



# Ontario Catholic School Trustees' Association

Box 2064, Suite 1804  
20 Eglinton Avenue West  
Toronto, Ontario M4R 1K8  
T. 416.932.9460 F. 416.932.9459  
[ocsta@ocsta.on.ca](mailto:ocsta@ocsta.on.ca) [www.ocsta.on.ca](http://www.ocsta.on.ca)

Patrick J. Daly, *President*  
Michael Bellmore, *Vice President*  
Nick Milanetti, *Executive Director*

August 9, 2023

Honourable Prabmeet Sarkaria  
President of the Treasury Board Secretariat of Ontario  
99 Wellesley St, West  
Room 4320 Toronto,  
Ontario M7A 1W3  
[minister.tbs@ontario.ca](mailto:minister.tbs@ontario.ca)

Dear Minister Sarkaria,

## **Re: Proposed Approach for Regulations under the *Building Ontario Businesses Initiative Act, 2022***

On behalf of the Ontario Catholic School Trustees' Association ("OCSTA") we are pleased to provide you with our submission on the recently announced *Proposed Approach for Regulations under the Building Ontario Businesses Initiative Act, 2022* ("the Act").

### **Background on OCSTA**

The Ontario Catholic School Trustees' Association (OCSTA) was founded in 1930. It represents 237 elected Catholic trustees who collectively represent 29 English-language Catholic district school boards. Together, these school boards educate approximately 545,000 students from junior kindergarten to grade 12 and adults in continuing education programs province-wide.

Inspired by the Gospel, the Mission of the Ontario Catholic School Trustees' Association is to provide leadership, service, and a provincial voice for elected Catholic school trustees who seek to promote and protect publicly funded Catholic education in Ontario.

### **Legislative Background**

As stated in the background material to the approach to developing regulations under the Act, "The government of Ontario is considering making regulations to prescribe the circumstances in which public sector entities are required to give preference to Ontario businesses:

- governing when a business is an "Ontario business" for the purpose of the Act;
- prescribing the types of goods and services;
- prescribing the threshold amounts;
- specifying the way preference is to be given to Ontario businesses.

In the *Building Ontario Businesses Initiative Act, 2022* ‘public sector entity’ means:

- (a) a government entity as defined in the *Supply Chain Management Act* (Government, Broader Public Sector and Health Sector Entities) (SCMA), 2019, and
- (b) a designated broader public sector organization as defined in the *Broader Public Sector Accountability Act (BPSAA), 2010*’.

### **Summary of OCSTA’s Position**

One of the key principles of OCSTA regarding education finance is:

- **Autonomy/Flexibility:** The funding model must allow school boards the necessary autonomy and flexibility in the spending required to achieve the distinct goals of their system, and to meet local needs.

Throughout their history, our member boards have placed priority on providing public services as efficiently and effectively as possible. Catholic school boards remain committed to being good stewards of the resources available to them. Toward that end, our boards strive to support the purchase of goods and services locally.

OCSTA generally supports the government’s overall objective of requiring public sector entities, including school boards, to give preference to Ontario businesses in the procurement of goods and services in prescribed circumstances. However, we have some concerns:

- Clarifying how the regulations would apply to computer software firms;
- Potentially higher costs of using Ontario based firms and their impact on board budgets;
- Delivery fees if boards must choose an Ontario vendor when another vendor may be closer;
- Service calls if we must choose an Ontario vendor when another vendor may be closer;
- Using USBank as a banking service for P-Card over a Canadian Bank.

OCSTA also generally supports the definition of Ontario business as outlined in the proposed approach to the regulations. Location considerations, percentage of employees living in Ontario and the production of goods seem like reasonable considerations. However, we would request clarifying whether a company can be considered an Ontario company if they have a Canadian presence in their larger American or international operations. This would also apply to public accounting firms/auditors and other consultants.

In terms of implementation, however, school boards will require sufficient time to develop the internal process and business forms for identifying Ontario businesses they intend to contract with.

In addition, regarding implementation, small school boards may now have to administer a more complicated procurement and scoring process in order that Ontario businesses have a more level playing field. It will be important for small boards to have clean, straightforward procedures on a go-forward basis. Otherwise appeals and debriefing processes that may be required will add to the administrative burden of small boards without any sustain support for cost efficiencies.

Further consultation with all school boards and related stakeholders should be conducted once draft regulations are developed to address the various concerns mentioned in this submission.

Most goods, construction support and services Catholic school boards procure come from Ontario based firms. We believe the threshold amounts suggested as reasonable in most cases:

Goods: below \$121,200  
Services: below \$121,200  
Construction below: \$302,900.

However, school boards may need to purchase school transportation vehicles or buses and these are generally manufactured in the United States with costs close to \$100,000 for each vehicle. There may need to be an exemption in these cases or adjustments made to the goods threshold. In addition, there may be cases of smaller school boards that have contracted with student transportation services firms that fall within the \$121,200 cost range but have parent organizations that are not Ontario based firms. For example, National Express owns Stock Transportation, a major supplier of school bus transportation services and its parent firm is based in the United Kingdom.

In the selection process, OCSTA prefers the following method outlined in the consultation documents: “giving a points or percentage advantage during the evaluation of bids to Ontario businesses when businesses from outside of Ontario are eligible to participate in a procurement process.” This option gives school boards more flexibility in selecting businesses and we also believe that the number of points or percentages should be left to school boards as well when conducting procurement processes.

### **Conclusion**

On behalf of OCSTA, I want to thank you for providing us the opportunity to comment on the proposed approach to developing regulations under the *Building Ontario Businesses Initiative Act, 2022*.

If you have any questions or concerns, please do not hesitate to contact me directly at [pdaly@ocsta.on.ca](mailto:pdaly@ocsta.on.ca)

Yours Very Truly,



Patrick J. Daly  
President