

POLICY PRIORITIES FOR ONTARIO'S 2022 ELECTION

April 2022

APPROACH

Cardus believes that governments have an important but limited function that includes enabling other civil-society institutions to thrive. As a non-partisan think tank, we do not advocate for any political party or candidate. In the lead-up to Ontario's 2022 election, we are sharing our existing research with everyone equally and seek to collaborate with all people of goodwill. In this spirit and based on our existing research, we have identified several policy priorities for legislators and voters to consider in this election.

WORK & ECONOMICS RECOMMENDATIONS

Policy Recommendation: Lower the cost of major infrastructure projects by promoting competition

Restrictive tendering policies in Ontario restrict the companies eligible to bid on public construction projects. Bill 66 (2019) contained amendments to the *Labour Relations Act* to remove this restriction. However, by allowing municipalities to opt-out of these provisions, the positive effects of this bill have not been fully realized.

- Restrictive tendering in Ontario means that companies that do not employ unionized workers are ineligible to bid on municipal construction projects. This limits competition and drives up the cost of projects.
- **Why it matters:** Data from the Region of Waterloo showed that Bill 66 had significant positive effects on competition, thereby lowering taxpayer costs for capital projects. However, the City of Toronto opted out of Bill 66. Ontario Power Generation construction contracts are also subject to restrictive tendering. Public entities spend millions of dollars each year on large infrastructure projects. Removing restrictive tendering policies would result in significant savings for taxpayers.
- **Details:** Update the *Labour Relations Act* so that all public employers (including municipalities and crown corporations) currently deemed "construction employers" are regarded as "non-construction employers." Changes should also be made to ensure

that public procurement legislation specifically prohibits the use of union affiliation as a barrier to bidding on public projects.

For more details read Cardus's reports [Bouncing Back Through Diversity: The Effects of Bill 66 on Construction Competition in the Region of Waterloo](#) and [No Longer the Best: The Effects of Restrictive Tendering on the Region of Waterloo](#).

Policy Recommendation: Reduce reliance on gambling revenue and meaningfully help problem-gamblers

The Ontario Lottery and Gaming Corporation (OLG) has a monopoly on gambling. Given that the OLG's revenues are the lowest they have been in years due to the pandemic, the government should act now to reduce its dependence on gambling profits altogether.

- Lucrative profits collected from gambling are channelled into general revenue funds. Unlike progressive taxation where the rich are taxed more heavily than the poor, gambling acts as a regressive tax. Canadians with the lowest income spend the highest proportion of their money on gambling each year. Problem gamblers are also the main source of gambling revenue.
- **Why it matters:** The profit model of gambling means that gamblers always lose money in the long run. As problem gamblers often come from marginalized communities, the government should reduce its reliance on a system that preys on the poor and vulnerable.
- **Details:** (1) Return annual gambling profits to the poor through cash transfers. (2) Promote asset building through a matched savings program. (3) Work with financial institutions to offer prize-linked savings products, an innovative way to help families build emergency savings funds. (4) Use the OLG's marketing budget to increase funding for problem-gambling research, prevention, and treatment.

For more details read Cardus's report [Turning Aces into Assets](#).

ABOUT CARDUS

CARDUS is a non-partisan think tank dedicated to clarifying and strengthening, through research and dialogue, the ways in which society's institutions can work together for the common good.

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