

April 19, 2021

## AMO Policy Update – Federal Budget Highlights, Revised COVID-19 Measures, and Red Tape Bill

### Canada Budget 2021: Highlights for Ontario Municipal Governments

The Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance, brought down her first Budget today and the federal government's first Budget since before the beginning of the pandemic.

[Budget 2021](#) includes significant new spending on policies of interest to Ontario municipal governments including: affordable childcare and housing; broadband internet expansion; support for the tourism sector; and climate change, greenhouse gas reduction and the circular economy. It also makes new commitments to extend sickness benefits through Employment Insurance and extension of rent supplements and hiring benefits; increasing Old Age Security for seniors over 75.

Items of interest to Ontario municipal governments include:

**Childcare and Early Learning:** Moving forward on the Throne Speech commitment to establish a national early learning and childcare system, the government is committing to provide funding to provinces and territories to subsidize and make childcare more affordable. The plan will aim to reduce fees for parents with children in regulated childcare by 50 per cent on average, by 2022, with a goal of reaching \$10 per day on average by 2026, everywhere outside of Quebec. \$30 billion will be spent over 5 years starting in 2021 with \$8.3 billion ongoing to support the government vision.

**Housing and Homelessness Prevention:** The government is making additional commitments under the National Housing Strategy. There are targets and plans for a variety of measures to help build, repair, and support 35,000 affordable housing units for vulnerable Canadians. This will be achieved through an investment of \$2.5 billion and a reallocation of \$1.3 billion in existing funding to speed up assistance. Funding will maintain the increases to the Reaching Home program to address homelessness for a further two years. A new tax on unproductive use of housing by foreign non-resident owners.

**Broadband:** The government has proposed to provide another \$1 billion over six years for the Universal Broadband Fund, to help connect rural and remote

communities to high-speed internet faster. This increases the overall size of the Fund to \$2.75 billion and sets them on track to achieve their 98% high-speed coverage initiative by 2026.

**Long-Term Care:** The government is proposing to provide \$3 billion over five years, starting in 2022-23, to support provinces and territories in ensuring standards for long-term care are applied. Work is underway to develop national standards.

**Tourism:** The Budget provides \$1 billion to support tourism sector businesses including supports for events and festivals. This includes \$200 million for major festivals through Canada's Regional Development Agencies, \$200 million in support for community festivals and \$500 million to support tourism-based businesses through a Tourism Relief Fund.

**Transit:** The Budget commits to the earlier announcement of permanent infrastructure funding for transit of \$15 billion including subway development, fleet electrification and zero-emission transit vehicles.

**Climate Change/Greenhouse Gas (GHG) Reduction:** The Budget commits to the goal of net zero emissions for Canada by 2050. Significant investments in climate change and GHG reduction including \$5 billion over seven years for the Net Zero Economy Accelerator to invest in decarbonizing major emitters such as cement, aluminum, and steel sector businesses to allow them to adopt cleaner technology.

The Budget provides \$4.4 billion for CMHC zero interest loans to homeowners, up to \$40,000, for deep energy retrofits on existing housing stock to reduce energy consumption and GHG emissions.

The Disaster Mitigation and Adaptation Fund will be provided with \$1.4 billion over 12 years to support climate adaptation and disaster mitigation projects that protect people and communities from climate change impacts. Of this, \$670 million is for small projects between \$1 million and \$20 million. AMO has long called for more dedicated funding for climate adaptation projects including extending this funding. In addition, the Budget will provide \$63.8 million to improve flood mapping, a key recommendation of AMO's recent flooding paper.

\$54.8 million is committed over two years to help the forestry industry and communities to take advantage of bio-economy opportunities in areas such as biofuels and building materials that can improve sustainable economic development.

\$319 million over seven years for carbon capture and storage initiatives and demonstration projects to help reduce GHGs from large emitters. The Budget also proposes to consult on tax incentives for these projects.

\$1.5 billion over five years for clean fuels through the Clean Fuels Fund to support

such initiatives as hydrogen fuel adoption and biomass.

### **Provincial Stay-at-Home Order Revisions**

Late Friday, April 16<sup>th</sup> the Province [announced](#) additional enforcement, travel restrictions, and public health measures. Additional enforcement tools came into force at 12:01 a.m. on Saturday, April 17<sup>th</sup>, 2021.

Since then, provincial amendments to regulations were made to clarify that [playgrounds](#) will remain open and that police officers and other provincial offences officers, including municipal bylaw officers, will not have as much [enforcement authority](#) as announced on April 16<sup>th</sup> to support enforcement under the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020*.

### **Reducing Red Tape Bill**

**Bill 276, Supporting Recovery and Competitiveness Act, 2021** was introduced for 1<sup>st</sup> reading on April 15<sup>th</sup> and contains 28 schedules impacting a wide range of matters. A [general overview](#) is available.

From a municipal government perspective, the following schedules are of interest:

#### **Schedule 9 Changes to Designate Long-Term Care Homes: *French Language Services Act***

The Schedule changes the definition of “government agency” in the *French Language Services Act* to permit the designation of municipal long-term care homes and joint homes as public service agencies delivering services in the French language.

#### **Schedule 21 Changes to Delivery Roles: *Ontario Works Act, 1997***

Earlier this year, the government announced a new social assistance [vision](#). Once fully realized, there will be a significant change in municipal roles and responsibility for Ontario Works delivery. Municipal governments will focus on frontline casework helping people to access the life stabilization services that they need in the community to become more independent and ready for employment. The Province would assume responsibility for financial assistance delivery.

The Bill’s proposal would provide authority to the Minister and the government to make these changes. The details will be worked out in subsequent regulations.

#### **Schedule 23 Energy Transmission Projects: *Planning Act***

Section 62 of the *Planning Act, 1990* currently exempts Hydro One’s transmission projects that are approved under the *Environmental Assessment Act* from

the *Planning Act, 1990* in its entirety. This exemption was introduced in 1983, before the energy market was restructured, at a time when Hydro One was part of the fully integrated, Crown-owned Ontario Hydro.

The Bill's proposal would apply Hydro One's exemption to all transmitters whose transmission projects undergo Comprehensive or Streamlined Environmental Assessment processes.

### **Schedule 24 Changes to Consents and Subdivisions: *Planning Act***

This schedule alters many elements of [Section 50 to 57](#). This includes stopping merging of lots as a result of the death of one of the joint tenants; interests in land acquired for an energy line would be allowed to be disposed of but only to owners of abutting land, some administrative matters to clarify validation and issuing certificates, circulation, use of part lot control, leases for uses ancillary to a building, amending and cancelling consents, and applicant would be able to apply to the consent granting authority to request a one-time extension of up to one year (2 years total) in which to satisfy the conditions of approval for the consent.

Many of these proposals are addressing longstanding problems with the consent and subdivision process. AMO will continue to work with the province when any regulatory changes come forward.

AMO's [COVID-19 Resources](#) page is being updated continually so you can find critical information in one place. Please send any of your municipally related pandemic questions to [covid19@amo.on.ca](mailto:covid19@amo.on.ca).

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