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**Official Report  
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(Hansard)**

**Tuesday 24 November 2015**

**Journal  
des débats  
(Hansard)**

**Mardi 24 novembre 2015**

**Standing Committee on  
Estimates**

Ministry of Economic  
Development, Employment  
and Infrastructure

**Comité permanent des  
budgets des dépenses**

Ministère du Développement  
économique, de l'Emploi  
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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

## STANDING COMMITTEE ON ESTIMATES

## COMITÉ PERMANENT DES BUDGETS DES DÉPENSES

Tuesday 24 November 2015

Mardi 24 novembre 2015

*The committee met at 0900 in room 151.*

### MINISTRY OF ECONOMIC DEVELOPMENT, EMPLOYMENT AND INFRASTRUCTURE

**The Chair (Ms. Cheri DiNovo):** Good morning, members. We are here to resume consideration of the estimates of the Ministry of Economic Development, Employment and Infrastructure. There are a total of two hours and 41 minutes remaining.

Before we resume consideration of the estimates, Minister, do you have any answers to outstanding questions from last week that you'd like distributed to the committee by the Clerk?

**Hon. Brad Duguid:** That was in answers, but I don't think there's—is there anything outstanding? I don't believe there is that we're aware of.

**The Chair (Ms. Cheri DiNovo):** No?

**Hon. Brad Duguid:** No.

**The Chair (Ms. Cheri DiNovo):** Okay. When the committee adjourned last week, the government party had 16 minutes and 53 seconds left in their rotation. Mr. Dong.

**Mr. Han Dong:** Good morning, Minister. How are you? I'm going to be asking the first question and my question is going to be around the alternative financing and procurement model. I know that this model has been used by Infrastructure Ontario and there are, quite honestly, a few projects in my riding that were built using this model.

You previously mentioned that this public-private partnership has provided a net benefit of \$6.6 billion over 74 projects, but this model is still being criticized. It's kind of controversial. We hear criticism all the time. Why is Infrastructure Ontario continuing to support this model, and can you explain to the committee how this is affecting taxpayers in Ontario?

**Hon. Brad Duguid:** Thank you. I think that's a good question and one that's very worthy of discussion.

Let's start off by saying there is no reason for the government, Infrastructure Ontario or any of us to be the least bit defensive about the AFP model. As you've mentioned, it has an incredible track record for us. It is seen globally as a best practice in the world.

At the same time, let's not get into a mode of thinking that, hey, we've nailed this. We've got it 100% so that

every time we do a project, it's going to be a success. Yes, our record has been outstanding with AFP procurement in the province. I think out of 39 projects that are at full or near completion, 38 out of the 39 were done on budget. I believe 37 of the 39 were done on time. I think we're now up to—the deputy's pointing to some further stats that I don't have, but 98% of 45 projects that are now being considered so that's probably an update on the 39; 44 or 45 projects were completed on budget, and of the 45 projects, 33 of 45 or 73% were completed on time. When we say “on time,” it really means within a month of the schedule. That's what they consider to be on time in the field.

Nobody can quarrel with the success of the projects. At the same time, this is a relatively new way to do projects, and if we think we can rest on our laurels or that every project ought to be done by AFP, then that wouldn't be an appropriate way to proceed either.

We need to continue to scrutinize what we're doing. We need to continue to pay attention to what the industry says in terms of what works for them and what doesn't, because if you don't do that, you won't get the level of competition for these big infrastructure projects, which will—when there's less competition, the price will tend to go up in an RFP, and then you may not get the quality of builders you want to get for some of the infrastructure we're building. You need to ensure that the system you have works for the industry. You need to ensure, first and foremost, that it works from a financial perspective in terms of value for the investments you're making to ratepayers, to Ontarians.

You termed it as “controversy.” I don't think there was really a lot of controversy about it. There's been discussion about it, and that's healthy. There have been some who have criticized the process. We had a report from the Auditor General last year which—I had some concerns about the way one particular figure was put forward. It turned out not to be a huge public issue, but I thought if people misread the information, it could have been. That was the way that our savings were portrayed in the Auditor General's report.

I'm not saying it was intentional by any means; it was just the way it was put forward, that the Auditor General had talked about the costs of the AFP program, which I think she said were in the \$8-billion range, but failed to point out that there was about \$14 billion in overall savings. In the depths of the report, that information was

there, but it was there to be seized by a reporter who might want to put out half the story. In essence, when you take the \$14-billion savings and take away the \$8-billion cost, you're left with about \$6 billion of savings to Ontario taxpayers.

