

FAST FACTS - MANUFACTURING IN ONTARIO



37,550 companies



781,100 jobs supported



11% of provincial GDP



80% of merchandise exports

THE SECTOR IS CHANGING ACROSS NORTH AMERICA

Spurred by the U.S. Inflation Reduction Act (IRA) and the subsidies it contains, the low-carbon transition has turned into a factory-building boom in North America. As of November 2023, U.S. private manufacturing construction was up 72.1% versus last year. While Canada has lagged with a 40.1% year-over-year advance, Ontario has almost kept pace with a much more impressive 67.2% yearly gain.

This demonstrates that positive outcomes can be achieved when governments and industry work together as partners.

WHY THIS REPORT MATTERS

'Manufacturing Ontario's Future' is a blueprint for Ontario to experience manufacturing growth that is sustained and broadly based. Implementation of CME's recommendations by the Ontario government would address the sector's key challenges, seize new and emerging opportunities, and enhance Ontario's long-term prosperity.



PILLAR 1:

Invest in Ontario Made Growth

Recommendations include:

- Enhance the impact of the Ontario Made Manufacturing Investment Tax Credit, including extending the life of the credit to 10 years to match the life of the U.S. IRA.
- Raise ambitions for a buy local strategy by:
 - Creating a grant to help manufacturers conduct carbon assessments and take advantage of green procurement policies.
 - Using CME's Ontario Made program to inform product specifications with what we already make here at home.
- Establish an investment-friendly industrial land policy restoring protection for strategic employment zones and proper buffer zones.



PILLAR 2:

Expand and Upskill the Manufacturing Workforce

Recommendations include:

- Double down on efforts to bring industry and education institutions together to address skills gaps and better plan training opportunities for expanding manufacturing businesses with Regional Industry Councils.
- Boost productivity with matching support for employer-led training.
- Better align immigration policy, service delivery and support programs with the needs of employers and workers to help replenish an aging workforce.



PILLAR 3:

Lower Carbon and Lower Costs

Recommendations include:

- Implement new electricity rate options to keep the cost of electricity under control as the grid expands and to attract manufacturing investment to Ontario.
- Introduce a provincial purchase incentive for low carbon medium and heavy-duty vehicles and invest in recharging/re-fuelling facilities at manufacturing and industrial parks.