



# Green Party of Ontario Green Jobs Plan 2011

Authorized by the CFO of the Green Party of Ontario

## Creating jobs for a twenty-first century economy



Ontario needs a bold vision to transform our economy, drive prosperity and generate twenty-first century jobs. Rising global energy prices, a high Canadian dollar and increasing demand for declining resources require new ideas and fresh thinking.

The Green Party has a sensible plan to tackle our challenges and secure Ontario's future instead of locking us in the past. We envision a future where Ontario builds on its diverse strengths to become a confident leader in the emerging low-carbon global economy.

Our Green economic plan supports our entrepreneurs, workers and organizations in leading Ontario toward a prosperous future – one with strong communities and resilient local economies. Our plan establishes smart taxes and regulations that promote sustainable job creation for the twenty-first century. We will support innovation, creativity and job training to drive meaningful, long-term employment opportunities.

Green MPPs will commit to the responsible and sustainable management of our financial and natural capital. Our businesses can be profitable and create jobs in a global economy that is struggling with finite resources and high energy costs, but we must use resources sustainably and energy efficiently by reducing waste. Government must do the same.

Our economic plan provides the right market incentives to reward people and businesses for efficient and sustainable practices. Our plan focuses on eliminating the province's deficit so that our hard-earned tax dollars are spent on important public services and front line staff, not interest on debt.

One of Ontario's many strengths is a diverse and educated population. The Green Party's policies build on this strength by providing students with the tools to maximize their potential. We will invest in training programs that fill the needs of our future economy, facilitate access to jobs, and better manage the costs of post-secondary education to reduce student debt.

### **The Green Party's Jobs Plan has the following components:**

- 1. Smart taxes, good jobs, and responsible financial management**
- 2. Support for entrepreneurs, innovation, and the building of strong local economies**
- 3. Investments in people**

## 1. Smart taxes, good jobs, and responsible financial management

Profitable local businesses are essential to building strong local economies and sustainable communities. Yet our provincial regulations and taxes create unnecessary barriers to success for independent businesses.

The most sensible solution to building long-term economic prosperity is to develop smart incentives that encourage job creation and efficiency while responsibly managing our finances.

The Green economic plan is designed to reduce taxes on the things we want – income and job creation. Our plan rewards individuals and businesses who embrace sustainable practices. These are things you already do--

like finding ways to reduce your energy bill, recycling your trash, and picking up fresh corn at your local farm stand.

Under the Green plan, a transparent, predictable price on carbon will create incentives to reduce things we don't want--waste, pollution and greenhouse gas emissions. The Green plan will create market conditions that reward people and businesses for reducing waste, pollution and greenhouse gas emissions, while generating jobs and Income.

Our fiscal plan prioritizes deficit reduction so that our taxes are spent on public services and front line staff, not interest payments. Our plan balances the budget in 2015 – two years before the current projection, without raising taxes or cutting services.

### Your Green MPPs will:

- Lower income taxes on families and local businesses to stimulate job creation .
- Reward efficient use of resources and responsibly balance our finances with a revenue neutral tax on waste, pollution, and carbon emissions .
- Balance the budget by 2015, saving billions in debt and ensuring our tax dollars are spent on public services and front line staff, instead of interest payments.



## We will lower income taxes on families and businesses to stimulate job creation.

The Green Party's economic plan rewards hard work and stimulates job creation. We achieve this by lowering personal income taxes in a progressive way, by raising exemption levels for individuals and families. This approach benefits all taxpayers, especially those with lower incomes. In addition, our plan lowers payroll taxes on small businesses to encourage local job creation. We will provide tax credits for seniors, rural and low income residents to ease the burden rising energy prices. We will also offer tax credits to businesses, home owners and tenants to invest in saving energy.

### Your Green MPPs will:

- Lower personal income taxes by immediately increasing the personal tax exemption by \$2000.
- Lower small business payroll taxes by raising the exemption level for the Employer Health tax from \$400,000 to \$800,000 in payroll; this eliminates the Employer Health Tax for small businesses with payrolls less than \$800,000, making it easier for businesses to create more jobs.
- Provide \$1.6 billion dollars over four years in refundable tax credits for home owners, tenants and businesses to invest in energy efficiency and building retrofits.
- Invest \$400 million in tax credits over four years for affordable commuter benefits to support ride sharing and car-pooling, flexible work, and a refundable provincial tax credit for transit users.
- Support job creation through a \$150 million fund for research and development in emerging sectors of the economy, and by expanding programs for training, apprenticeships and co-ops.