Now, the fact of the matter is that that's analysis that has been done. Where I think the Auditor General made some valid points is that she has asked Infrastructure Ontario to pay greater attention to the quality of the analysis that they're doing with these kinds of figures to ensure that the risk transfer, which is not easy to analyse—but to try to get as solid an analysis as they can on what the benefit of the risk transfer is.

We're using the best data and analysis available in the world today. We're using best practice analysis. In fact, others come here and look at the analysis we're using on these things, but that doesn't mean that we shouldn't keep trying to do even better. That was the one area in the report that I was seen as taking issue with. I wasn't so much taking issue with the Auditor General, who's doing a diligent job. It was just that I was concerned that that information might be used as one side of an argument rather than present the entire argument.

The rest of her recommendations in that report, I think to a T, we supported and embraced. Infrastructure Ontario, the deputy will tell you, has moved on all of those recommendations and has either addressed or is in the process of addressing, I believe, all of them. I recently talked to the Auditor General about that, just to determine if she's satisfied with the response and to thank her for some good recommendations that came forward.

It's important for governments, when we're dealing with things—in particular, when you're a pioneer in techniques like procurement—to do a few things. One is to keep looking for other global best practices. Keep looking at where other jurisdictions are going and what they're doing. We may be the best in the world at this today, but that doesn't mean that somebody somewhere else in the world might not be taking our ideas and making them even better. Our job is to do the best we possibly can. So that's important.

It's also important for us not to get into a shell or a defensive mode, which governments can do, because you're under attack. The opposition have their job to do, and I don't say that in any way disparagingly. They have their job to do and that's to criticize a lot of what government does and to hold us accountable.

The media do their job. Again, I'm not critical of that; that's the world we live in, the bubble we live in. You don't get a lot of positive media for the good things you do, but the little things you do that might not be seen as positive—man, it's not hard to get a headline for something like that.

I've got some good examples of that this past week and a half. Not to get off topic, but it's something that's on my mind. Yesterday, I was with the mayor of Toronto, John Tory. We brought together our Toronto-Ontario burden reduction team that we've put together, something that's never been done before in Ontario, ever.

#### 0910

It's one level of government coming together seamlessly with another, through the leadership of the mayor and myself, and giving our respective governments the instruction to be very bold about looking for ways that we can reduce the regulatory burden that collectively we impose on our businesses; and, on top of that, looking at ways that we can just make government easier, the things that we do together. It's things like: We have a business call line. Toronto has a business call line; so does the province. Why do we have two, and are they in sync? If Toronto's line gets a call about a provincial issue, are they able to seamlessly refer it to our ministries and vice versa? That's one idea. There are seven or eight that we've asked them to pursue and report back on in 90 days, with results.

That's a pretty significant burden reduction initiative. It's never been done before. How much media do you think it got yesterday? Zero. I don't know if it got an article or a mention. It might have gotten something in Bloomberg—thankfully Bloomberg is following the business stuff.

That's huge. It's a huge initiative. It's going to make Toronto and Ontario a better place to do business, but it's not just about Toronto. We have Pat Vanini sitting on the panel from AMO. Her job is to say what they discover in terms of ways to reduce regulatory burden or ways to work better together or in sync and make life easier for businesses in this province. She's looking for ways to extrapolate it across other municipalities.

It's an Ontario-wide perspective, but we're diving into Toronto because Toronto is the biggest city with what I would suggest are the more established levels of regulation.

**The Chair (Ms. Cheri DiNovo):** Just to let you know, Minister, you have just over five minutes.

**Hon. Brad Duguid:** I could go on for another hour.

I know that's off topic, but it's something that's been on my mind.

It's the same with AFP. We might repeat a thousand times that we've got a 98% record of being on budget, 73% on time, with our projects. We could repeat that over and over again. That's not going to make headlines, but when one project goes overdue, that's where the reporting will be. So it leaves this perception that for the 2% of projects that have gone off base so far—I don't know if those numbers are going to hold true for the next 10 or 20 years. It's hard to say.

