

COLLABORATION WILL GROW ONTARIO'S INDUSTRIES

Toronto – Ontario can raise GDP per capita by focusing on the strengths and opportunities found in its key industries, new research from Ontario's Panel on Economic Growth and Prosperity reveals. Analysis in this year's Annual Report on Ontario, *Collaborating for growth: Opportunities for Ontario*, reveals that Ontario continues to experience a 'prosperity gap' – GDP per capita is \$2,740 below its peer jurisdictions. To achieve greater prosperity, government, businesses, and Ontarians must collaborate to leverage the province's strengths and grow its high-wage, innovative, export-oriented industries.

Collaborating for growth: Opportunities for Ontario, takes a deep-dive into four industries with high-growth potential. Industries were chosen are high-wage, high performing, innovative and export-oriented: Finance and Insurance, Life Sciences, Metal Ore Mining, and Motor Vehicle and Parts Manufacturing. While Ontario has many strong industries that meet this criteria, the Report focuses on these four. Each of the industries is examined using a strengths-weaknesses-opportunities-threats analysis and finds:

- Metal Ore Mining enjoys exceptionally high GDP per worker and average weekly wages
- Life Sciences drastically outperforms other industries in business R&D per worker
- Motor Vehicle and Parts Manufacturing is responsible for the most export value

[Tiff Macklem](#), Chair of Ontario's Panel on Economic Growth and Prosperity draws a number of conclusions from the report. He says, "*Ontario has an appetite for innovation, yet lacks the appropriate ecosystem with the availability of risk capital, experienced management, and ability to scale new ventures. We encourage the Ontario government to focus more on leveraging the province's strengths and pooling our limited resources around them.*"

[Jamison Steeve](#), Executive Director of the Institute notes, "*We need to focus on excellence in Ontario. We have many examples of new investments in the types of high-value jobs the province needs. Many of these successes are built on collaboration between our universities, businesses, and government.*"

The threats that may hold the province back are a weak capital investment strategy, and a potential 'skills gap'.

The Report recommends that Ontario:

- Encourage high-quality, experience-based educational programs in postsecondary institutions
- Increase training in emerging technologies and digital literacy in postsecondary institutions and the workplace
- Incentivize venture capital investment for later-stage funding through tax credit programs
- Pursue alternative financing options for emerging startups such as flow-through shares

About the Institute: The Institute for Competitiveness & Prosperity is an independent, not-for-profit organization that deepens public understanding of macro and microeconomic factors behind Ontario's economic progress. The Institute is supported by the Ontario Ministry of Economic Development and Growth.

For more information contact: Jamison Steeve, Executive Director
j.steeve@competeprosper.ca
416.946.7585