## Smart taxes, good jobs, and responsible financial management

### We will reward efficient use of resources and responsibly balance our finances with a revenue neutral price on carbon.

We have a responsible and balanced plan so that tax cuts do not increase the budget deficit. All personal and business tax cuts are offset by revenue from waste, pollution and carbon emissions.

In addition, we will delay the government's proposed tax cut for large corporations until after the budget is balanced. This responsible approach achieves a balanced budget, while prioritizing more aggressive payroll tax cuts for small businesses to stimulate job creation.



We are proposing incremental steps toward a smarter tax system that encourages sustainable job growth, responsible stewardship of financial and environmental resources along with the reduction of waste and inefficiencies.

A simple, straight forward price on carbon, modelled after the popular British Columbia system, is the most efficient and cost effective approach to reducing greenhouse gas emissions. Putting a small price on carbon provides the market incentives to spur innovation and entrepreneurialism to prepare our businesses to compete in a world with carbon pricing.

#### Your Green MPPs will:

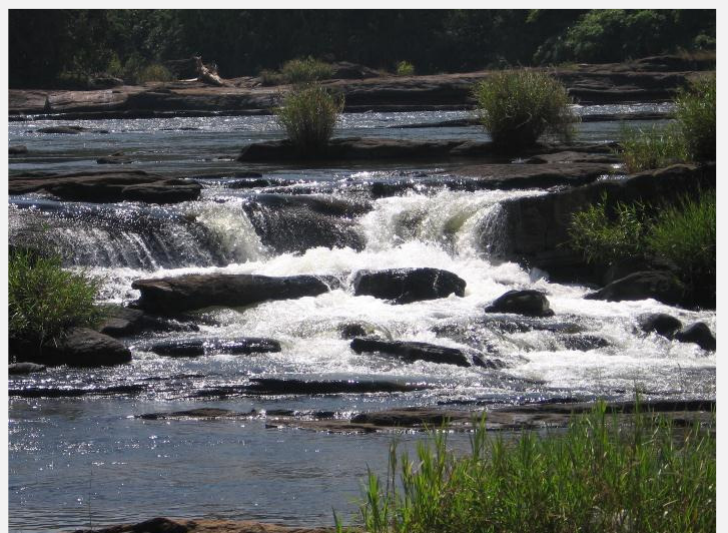
- **Implement a \$10 per tonne price on carbon to provide market incentives that encourage the efficient use of resources and discourage greenhouse gas emissions.**
  - Based on the British Columbia model, the price apply to the purchase or use of carbon based fossil fuels within the province.
  - The rate will be the same for individuals and both small and large businesses.
  - Every dollar raised in revenue will be returned to individuals and businesses through tax reductions. No part of the carbon tax revenue will be used to fund government spending.
  - \$100 million per year will be invested in refundable tax credits for seniors, low income residents, and individuals living in rural areas.
  - Applied at the wholesale level in the same way motor fuel taxes are applied and collected; natural gas will be the only exception, being collected at the retail level.
  - Applied to all burning fossil fuel emissions, three of which in 2008 – coal, natural gas, and refined petroleum products – accounted for an estimated 75% of Ontario's total greenhouse gas emissions.
  - The price will rise to \$15/tonne over time to maintain revenue as greenhouse gas emissions decline. In real terms, this would add 2.4 cents per litre to the price of gasoline. Since the price on carbon is based on carbon content, price fluctuations in the retail price of gasoline would not affect the tax rate. Lowering the carbon content of fuel, however, would reduce the tax rate, providing an incentive for companies to use less carbon intensive fuels.

We will reward efficient use of resources and responsibly balance our finances with a revenue neutral tax on waste and pollution.

Our economic plan also seeks to encourage the efficient use of natural resources, such as water and aggregates. We will increase the extraction taxes on water used for industrial purposes, such as bottled water, and raise the royalties on aggregates. Revenue will be used to reward conservation and stewardship activities.