One of the things that I would say is that we need to be sensitive to the fact that every time you put a shovel in the ground in Ontario or anywhere in the world, there's risk. The AFP programs shift a lot of that risk—not all of it necessarily; it's a negotiation sometimes. It can shift a lot of that risk to the private sector, but you still have to pay for that risk one way or another. The beauty of having the private sector take on the risk is it removes the uncertainty to the taxpayer and puts an onus on the contractor, in particular if the contractor is designing, building and maintaining, not to take shortcuts.

In the few minutes that I have left, I'll give you a tangible example. My wife wants to replace our windows. Our windows are original to my house, and my house is probably 50 or 60 years old, so I am paying a hydro bill that's much higher than it needs to be. Our bedrooms are cold now. The windows are ready to be replaced, and they have been for years. If we were to replace those windows with single-pane windows, that would cost us a lot less at the beginning, but because we have to pay for the maintenance and the operating costs down the road, that makes no sense for us, but it would, if you're a one-time contractor coming in, just trying to get a job done and trying to get as much margin out of that job as you can. For us, double-pane windows—I don't think we can afford triple-pane windows—would be what we would put in.

But that's the kind of decision that's inherent in the AFP process, where a contractor has to think longer term, has to think maintenance, has to think operating costs. So they're not likely to take shortcuts. They might even innovate; in fact, they often will. They'll look to what is the best new insulation out there that's available, and say, "Can I reach out to some of those start-ups, innovation companies, that are producing new products so that I can maximize my margin and, at the same time, ensure that I'm putting in a product that's going to use technology to help lower maintenance costs and operating costs down the road?" There is a huge market for that, and we're good at it. We have some companies here in Ontario that are among the best innovators anywhere in the world when it comes to this stuff. That's another thing that the AFP process provides which is advantageous.

So it's not perfect. When you're doing a project, there are all kinds of things that can go wrong. Some are within the contractor's control—within the control of the contract. When that happens, we look at it and say, "Hey, maybe there's a better way we could have done that contract or that procurement." More often than not, when something goes wrong, it's often Mother Nature. Weather patterns, a bad winter, can interrupt your construction period.

When you go underground—I look at the Niagara tunnel, a fantastic project that's going to provide power to households in Ontario for hundreds of years. It's a good investment, good rate of return, but, man, the project came in well over budget, ultimately, and it wasn't really, as far as we could tell, the fault of anybody. It was because the shale rock that Big Becky was drilling in was a lot less strong than was anticipated. I'm not using technical terms. The rock was going to cave in behind Big Becky, which would have been a danger to the workers and a disaster to the project. My understanding is, they had to change the route, and they had to find a different way of doing the drilling, and they did. There was a cost to doing that. At the time, it didn't come under a great deal of scrutiny because people kind of understood it—

**The Chair (Ms. Cheri DiNovo):** I'm afraid, Minister, you are out of time.

We're on to the official opposition.

**Mr. Todd Smith:** Good morning, Minister, again. How did the Pickering Panthers make out over the weekend?

**Hon. Brad Duguid:** They're not doing well. They're on a bit of a losing streak right now.

**Mr. Todd Smith:** So are the Belleville Bearcats.

**Hon. Brad Duguid:** They're playing on Thursday. Maybe they'll turn it around.

Can I just say, I'm looking forward to getting back out to Trenton arena and seeing your happy, smiling face on the boards out there. It's Trenton, right?

**Mr. Todd Smith:** Yes, exactly. Trenton and Wellington.

**Hon. Brad Duguid:** Yes, I've seen it in Wellington as well. I try to get away from work and go watch my son play, and there's a smiling Todd Smith on the boards.

**Mr. Todd Smith:** Some kids like to take shots at the sign on the boards. I won't say who their parents are. Anyway, I opened that door.

**Hon. Brad Duguid:** You did.

**Mr. Todd Smith:** Last time we were talking, we were talking about the MaRS project. Can you remind us what the occupancy is at MaRS right now?

**Hon. Brad Duguid:** Yes. As of this past week, the tenancy is up 84%. So 84% of the building now has been tenanted. It's going to take time to get the occupancy up, because once the tenant agreements are signed, they then do the leasehold improvements. These aren't your typical offices where somebody can just move in, set up an office and put in computers. They're building labs in a lot of this space. So there's a variety of time in terms of when capacity or full occupancy is going to happen. It's usually in the range of 12 to 18 months, I would say, on average. Deputy?

