



# State of our Watershed

Review of Trends and Opportunities

# Political & Economic Landscape

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Good morning.

I'm Jon MacMull, Marketing and Communications Specialist

I'm going to provide an overview of the political and economic landscape in the Credit River Watershed

## Political Landscape



### Starting at the Federal Level:

- The Credit River Watershed is dominated by conservative MPs
- There has been consistent environmental deregulation
- There is a federal election in October of 2015
- Until that point the future outlook is uncertain

### At the provincial level

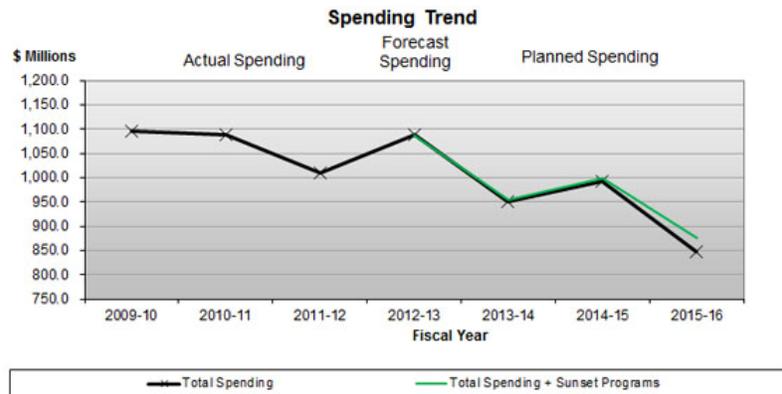
- The liberal government has developed progressive environmental legislation
- There is good support for environmental initiatives
- But budget remain to environmental ministries
- Given the Liberal majority win, the future is optimistic, however debt and deficit concerns likely mean continued low investment in environmental ministries

### At the regional level

- There's a changing face for Peel Region with the October election
- There may be big changes to Peel's political representation
- There is more stability with other municipalities in the watershed
- There is been very strong support for conservation authorities
- Given the upcoming election, the future is uncertain

## Environment Canada Forecasted Spending

Key indicator of Federal investment in the environment

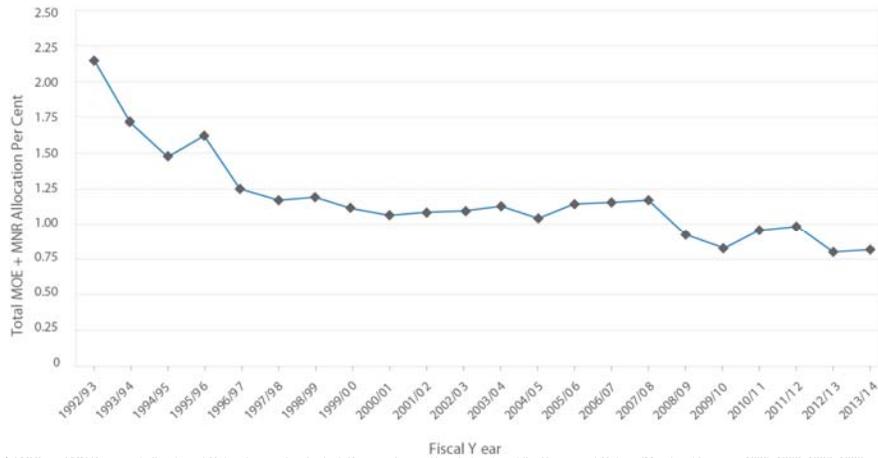


Data source: Environment Canada

We can look at proposed spending by Environment Canada to get a sense of the federal government's general level of investment in the environment. There is a proposed 20% decrease, approximately, in overall spending planned for 2015-2016 as compared with 2009-2010 levels.

## MOE & MNR Percentage of Ontario Budget

*Key indicator of Federal investment in the environment*



Total MOE and MNR per cent allocation of Ontario's operating budget. Sources: Expenditure Estimates of the Province of Ontario (Ministry of Finance, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013).

We can look at the percentage of the Ontario budget for the two provincial ministries chiefly responsible for protecting Ontario's environment and natural heritage – the Ministry of the Environment (MOE) and the Ministry of Natural Resources (MNR) we can get a sense of the province's general level of investment in the environment.

The portion of Ontario's operating budget allocated to MOE and MNR continues to decline. According to recent estimates, the combined budgets of these two ministries currently represent approximately 0.8 per cent of the province's total operating budget. This is their smallest combined piece of the provincial pie in over 20 year.

## Governance Framework

Conservation Authorities Act	Planning Act	Places to Grow Act	Greenbelt Act
Niagara Escarpment Planning and Development Act	Oak Ridges Moraine Conservation Act	Water Resources Act	Clean Water Act
Fisheries Act	Environmental Assessment Act	Endangered Species Act	Migratory Birds Convention Act

Much of what we do is governed by acts of federal and provincial government. Apart from funding trends, this governance framework, directed by the feds and the province, has a large impact on the work we do as well as the scope of that work. Our governance framework should be viewed as always in flux. It's open to the same level of change as financial investment.

This framework is made up of acts like the conservation authorities act, the planning act, places to grow act, the greenbelt act, the water resources act, the clean water act and others.