#### Your Green MPPs will:

- **Raise the water-taking tax for industrial purposes, excluding farming and local food processing, from \$3.71 per million litres to \$10 per million litres. This tax will encourage the conservation of one of Ontario's most precious resources. Generated revenues will be used to fund programs and tax credits to provide clean water and waste water management.**
- **Raise the royalty fees for aggregate extraction to 50 cents per tonne from its current rate of 11.5 cents per tonne. Higher royalty fees will create incentives for efficient use of aggregates, make recycling more cost competitive and begin to cover the full cost of extraction. Under the Green Party plan, fees paid to municipalities and other programs will remain unchanged. The total revenue will be used to fund programs and tax credits for conservation and sustainable land management.**
- **Establish a legislative committee to study best practices in order to reform and modernize Ontario's tax system in ways that reduce income, business and property taxes while maintaining revenue with taxes on waste, pollution and unsustainable resource use. As part of this review, we support reforming the property tax system to move to a system of Land Value Taxation in order to eliminate inaccurate and arbitrary property assessments, deter speculative land holding, reduce abandoned lots and encourage job creating property improvements.**



## Smart taxes, good jobs, and responsible financial management

We will balance the budget by 2015, saving billions in debt and ensuring our tax dollars are spent on public services and front line staff instead of interest payments.

Ontario currently faces a \$16 billion deficit. Interest payments on debt now exceed \$10 billion per year- approximately \$800 per year for every person in Ontario. Interest is the third largest expenditure category in the provincial budget. We believe tackling the deficit should be a top priority. We want our hard earned tax dollars to be spent on important public services and front line staff, not interest payments. We do not want to saddle our children with today's debt.

Our deficit reduction plan is balanced and responsible. We are not proposing tax cuts or spending programs that we cannot afford. We do not believe in taking a sledge hammer to government, nor do we support its growth at unsustainable rates.

We believe a balanced approach to responsible fiscal planning is to budget for growth in health care spending and hold other program spending at 2010-2011 levels. We value the important work of Ontario's civil servants and public sector employees, and we ask them – particularly those at the highest pay levels - to work with the Government to restrain wage increases until the budget is balanced. We will provide incentives for public employees to identify out-dated and ineffective programs and procedures to find cost savings.

We will delay additional across the board corporate tax cuts for large corporations until after the budget is balanced in 2015, and will eliminate subsidies that reward the wasteful use of energy.

Under the Green plan, a few years of spending restraint saves almost \$30 billion in debt, reduces annual interest payments by \$2 billion, and enables sustainable increases in expenditures and tax cuts after the budget is balanced.

### Your Green MPPs will:

- Support a budget that is balanced in 2015, avoiding \$29.4 billion dollars in additional debt, and saving \$2,265 per person.
- Maintain expenditures for all ministries, except health, at 2010-11 levels until after the budget is balanced.
- Increase health care funding by 2% each year, with additional increases after the budget is balanced.
- Delay planned tax cuts for large corporations until after the budget is balanced.
- Partner with government employees to identify the least productive 1% of every ministry budget, and to identify out-dated or ineffective programs throughout the public sector, in order to realize savings without job cuts.
- Expect public servants in the highest salary categories to support a wage freeze until the budget is balanced.
- Work with all public employees and public sector unions to restrain the growth of the wages and salaries until the budget is balanced.
- Require strict procedures and oversight on government administrative and consulting contracts.
- Revise the *Arbitrations Act* to require consideration of local circumstances and government's ability to pay when deciding public sector wage settlements.
- Eliminate subsidies that reward the wasteful use of energy.

## 2. Support entrepreneurs, innovation and strong local economies

The Green Party wants to unleash the full potential of entrepreneurs, workers, businesses and social innovators to build strong local economies that foster vibrant communities. Innovation, economic diversity and home-grown talent will drive prosperity in the twenty-first century.

Small and medium size businesses, in particular, are the backbone of our local economies. During the recent recession, the small and medium size business sector was the only one to create jobs. The Green Party is committed to removing barriers to success for small and medium size businesses by reducing payroll taxes on businesses and reducing red tape through smart regulations to stimulate sustainable, local job creation.

A one-size-fits-all solution will not rebuild Ontario's economy. We need programs and policies that reflect the unique needs and strengths of different regions of the province, including both rural and urban areas. We need to continue developing and promoting local products for local markets and for exporting goods and services abroad. We need to provide tax incentives for research and development with a focus on encouraging innovation in emerging industries, the local design and manufacturing of value-added products, and creative and knowledge-enhanced services.

The Green Party supports innovative policies that encourage local investment by facilitating the growth of community banks and financial instruments, social enterprise, and private venture capital. We recognize and support the valuable contribution that the non-profit sector, co-operatives and social enterprises have in enriching community economic development and building resilient local economies.