**Mr. Giles Gherson:** I think sometimes less than that.

**Hon. Brad Duguid:** Sometimes less than that. Six to—

**Mr. Giles Gherson:** Six to 12.

**Hon. Brad Duguid:** Six to 12 months.

**Mr. Todd Smith:** When will rent start to be paid by all of these different occupants?

**Hon. Brad Duguid:** Many of them are paying rent now. Some of them would be starting their rent, like—Autodesk was a recent acquisition. They would have just recently signed, so when their rent actually kicks in—it would be, I would expect, fairly soon. These are commercial arrangements made between MaRS and the tenants themselves. They would have different arrangements with each tenant.

**0920**

**Mr. Todd Smith:** But it is safe to say, though, that Johnson and Johnson is paying rent to locate in the MaRS building and Autodesk is paying rent to locate in the MaRS building, and Facebook will be paying rent.

**Hon. Brad Duguid:** It's safe to say that, yes. The assurance I can give you and the public is that the business case for tower 2 and the ability for MaRS and tower 2 to be able to recapitalize is very positive with these tenancies now. The tower will be making money and will

be paying the province back in full. We expect it to be fully tenanted by early next year.

Even at 84%, it's now reaching that threshold where you can rest assured that the province's interest-bearing loan will be paid back. There's no guarantee and there's no requirement of MaRS to do this, but the expectation is that it will be paid back well in advance of when it needs to be.

**Mr. Todd Smith:** The government has invested a lot of money in MaRS. You're expecting that that money will be paid back—the \$19 million that was paid out to bring Johnson and Johnson, for instance?

**Hon. Brad Duguid:** That's not the investment that was made in the MaRS tower 2. JLABS, for instance, was a partnership with the province to lure them here because they had other locations that they were looking at going to. That was part of our effort to land them in Ontario. The deal that they worked out with MaRS—that's where they wanted to locate—I believe that was a grant—

**Mr. Todd Smith:** From the Jobs and Prosperity Fund.

**Hon. Brad Duguid:** —through the Jobs and Prosperity Fund. But they still would have their arrangements with MaRS in terms of their lease and all that stuff.

**Mr. Todd Smith:** Do you have any idea how much they'd be paying per square foot—JLABS?

**Hon. Brad Duguid:** No, and again, that would be commercially sensitive material that MaRS would not be in a position to be able to share publicly, so I don't even have it. The ministry may have it, but it's not something I'd be able to share publicly.

**Mr. Giles Gherson:** All I would add is that they are a tenant of the University of Toronto.

**Hon. Brad Duguid:** Yes.

**Mr. Todd Smith:** I see. I know that the real estate company said that they needed to have at least \$30 per square foot. I think the fear out there with a lot of people is that these large companies are coming, locating in MaRS, that we've got these large multinational companies that are taking up space in prime real estate in downtown at virtually no cost to them and that the government is somehow subsidizing them to be in downtown Toronto in prime real estate and, quite possibly, they aren't creating any jobs. That's a concern that people have. How do you alleviate that concern?

**Hon. Brad Duguid:** It's a totally unfounded concern. It's simply not the case. Facebook is there, paying rent—

**Mr. Todd Smith:** How many employees would they have?

**Hon. Brad Duguid:** I don't know. I don't know if that's something that they've made public yet. Autodesk came of their own volition. It's something that we've been after for a long time—

**Mr. Todd Smith:** How many employees do they have?

**Hon. Brad Duguid:** Again, they haven't announced that yet. They probably will eventually, but they haven't announced that yet. Autodesk—there is going to be a number of employees working there; there's no

question—will result in the creation of thousands of jobs and, I would suggest, hundreds of millions of dollars of investment. It's similar to JLABS in a way, in that it's one of those machines within MaRS that are going to generate and churn out innovative start-up companies. What Autodesk does is it provides state-of-the-art technology, supercomputing and 3-D printing and technology around the Internet of Things that will allow all partners in MaRS and within our innovation ecosystem to partner with them and take advantage of that. So it's almost like an integral piece of innovation infrastructure that's now installed in MaRS, which is a huge asset for us.

**Mr. Todd Smith:** But is there any expectation as a result of the money that has come from this Jobs and Prosperity Fund that these companies will create jobs here in Ontario as a result of that?

