycle lanes should be registered and assessed fees and be required to have head and tail lights similar to passenger motor vehicles.
- Licence fees should be increased by 5% per year. (CD Howe report indicates \$8.5 billion per year of highway costs subsidized)
- A yearly safety inspection completed through an OMVIC certified dealer performed by an Ontario Government certified technician at the respective dealership should be required at the owner's cost to facilitate increased road safety and mitigation of accidents and subsequently insurance and health care costs.
- To further improve road safety and mitigation of insurance and health costs, curbsiders (unlicensed vehicle sellers) that are convicted should have all of the proceeds from illegal sales confiscated, should be assessed a minimum fine of \$100,000 and should be jailed for a minimum of 2 years less a day.
- Provide added resources to the Ontario Motor Vehicle Industry, "OMVIC" so that OMVIC may hire more inspectors to fight curbsiding.
- Vehicles without automatic head and tail lamps should be assessed an additional 10% on the insurance premium for the vehicle. (vehicles without tail lights activated at times of darkness are dangerous)
- Vehicles with Bluetooth should be provided a discount of 10% on the insurance premium for the Bluetooth equipped vehicle.
- Vehicle insurance should only be put in place when the vehicle being insured is purchased or leased from or, in the case of private sales, through a registered dealer. For private sales, provincial tax paid should remain based on appropriate value data at MTO licence offices.
- Utilize the Quebec and like models of capping auto insurance claims so that insurance premiums can be more affordable for Canadians. Cap liability claims against medical staff to reduce the liability costs of hospitals and/or medical staff.
- Maintain the current policy of allowing insurance companies to set rates based on the owner's postal code. Since the province is committed to regulation-reduction it should not interfere in this important and evidence-based industry for the sake of political gain at the expense of owners outside the GTA and other elevated accident risk areas.

4.Improving business efficiency

Recommendation 11: As of 2018, direct automotive employment numbered 843,000 in Canada. The bulk of that employment is in Ontario. Ontario needs to fully support authors of increasing automotive employment in Canada. Each job created by an automotive manufacturer in Canada generates a multiplier of approximately 10 jobs. Ontarians need these jobs. Promote Ontario and Canadian made goods. Vehicle source is easy to identify. The first digit in a vehicle's vehicle identification number, "VIN", indicates country or region of origin (Canada 2; Mexico 3; USA 1, 4, 5; overseas alphabetic)

Recommendation 12: Cap the amount an employee can receive as a result of dismissal. Alternatively, establish mandatory mediation and arbitration for employees not satisfied with termination allowance. The results of employee dismissal, regardless of reason or cause, are extremely punitive. Non-union employees and union employees should be treated the same. Despite what government legislation dictates, non-union employees leaving companies are, through the courts, receiving in excess of what is prescribed under employment legislation (union employees are governed by union agreements). The settlements, legal costs and court costs are prohibitive for employers. This punitive action needs to be addressed so as not to drive more companies and more manufacturing jobs out of Ontario.

Recommendation 13: Make business more efficient so that businesses can hire more Ontarians. Regulation is currently more onerous than taxes. Reduce regulation to help preserve business and jobs. Businesses are currently penalized when they hire added staff; ridiculous! Following are some of the regulations of automotive retailing in Ontario in a small business environment for staffs of less than 20; equally ridiculous!

Competition Act

Consumer Protection Act

Occupational Health and Safety Act

Employment Standards Act

Environmental Protection Act

Excise Tax Act

Sale of Goods Act

Accessibility for Ontarians with Disabilities Act

Motor Vehicle Dealers Act

Highway Traffic Act

PIPEDA

Personal Property Security Act

Retail Sales Tax Act

Retail Business Holidays Act

Repair and Storage Liens Act

Promote hiring not regulation. Provide a rebate for 3 years of 11.5% of the cost of hiring new employees to any companies hiring full time people with minimum 30 hours per week work schedule.

5.Fairness through finance and economics

It is unfair that any Canadian escapes paying income tax when other income earners are fully taxed.

Recommendation 14: Set a minimum provincial/federal tax for all residents and businesses operating in Canada. So that there is fairness, the minimum tax must apply to all; those working, those retired, those incarcerated and those not employed. The tax should be equivalent to or lower than the lowest business tax, at 11.5%.

Recommendation 15: Exempt Canadian automotive manufacturers, namely Fiat Chrysler Automobiles , “FCA”, Ford, GM, Toyota and Honda and their dealers from cap and trade and/or carbon tax plans. To improve environmental incomes and satisfy the federal government requirements, assess a cap and trade fee of 4% on vehicles imported into North America.

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