We believe that with the right market incentives in place, profitable enterprises – big and small, domestic and foreign owned – can contribute to Ontario's economic success, prosperity and quality of life.

### Your Green MPPs will:

- Support local businesses that create jobs and strengthen our communities.
- Support innovation that will power our economy in the coming decades, including clean technology and knowledge-based services.
- Improve high-speed internet access for all areas of Ontario.

## Support entrepreneurs, innovation, and strong local economies

We will support local businesses that create jobs and strengthen our communities.

Ontario needs diversified, resilient local economies to withstand market fluctuations in today's global economy. Local businesses, family farms, and community enterprises are essential to maintaining a strong communities.

The Green Party is committed to removing red tape and one-size-fits-all regulations that raise barriers to success for our local businesses. We will facilitate new types of financial instruments and corporate structures that promote local investment and job creation in communities across Ontario.

The Green Party believes the provincial government should take the lead in supporting local businesses through its purchasing policies. While we support competitive bidding guidelines and do not support sole source contracting, we believe the province should take into consideration local ownership and sustainable business practices in purchasing decisions. Our tax dollars should obtain value for money and support our local economies.

By building resilient local economies, we will safeguard Ontario's future prosperity while strengthening the social bonds and networks within our communities.

### Your Green MPPs will:

- Delay corporate tax cuts for large businesses until the budget is balanced; redirect 50% of the corporate tax cut to support local job creation by local businesses.
- Eliminate the Employer Health Tax for small businesses with payrolls less than \$800,000, making it easier for businesses to create more jobs.
- Hold the line on premium increases for the Workplace Safety and Insurance Board until the independent review of WSIB is complete. Support a comprehensive review of WSIB's revenues and expenditures.
- Reduce red tape for small and medium size businesses by eliminating one-size-fits-all regulations; implement smart regulations that account for the size and scale of an operation.
- Require the province to measure and report on the regulatory burden on business.
- Establish procurement guidelines for public institutions that include criteria for purchasing from Ontario companies and for sustainably produced products and services.
- Oppose trade deals that prohibit provincial and municipal governments from having local purchasing criteria in procurement contracts.
- Support a vibrant Ontario energy sector by requiring green energy projects to have a local ownership component; support domestic content rules in green energy contracts.
- Establish a favourable taxation regime to encourage businesses and investors to finance local businesses and community enterprises; facilitate financial instruments, such as community bonds to promote local investment in profitable community enterprises.
- Implement a loan program to encourage energy efficiency and renewable energy projects for homes and commercial buildings modelled after the successful PACE program, where repayment is made via assessment on property taxes.



## Support entrepreneurs, innovation, and strong local economies

We will support innovation that will power our economy in the coming decades, including clean technology and knowledge-based services.



Innovation, research and development, and creativity are leading to new enterprises to tackle the economic, social and environmental challenges of the twenty-first century. The Green Party supports tax credits to encourage investment in industries and jobs that will fuel future prosperity.

In order to maintain prosperity, Ontario's businesses must increase resource and energy productivity. There are economic opportunities for Ontario's businesses to develop products and services to tackle climate change, resource scarcity, health and quality of life issues. The Green Party will support efforts to develop new enterprises and help businesses operate more efficiently.

### Your Green MPPs will:

- Establish a Green Building program to increase energy efficiency, reduce energy bills and create thousands of jobs in the construction and trades sector in communities across the province.
- Provide \$800 million in refundable tax credits for home owners and tenants over four years to invest in energy efficiency and building retrofits, helping Ontario households save energy and money today, tomorrow and ten years from now.
- Provide \$800 million in refundable business tax credits over four years for businesses to invest in energy efficiency and building retrofits, making our businesses more efficient and competitive. As part of this program, the Green Party will have a plan to encourage energy savings for tenants in commercial and residential buildings.
- Provide \$150 million over two years in refundable tax credits for investments in research and development in emerging sectors such as clean technology, green buildings, value-added manufacturing, renewable energy and knowledge-based services.
- Support new financial instruments such as Community Bonds to support investments in social innovation.
- Develop a promotion strategy for local Ontario companies and brands.

## Support entrepreneurs, innovation, and strong local economies

We will improve high-speed internet access for all areas of Ontario.