**Hon. Brad Duguid:** They're all going to create jobs here in Ontario.

**Mr. Todd Smith:** Is there any kind of milestone that they're required to hit or anything like that, or do they just get the funding and that's it? If they create the jobs, that's great; if they don't—is there any way to hold them accountable for that money that has been invested there?

**Hon. Brad Duguid:** Are you talking about the companies that are located in MaRS—

**Mr. Todd Smith:** Yes.

**Hon. Brad Duguid:** —or are you talking about the companies that we funded through the Jobs and Prosperity Fund?

**Mr. Todd Smith:** Johnson and Johnson is one of those companies that has been funded through the Jobs and Prosperity Fund, right?

**Hon. Brad Duguid:** Correct.

**Mr. Todd Smith:** Right. So let's use that one for an example.

**Hon. Brad Duguid:** By “funded,” it's that we pay a percentage of what their overall investment is. Johnson and Johnson would not disclose what their overall investment was, for competitive reasons, and when we made the announcement I confirmed that their investment is significantly more than the province's.

**Mr. Todd Smith:** Right. And the province's was \$19.4 million.

**Hon. Brad Duguid:** So what we've done is we've seeded the investment because there were competitive jurisdictions that actually were offering them a heck of a lot more. In fact, on that one I think there were jurisdictions—let me just check with the deputy. There was a jurisdiction offering 100% of the cost to JLABS, I believe. So we're in tough competition for these kinds of investments, and we're up to it. We're going to step up to get these where we can.

We use the Jobs and Prosperity Fund—we don't lead with it, Mr. Smith, to be honest. We lead with the fact that we are a competitive jurisdiction, that we have some of the best talent anywhere in the world, that we have some of the best post-secondary partners in the world, that this is an ecosystem where any company that wants to be globally competitive in technology and innovation

ought to have a presence, and, we'd argue, a significant presence. So we lead with that, but you're competing with other jurisdictions that are throwing some pretty good incentives at them, often much more than we do. So to land the deal, we'll use the Jobs and Prosperity Fund to do that. There are not a lot of examples—in fact, I'd have to go back and check—of companies through the Jobs and Prosperity Fund. I'm not sure there any other examples in MaRS where we've done that. But with the JLABS project, our efforts through the Jobs and Prosperity Fund were just to land them in Ontario. Where they located was entirely up to them.

**Mr. Todd Smith:** But I think people want to be assured that there are going to be jobs created as a result of this \$19.4 million that has been directed to the JLABS project and that it's not just going to locate a large multinational company on prime real estate across from Queen's Park, easy to get to by taxicab—or Uber, for that matter—or the TTC. I think people just want to be assured that there are going to be jobs created. You haven't really told me how many jobs are going to be created by JLABS. Is it five? Is it 500?

**Hon. Brad Duguid:** They haven't released that number yet, and frankly, it's probably thousands. I visited the JLABS facility down in San Francisco or San Jose—I can't remember; it's down in the valley. If you're ever down that way, I suggest you take a look at it. They'll be up and running here. When they are, I really recommend—and this is a totally non-partisan suggestion; I say it to my colleague from the NDP as well—to take a run over there; take a look at what they're doing. I think you'll be impressed. That's the kind of incubation that—we have fantastic researchers here.

One of the weaknesses and challenges in our economy is not generating the talent to start companies or do the research; one of our challenges is scaling them up here. So we need these kinds of machines that can churn out these companies, and that's what JLABS is all about.

**0930**

The investment the province made is a very wise investment. It's an investment that I can tell you right now is one of the most exciting we've made. It's really investing in the infrastructure needed to drive innovation in this province and drive these really good researchers who are coming out of U of T, Waterloo and other places to a place where they can actually start-up companies and become global. That's what JLABS does.

Johnson and Johnson is one of the biggest companies in the world in bioscience. It provides these start-up companies with access to the entire global network of Johnson and Johnson, but they don't keep the companies to themselves either. They encourage—and they have other companies that tap into their ecosystem too, so it gives them access to global networks that they wouldn't otherwise have.

It's an interesting project, but I can assure you the number of jobs ultimately created, the number of companies created out of there for the relatively fair investment that the province has made is something that I think

you'll be impressed with. So I encourage you, when they are built, to visit—

**Mr. Todd Smith:** Well, listen, I hope your optimism comes to fruition because, obviously, we want to see these jobs locate in Ontario. I just think that with the Eastern Ontario Development Fund and the Southwestern Ontario Development Fund, there are actually jobs numbers that are attached to that funding, and if the companies don't reach those benchmarks, now you have the rules in place where that money can be clawed back.

