

# Regulating Goods Delivery to Businesses

**Submission to the Ministry of Municipal Affairs and Housing  
Limiting municipalities from regulating noise related to the delivery of  
goods to certain businesses (ERO #019-2514)**

**Regional Municipality of Peel**

**November 20, 2020**

# Region of Peel Submission on Regulating Goods Delivery to Businesses (ERO #019-2514)

Thank you for providing the opportunity to comment on *Bill 215, The Main Street Recovery Act, 2020* specifically the amendment to *the Municipal Act, 2001*. This change would allow for all day delivery of goods to certain businesses, except where municipalities would be authorized to restrict by regulation.

The Region of Peel commends the Province for quickly responding to protect the health and safety of Ontarians as the COVID-19 pandemic emerged in March 2020, and in particular, for enacting measures to ensure that essential goods stayed on the shelves as the emergency took hold. This includes the passage of *Bill 187, Municipal Emergency Act, 2020*, which amended Section 451.1(1) of the *Municipal Act, 2001* and led to a regulatory change allowing for 24/7 delivery of goods for up to 18 months by essentially suspending municipal noise by-laws.

The Province's quick action in the spring to allow businesses to deliver goods any time of the day has resulted in a timely and consistent movement of essential goods and supplies. It has ensured that the that essential supplies continue to be available to the people of Ontario at their drug stores, supermarkets, and other retailers across the province.

The Region supported this temporary measure and is pleased to see that the Ontario government is now proposing to make this change permanent, and also by regulation allow municipalities the authority to prohibit and control noise related to deliveries in specified areas.

## Background

The Region of Peel has long recognized that the regional economy is dependent on a strong goods movement system. Peel is a significant freight hub for Canada and a strategic location for national distribution. An estimated \$1.8 billion worth of commodities travel to, from and through Peel every day making goods movement a pillar for the regional economy. There are 9,400 goods movement related businesses in Peel, including over 2,000 trucking companies, accounting for 43 per cent of jobs in Peel and contributing to the economic wellbeing of the Region. Overall, goods movement contributes \$49 billion to Peel's Gross Domestic Product (GDP) per year, which accounts for 21.1 per cent of Ontario's goods movement related GDP and 8.7 per cent of the national goods movement related GDP.

However, Peel's goods movement system is facing strong growth pressures and businesses are becoming increasingly challenged with delivering goods and services to the community. In 2018, traffic congestion cost the Greater Toronto and Hamilton Area (GTHA) \$6 billion and is forecast to be \$20 billion by 2041 if no measures are taken. Over this period, average commute times are forecasted to increase from 82 to 123 minutes in the GTHA and the number of truck trips in Ontario on the Region of Peel's roads are expected to increase to 45 per cent. Customers' growing expectations and preference for E-commerce, which has only accelerated during the COVID-19 pandemic, are also placing pressure on the system. People are demanding quick delivery of goods and services.

Emissions are also a challenge. The transportation sector is responsible for a third of the emissions in the province and is the second largest source of carbon emissions in the GTHA. By shifting deliveries to off-peak hours, truck-related emissions are expected to be reduced as well as congestion and travel times for commuters. Businesses in Peel, and across the province would also benefit from improved delivery times and cost savings.

## Off-Peak Delivery Pilot Project

As part of the 2017-2021 Peel Goods Movement Strategic Plan, the Region of Peel launched the Off-Peak Delivery (OPD) Pilot Project to address these challenges. The pilot, which ran from February 25 to August 31, 2019, involved the participation of the LCBO, Loblaws, and Walmart Canada. The Region and the three firms selected 14 stores based on their proximity to residential areas (selecting locations with lower potential neighbourhood impacts) and the expected operational benefits. The local municipalities in Peel, which include Brampton, Caledon and Mississauga, provided a blanket exemption from their noise by-laws to allow deliveries to be made in the evening for the duration of the pilot program.

The project was led by the University of Toronto through the Smart Freight Centre (SFC), a five year partnership established by the Region of Peel, McMaster University, the University of Toronto, and York University, to improve the quality of life and on-going economic vibrancy in the Greater Toronto and Hamilton Area (GTHA). The SFC conducts evidence-based research to coordinate transportation infrastructure, land development, regulations, technology tools and resources. The involvement of academic institutions lends strength to the integrity of research findings and facilitates data sharing with industry.

## Off-Peak Delivery Pilot Project Findings and Benefits

Data collected from Peel's Off-Peak Delivery Pilot have shown that:

- 30 per cent of the stops at participating retail stores were made in off-peak hours
- Average truck speed improved by 18.1 per cent and travel times were 15.3 per cent lower during off-peak hours
- GHG emission factors (grams/km) decreased 10.6 per cent during off peak hours
- Air pollutants (CO, NO<sub>x</sub>, PM 10, PM 2.5) decreased, ranging from 11 to 15 per cent
- No noise complaints were reported

These results are similar to the findings of the Off-Peak Delivery study conducted by the Ontario Ministry of Transportation and the City of Toronto during the Pan Am Games.

The OPD pilot is considered a success and points to the benefits associated with off-peak delivery. The movement of delivery vehicles to times of day when congestion is lower makes better use of available roadway capacity and reduces congestion for other road users during the peak travel time. Increases in commercial vehicle travel speed leads to lower emission factors which benefits public health and helps reduce the regional contributions to GHG emissions. From a business perspective, the improvements in travel speed reduce logistics costs and improve fuel efficiency and therefore enhance the business competitiveness of participating firms. Noise produced by trucks making off peak deliveries was not intrusive enough to result in any noise-related complaints, which may have been the result of the design of the pilot to minimize noise impacts on the community. When selecting the 14 stores for the pilot, the Smart Freight Centre was careful to select locations that were not near high density residential areas, hospitals or other noise sensitive locations.

## Noise Considerations

While no complaints were received over the course of the pilot, that does not mean that noise will not be a factor going forward with all-day delivery. It will be important that municipalities have the authority and means to mitigate noise so that residential areas and other noise sensitive locations are not negatively impacted. Allowing the Minister of Municipal Affairs to make regulations authorizing municipalities to prohibit and regulate noise related deliveries in specified areas is a solid step in the right direction.

As the Province moves forward with this change, we also suggest the creation of a “Code of Conduct” for businesses. New York City has such a code.

## Final Comments

Given the success of the OPD pilot, the Region of Peel supports the measures in Bill 215 that would make all day delivery permanent across the province and is encouraged that the new legislation includes authority to enact regulations that would allow municipalities to regulate deliveries in certain areas where authorized.

The OPD pilot in Peel has proven to be an innovative solution to address the challenges faced by the goods movement industry while minimizing the transportation impacts to the environment and the public. The Region looks forward to the passage of this legislation and the associated regulation related to all day deliveries and to working with the Province regarding its implementation.