## Economic Landscape



Urban growth -  
Population increase from 901K - 1.3M by 2031  
Tax base growth at 1.55%/yr led by residential  
Construction sector for new homes and infrastructure  
Youth and immigrant unemployment issues



Agriculture and Rural economies  
Provides 'quality of place' for developed areas  
Important for northern municipalities  
Greenbelt and other legislative tools key to viability



Tourism  
Natural areas near urban  
'Quality of place'  
Attraction and retention of knowledge based workforce

If we look at our current economic landscape, we expect urban growth with a population increase from 901K - 1.3M by 2031

Tax base growth at 1.55%/yr led by residential growth

Strong Construction sector for new homes and infrastructure, recovering from recent recession

Youth and immigrant unemployment are a growing concern

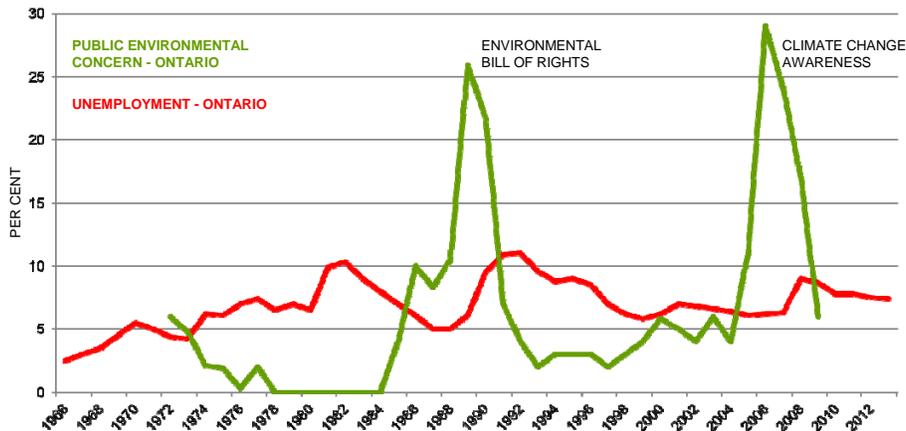
We have strong agricultural and rural economies that provide a 'quality of place' for more developed areas – this sector is vital for our Northern municipalities

The greenbelt Act and other legislative tools are key to the viability of this sector.

Tourism is a key component of our economic landscape

Natural areas provide a 'quality of place' for urban areas and help attract and retain a skilled, knowledge-based workforce that sustains the Watershed's thriving commercial and service sectors.

## A False Choice: Economy versus Environment



Data source: StatsCanada, Gallup national poll, Environics Focus Canada polls, Environics Focus Ontario polls, McAllister Opinion Research polls, Strategic Council provincial polls.

There's a relationship between economic performance, employment and public environmental concern. That public concern often translates into environmental public policy and investment.

Simply put, when our economy is strong, we invest in our environment. The environmental sector benefits.

This was evident in years leading up to the 2008 recession. Environmental policy and awareness were at a peak with awareness about climate change. The Liberal party ran on an environmental platform (green shift). The Region of Peel invested heavily in conservation authorities.

Economy versus environment has been proven to be a false dichotomy with the move towards green jobs, a green economy and green energy. The economic risks of environmental degradation are becoming more and more evident.

As seen in the costly recovery from recent flood events – which you'll hear more about from my colleagues.

The next 5 years will likely see similar environmental policies in place at the federal level with decreased investment in the environment. At the provincial level, it is unknown how a majority Liberal government will invest in the environment. Given current debt/deficit levels, it's unlikely that the downward trend in provincial investment in the environment will change. It's unlikely that the Liberal government will erode the governing framework that directs conservation authorities.

## Economic Opportunities

Future Growth Expectations for Worker Demand in each Environmental Sub-sector\*

MODERATE TO HIGH GROWTH	STABLE GROWTH	FLAT
Environmental remediation	Protection of ambient air quality	<i>Water quality protection</i>
<i>Eco-innovation and environmental R&amp;D</i>	Water systems design for water supply	Operation of water and wastewater utilities
Environmental health and safety	Waste management	Noise and vibration Abatement
<i>Protection of biodiversity and landscape</i>	<i>Environmental education</i>	
	<i>Environmental policy and legislation</i>	
	<i>Environmental communications and public awareness</i>	

Source: Canadian Environmental Sector Trends, Labour Market Study, 2010 EcoCanada

Speaking of green jobs. The future outlook shows growing demand for environmental professional. There's moderate to high growth for Environmental remediation, Eco-innovation and environmental R&D, Environmental health and safety and Protection of biodiversity and landscape

There's stable growth expected for Protection of ambient air quality, Water systems design for water supply, Waste management, Environmental education, Environmental policy and legislation and Environmental communications and public awareness

## Economic Trends

- Stable national and provincial economies over the last 15 years
- Core inflation remained within targeted range
- The recession temporarily halted growth and lowered housing prices
- Economic growth returned in 2010
- Economy returning to long term growth path

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## Political Opportunities

- Educate new leadership (all levels of government)
- Influence policy and practice
- Economic case for environmental works
- Make the jobs connection (youth and immigrant jobs/training)
- Build the biodiversity business (capitalize on species, natural spaces, expertise and land)

Looking at political opportunities:

There's a opportunity to educate new leadership at all levels of government

And an opportunity to Influence policy and practice

We need to make the economic case for environmental works

We need to make the jobs connection - youth and immigrant jobs/training

We need to build the biodiversity business (capitalizing on species, natural spaces, expertise and land)



SIXTY YEARS  
*Our Heritage to Conserve*