In the Jobs and Prosperity Fund, is it kind of just a cross your fingers, cross your toes and hope for the best kind of thing? There's no real way to get that money back if it falls on its face?

**Hon. Brad Duguid:** No, we do a lot of due diligence on the investments that we make, and we have a process to go through that's very rigorous.

With the JLABS announcement, I would have to go back and check to see if there were any job numbers attached to it, but really, it was more about the investment that's attached to that, a commitment to investment, because that's the infrastructure they're building up, and then they'll be churning out jobs through that mechanism. But that's an unusual investment for us to make, one that we'd be looking to make over and over again if we could, because it's a really good one.

But the typical Jobs and Prosperity Fund investment might be an auto investment or it might be an investment in a plant. It may be a footprint commitment of number of jobs, that they would not go below a number of jobs. It may be, if they're increasing the number of jobs, that they would get the funds as those jobs ramp up—

**The Chair (Ms. Cheri DiNovo):** Mr. Smith, you have just under five minutes left.

**Hon. Brad Duguid:** —you would phase it in. And if they don't fulfill their commitment, there would be clawback provisions to anything that may have been paid in advance, which from time to time have had to be used, but not too often. Usually, because it's being phased in, you can sort of see it coming and the company might say, "Look, we're going on a slower timetable than we thought." Then we don't advance the money until they're back on track.

**Mr. Todd Smith:** I think it's important that the government actually start attracting companies like Johnson and Johnson JLABS, and I think it's important that Autodesk and these incubator hubs take off, and the reason I think that's very important is because manufacturing is disappearing. Electricity prices are making it extremely difficult for large-scale manufacturers to even consider Ontario as a location for future growth. Goodyear Napanee is a good example of that, which is just outside of my riding. It employs a lot of people in my region, Prince Edward-Hastings. One of the biggest reasons that Goodyear said that they weren't going to build their new tire facility in Ontario was because of the unpredictability and the high cost of electricity.

I'm just wondering, as economic development minister, if you're running into stories like the Goodyear story,

where people are saying, “We can’t afford to do business in Ontario because of the soaring electricity prices”—and then the Hydro One sale on top of that has led to a lot of speculation about increasing hydro prices even further. So just quickly, I wanted to get your thoughts on the rising cost of hydro and what it means for you when you’re trying to attract manufacturing back to the province.

**Hon. Brad Duguid:** Well, there are a number of competitive advantages that we have here in Ontario, from the lowest effective corporate tax rate in North America—

**Mr. Todd Smith:** Yes, I know, but specifically about the electricity—

**Hon. Brad Duguid:** It’s all relative because it’s all part of the consideration of whether someone makes an investment—

**Mr. Todd Smith:** I realize that, but Goodyear didn’t locate here because of the rising cost of hydro.

**Hon. Brad Duguid:** But even on energy costs, the provision of affordable, reliable, clean power is important, and we do have that here. When you compare Ontario’s energy costs, they’re slightly less than Michigan. It’s about the same as Tennessee, it’s just a little bit more than Alabama and it is less than half of the energy costs of Mexico, which is getting—

**Mr. Todd Smith:** Yes, okay, you can say that per kilowatt hour. However, I was just at a meeting two weeks ago—I was referring to it last week—with Liam McGuinty and one of the vice-presidents of the IESO, I believe it was Terry Young, and a lot of the manufacturers in that meeting were saying, “Sure, yes, we’ve cut back significantly on our kilowatt hours of use, but our hydro bill continues to soar because of the global adjustment.”

Now, these manufacturers are feeling like they’re being penalized for using less power because the global adjustment is filling that space times 10.

**Hon. Brad Duguid:** No, but, Mr. Smith, what I’m talking about is the cents per kilowatt hour cost.

**Mr. Todd Smith:** Right, and I’m not talking about that.

**Hon. Brad Duguid:** Well, that’s the cost of energy.

**Mr. Todd Smith:** No, it’s not, not in Ontario and especially not in the manufacturing sector, because when you factor in the global adjustment, it has a heck of a lot more to do business in Ontario and the manufacturers know that. That’s why they were very angry at this meeting two weeks ago: Because it didn’t seem like the government was understanding the fact that the cost of electricity is more than the price per kilowatt hour. The global adjustment is making up the vast majority of their electricity bills now. It’s not the amount of kilowatt hours used.