To build a twenty-first century economy, Ontario needs twenty-first century technology and infrastructure. The Green Party is committed to ensuring that all regions of Ontario have access to cutting-edge communications and information technology. We believe it is essential for all our all communities to not only be linked to each other, but also to the global economy.

Internet access is an essential tool. It enables people, businesses and organizations to connect and communicate better, faster, and more cheaply than ever before. Whether it is a farmer marketing crops, an entrepreneur living in northern Ontario, an artist with a rural studio, or a student enrolled in distance learning, Internet access is vital.

Ontario's diverse population with contacts and connections across the globe is well positioned to succeed in an increasingly connected global economy. Better communications tools will enable more efficient and sustainable ways of doing business. A locally-based global economy depends on a fast, widespread, and decentralized Internet system made accessible to all Ontarians.

Yet, too many rural and remote communities do not have reliable, affordable Internet access.

### Your Green MPPs will:

- Provide \$150 million in refundable tax credits over three years for people living in rural and remote areas to have affordable Internet access.
- Focus on ensuring Ontario's communication systems are decentralized, affordable, and widespread.



### Develop employment opportunities by updating and strengthening our education system.

Investing in the future requires investing in people. The recent recession has hit Ontario hard and the structural changes in the economy have left everyone – with or without jobs – uncertain about the future.

We need a forward-looking government that is able to face the challenges of the future. Ontario must help people looking for work develop new skills and work experience, while guiding young people into the careers and trades of tomorrow. Investing in training and education will support the economy, improve efficiency, and help people realize their full potential.

Too many young people have poor job prospects when they finish high school, college or university. Youth unemployment in Ontario is rising. Meanwhile, the cost of post-secondary education continues to increase, and student debt is on the rise. The typical student graduates with debts loads around \$22,000. In many cases, students are forced to seek high-interest sources of credit to pay their tuition.

As a forward thinking party, the Green Party will not abandon our children to a future of poor job prospects and high debt loads. We must harness the great human potential of the next generation.

#### Your Green MPPs will:

- Freeze tuition for the 2012-13 school year .
- Expand training and certification programs in job growth areas such as green building, bio-medical technology, renewable energy and sustainable transportation. Increase investments in apprenticeship, co-operative and mentorship programs.



### We will freeze tuition for the 2012-13 school year.

The Green Party is committed to making it easier for students to access and pay for post-secondary education. Tuition fees have risen over the last few years between 4 and 8% annually, making Ontario the most expensive province in Canada in which to study.

In addition to making college and university affordable, we are committed to enhancing their quality. By delaying tax cuts for large corporations until after the budget is balanced, we can freeze tuition rates while increasing investments in colleges and universities.

#### Your Green MPPs will:

- Freeze tuition rates for the 2012-13 school year and index tuition increases to the rate of inflation from 2013-15 so students can plan and budget effectively.
- Increase funding for university and college operating budgets to ensure a high quality of education.
- Work with student organizations and the federal government to revise the tax credit system for university tuition to make it work better for students and their families.

### We will expand training and certification programs in job growth areas, while increasing opportunities for hands-on learning.

With declining birth rates and baby boomers retiring, there will be a need for more educated and skilled workers in Ontario. It is estimated that Ontario will be required to fill more than 360,000 skilled worker positions by 2025. Ontario must begin investing in the job sectors of tomorrow.

By expanding training and certification in skilled trades, apprenticeships, mentorship programs, and post-secondary education, Ontario can begin to develop jobs that will focus on leading-edge technologies and sustainable living. Whether it be engineering, information technologies, welding, or farm production, Ontario must strive to ensure it is investing in tomorrow's jobs.

To do this, we must create innovative educational and training programs that provide real-world hands-on experience and work skills. We also support job training for those left out of the work-force through structural changes in the economy.

The Green Party will bring employers, workers, unions, trade associations, professional organizations, guilds, colleges, and universities together to build a comprehensive system of apprenticeship, co-operative, retraining, and mentorship programs for every employment sector.

#### Your Green MPPs will:

- Provide \$300 million over three years in refundable tax credits for businesses that participate in training and certification programs in job growth areas such as green building, biomedical technology, renewable energy and sustainable transportation.
- Provide \$300 million over three years in refundable tax credits for businesses that participate in apprenticeship, co-operative and mentorship programs.
- Revise the College of Trades Act to reduce the ratio of journeyman to apprentices to one to one, like most other provinces. This will open more jobs and training opportunities for our youth and workers seeking new career options.