

K. Ontario's Readiness for Urban Mobility – Smart cities and digital transformation

Submitted by: Milton Chamber of Commerce. Co-sponsored by: Oakville Chamber of Commerce, Burlington Chamber of Commerce, and Halton Hills Chamber of Commerce

Issue

The province has a role to support the application of data and innovative technologies that enable municipalities to establish intelligent transportation networks and optimize urban mobility. The future efficient movement of both people and goods and services will depend on the effective management of a connected infrastructure.

Background

A reliable transportation network is essential for trade, the movement of goods and services as well as people. It is also integral to our province's economic competitiveness. As our communities become more connected through the collection of data, artificial intelligence and technology, it is vital that we are prepared for the business climate of the future and that we remain competitive with other jurisdictions. The market for automated and connected vehicles is growing rapidly and large economic benefits are expected. According to McKinsey, investors have spent over \$200 billion USD on autonomous-vehicle technologies and smart mobility in the last decade.⁸⁵

Population growth as well as increased employment growth is positive for our local economy; however, it also underlines the need for building a resilient transportation network that works for all modes of transportation to supply the movement of goods and people.

Ontario has taken steps towards becoming a leader in the development, commercialization and adoption of advanced mobility technologies, like Connected Vehicles/Autonomous Vehicles (CA/AV). Ontario was the first Canadian province to permit on-road testing of autonomous vehicles in 2016, updating its pilot regulation to match other global AV testing jurisdictions in 2019.⁸⁶ Since then, Ontario has launched the Ontario Vehicle Innovation Network (OVIN), which funds collaborative research projects, supports SMEs to commercialize technologies, and aims to develop a strong mobility workforce and talent pipeline through skills development and training.⁸⁷ Moreover, Ontario has begun investments in intelligent transportation system (ITS) technologies along provincial highways, in order to support mobility innovations like connected and automated vehicles.⁸⁸

The creation of a dedicated program could further incentivize municipalities to invest in infrastructure/technological updates within their local jurisdictions, thereby creating a healthy environment for emerging transportation technologies.

It is vital that municipalities engage in the development of a technological transportation system where data from smart infrastructure, transportation networks, and connected vehicles can empower planners, transit agencies, and other municipal leaders to make advancements in urban mobility. The future efficient movement of both people and goods and services will depend on the effective management of a connected infrastructure. As the industry evolves and becomes a reality, it will become a competitive economic advantage for municipalities that embrace it—and a disadvantage for communities that don't.

⁸⁵ <https://www.mckinsey.com/industries/automotive-and-assembly/our-insights/mobilitys-future-an-investment-reality-check>

⁸⁶ <https://files.ontario.ca/auto-strategy-en-final.pdf>

⁸⁷ <https://news.ontario.ca/en/release/1001266/ontario-launches-flagship-initiative-to-lead-development-of-ev-and-smart-transportation-technologies>

⁸⁸ <https://www.ontario.ca/page/connected-and-automated-vehicles>

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Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Encourage municipalities to include adoption of emerging transportation technologies in their short- and long-term “Transportation Master Plans (TMPs)” to ensure that they are prepared for the inevitable adoption of new modes of transportation (such as Connected and Autonomous Vehicles and related transportation infrastructure).
2. Create a dedicated program (e.g., matching funds) that encourages municipalities to invest in infrastructure/technological updates within their local jurisdictions, thereby creating a healthy environment for emerging transportation technologies.

Effective Date: April 29, 2023

Sunset Date: April 29, 2026