**Hon. Brad Duguid:** I think regardless of any way you slice it, our energy costs are about middle of the pack. But that doesn’t mean—

**Mr. Todd Smith:** No, they’re not, Minister. They’re actually the highest in North America by a long shot.

**Hon. Brad Duguid:** No, they’re not the highest in North America by a long shot. That’s simply untrue.

But that being said, when we look at competitive advantages and disadvantages, our energy costs are not in the category of a competitive advantage. We’re in the middle of the pack. It would be nice if there was a way to have them less than that. We’ve worked very closely with our business community to find ways to help them adjust to those energy costs. But you have to factor in, when a company is making an investment—

**The Chair (Ms. Cheri DiNovo):** I’m afraid we’ll have to stop there. Mr. Smith’s time is up. We now move to Mr. Natyshak with the third party.

**Mr. Taras Natyshak:** Thank you, Minister and Mr. Gherson, for being here, once again.

I’ll switch gears to the AODA, if we might. I asked you a question on this specific issue. Your ministry recently issued a press release on privatizing an Accessibility Certification Program that’s supposed to recognize those businesses and organizations that choose to be accessible for all individuals. Has the government decided to establish that accessibility certification process?

**Hon. Brad Duguid:** Thank you for that question. Yes, we have. We are moving forward with that. Similar to the system that we’ve seen for the greening of buildings, we’ve—I’m of the view that our regulatory regime under the AODA is important. It’s moved us ahead of most other jurisdictions and it continues to move us, over this 20-year period that the AODA phase-in has been contemplated, towards where we want to go.

But I’m of the view that what we really need to do is shift culture. We’ll continue to aggressively move forward on the AODA implementation. At the same time, I think we’ve got to do more. I think we’ve got to do things outside of that. One of the areas that I believed worked for the greening of buildings was putting in place a rating system, which isn’t easy. It was easy for me to move forward and think about the idea—and I’m not the first to do it because Rick Hansen is very involved in this as well, and he’s brought forward an initiative that I think focuses more on hotels at the moment, but we’re kind of working together on this.

The idea is not so hard to come up with. What is hard to come up with is how do you actually rate buildings on accessibility, and accessibility for whom? There are a lot of different types of disabilities, many different types of mobility challenges. There are people with visual impairment, hearing challenges, and it just goes on and on. You want to be able to find a way to actually do these ratings.

**0940**

The idea is looking at having maybe a gold, platinum, bronze, silver rating, similar to the LEED program, for buildings, to encourage, celebrate and acknowledge and give advantage to businesses that are accessible, to identify them, so that whether it’s people with disabilities who are tourists or people with disabilities who want to gain access to those kinds of businesses, they can know in advance that they’re rated in a certain way, which



gives a business advantage to them, and encourage other businesses that may not be up to grade in terms of that rating system—the incentive to do so.

We're still at the early stages—

**Mr. Taras Natyshak:** You and I have spoken about this, and I understand the concept. As you described, it follows the LEED certification.

Was the provincial government involved in incentivizing businesses to be LEED-certified? Did the government play a role in that concept?

**Hon. Brad Duguid:** That's before my time here, so I'd have to go back and check history to see—

**Mr. Taras Natyshak:** It's before my time, too. We obviously understand the incentive and the need to promote the greening of the economy. Also, in this respect, we understand the need to promote accessibility. The question, really, on behalf of those who are intimately involved in this area, is, why the priority on marketing rather than ensuring that those businesses are conforming, first and foremost? Let's get them online, in the stream, so that they've made the adequate adjustments to their businesses, so that people know in general that the province of Ontario is open to people with varying abilities rather than varying levels of abilities. You have a mandate to get it out there. It certainly would be nice, but we'd love to see it in parallel with a concerted effort to actually enforce the current rules.

I'm going to move right on to my next question. Is the government hiring Deloitte to consult with the public on how to initiate the Accessibility Certification Program? Have you hired Deloitte to consult?

**Hon. Brad Duguid:** I'd have to check with my ADM for this department to be able to provide you with the exact work that Deloitte is doing. I wouldn't want to in any way make comments that may not be 100% correct at committee.

I find that for new things you often have to go outside for expertise. I've encouraged the ministry to think outside of the box and to get the kind of expertise that we need to do this right. It's not a case of either-or. We continue to be just as passionate about the AODA and implementing those regulations as we always have been, but a program like this gets you beyond code, and that's where businesses need to go.

I'm not satisfied. If every business in Toronto and Ontario were up to the AODA in terms of the accessibility, I'm still not satisfied with that, because they can go beyond that. The AODA is a minimum threshold. We're not there yet. We've got a long way to go. At the end of the day, in 2025, if we're going to be accessible as a community, and the AODA is in place and businesses have adjusted to it and they're doing what they need to do—without the cultural shift that's needed, we're still not going to be where we need to go.

That's why we can't just rely on the AODA and say that this is where all of our efforts are going. It would be the safe thing to do because it's well respected. It would probably be the easier thing to do because it's all laid out for us. But it requires a culture shift, and we're not going

to get that unless we bring in other, more creative, ways to drive rethinking for businesses. Investing in initiatives that make them more accessible is good for business. There's a good business case to it. I don't really want businesses to make the changes we're asking them to make just to comply with the AODA, because that's not the point. The point is encouraging business to make the changes they need to make, to open up their doors so that they can gain access to that one in seven people now—soon to be one in five—who have disabilities. That comes with it—

**Mr. Taras Natyshak:** I think it would be self-evident that if they did comply with the AODA, that sevenfold access to folks with varying levels of ability just happens. You hit your markers by actually putting a lot more effort into the enforcement and into the initiation of the provisions of the legislation, rather than branching out and hoping that everyone does it because it's the right thing to do, the most economical thing to do and the newest thing to do.

**Hon. Brad Duguid:** We're enhancing enforcement. We're doing enforcement differently by engaging in blitzes. We've taken the advice of a number of stakeholders in finding more effective ways to do enforcement. We're in the process right now of a blitz, a lot of it with the upcoming new requirements on hiring, on employment, that are going to be in place as of January.

I think where we've had challenges—and I don't mind saying this; I'm not going to be defensive about it. I think a lot of businesses still aren't aware of their obligations under the act. I think that's an area where we need to continue to strive to improve: making businesses aware. We're trying to work with organizations like the Ontario Chamber of Commerce and others—the Toronto Region Board of Trade—to try to get that information out there.

That's why we're trying to do these blitzes in a different way, so that we can gain a little bit of attention to it. I have heard back from folks in the business community who are aware that we are doing enforcement. But I think, in fairness, for the number of businesses that exist, to be able to accomplish what we want purely through enforcement would be challenging. The amount of accessibility police you'd have to hire would probably be—I don't think we have the capability of doing it.

**Mr. Taras Natyshak:** You mentioned that Deloitte is consulting in some fashion, but you wouldn't want to describe exactly what they're doing, or you can't.

**Hon. Brad Duguid:** I know that our ministry has employed Deloitte to help us with the structuring of this program, but I wouldn't want to speculate as to what their exact mandate is. I could certainly endeavour to get back to you on that.

**Mr. Taras Natyshak:** Let's let them finish their work. When they do come back to the ministry with a report, would you be prepared to ensure that the report be made public in terms of their findings?

**Hon. Brad Duguid:** Actually, it's not a report that they're doing, the deputy just whispered in my ear; they're running the public engagement exercise.

**Mr. Taras Natyshak:** Will they report back to you at some point from that engagement?

**Hon. Brad Duguid:** I think our folks will be involved with the public engagement, in hearing the input. I don't know if they're scheduled to do an actual report. They may be. The deputy may be aware of that or may not be.

**Mr. Giles Gherson:** Deloitte has been engaged to assist the ministry in a public engagement exercise which brings all the stakeholders together to craft the certification standard. Rather than having the government itself establish it by itself, the approach that has been adopted is to use Deloitte as a facilitator, effectively, to bring stakeholders together and establish the certification that would be decided upon by the government.

**0950**

**Mr. Taras Natyshak:** So can you tell me how much the ministry has budgeted to roll out this process in terms of start-up costs and then, potentially, ongoing operational costs?

**Mr. Giles Gherson:** I don't believe we have that at the moment.

**Mr. Taras Natyshak:** Could you endeavour to get that to us?

**Hon. