



ONTARIO
SOCIETY
OF PROFESSIONAL
ENGINEERS

BEHIND EVERY GREAT ENGINEER.

January 14, 2019

The Honourable Victor Fedeli
Minister of Finance
c/o Budget Secretariat
Frost Building North, 3rd Floor
95 Grosvenor Street
Toronto, Ontario M7A 1Z1

Engineers create wealth and are key to the economic prosperity of Ontario

The Ontario Society of Professional Engineers (OSPE) is pleased to make the following recommendations to Hon. Victor Fedeli, Minister of Finance, and the Standing Committee on Finance and Economic Affairs with respect to the 2019 Ontario Budget:

Clean up the hydro mess

- 1. Implement new regulations where surplus emission-free electricity is priced separately from dependable electricity.**
 - Consult with engineering and electricity rate experts to introduce an interruptible retail electricity market.
 - Engineers can provide government with a no-cost way to achieve economy-wide emissions reductions.

- 2. Assemble financial experts to replace the Fair Hydro Plan with a sustainable asset base that does not impose costs on consumers.**
 - Eliminate cost transfers between rate classes and groups that are creating serious cost escalation for larger commercial and smaller industrial consumers.
 - Re-examine electricity system supply mix plans for 2025-2050 to meet international Intergovernmental Panel on Climate Change targets.

- 3. Ensure an OSPE representative/professional engineer serves on the Ministry of Environment, Conservation and Parks' advisory panel on climate change.**
 - Engineers analyze risks, vulnerabilities, and impacts of climate change on key economic sectors and can establish innovative solutions.

Make Ontario open for business

4. **Maintain Ontario's robust research and development (R&D) ecosystem through public-private partnerships.**
 - Ontario's impressive R&D infrastructure includes collaborative networks that connect public and private-sector research and funding, university labs and prototyping facilities to innovate and commercialize products, which demonstrate that Ontario is "open for business". Ontario must continue to secure funding through partnerships with the private sector to remain competitive.
5. **Address the skills gap.**
 - Engineers contribute exponentially to Ontario's economy. Government must ensure that post-secondary engineering programs are adapting to the new knowledge economy by providing work-integrated learning (WIL) opportunities to enhance graduates' skills as they enter the workforce.
 - According to OSPE's analysis of the 2016 Census, amongst all Ontarians between 25 and 64 years old with engineering degrees, 32% of men and 22% of women work in engineering, while 31% of men and 38% of women work in jobs classified as 'underemployment' (jobs not necessarily requiring a degree). Creating accessible and predictable funding opportunities for companies that are looking to hire interns, recent engineering graduates and students will help Ontario develop and retain its engineering talent, which is critical to unlocking the province's economic potential.
6. **Include an OSPE representative/professional engineer on the Mining Working Group to aid the development of the Ring of Fire region.**
 - OSPE is a go-to resource for stakeholders, providing independent engineering expertise and identifying solutions to barriers including a lack of infrastructure, high electricity costs and low commodity prices.

Restore accountability and trust

7. **Reverse the decision to eliminate the Environmental Commissioner.**
 - OSPE values the importance of an independent office that reports on climate change, energy, etc. and does not believe that these independent duties can be easily absorbed.

These recommendations are essential for the continued economic prosperity of our province. We look forward to presenting in-person at the upcoming budget consultations.

Sincerely,



Jonathan Hack, P.Eng.
President and Chair
Ontario Society of Professional Engineers



Sandro Perruzza
Chief Executive Officer
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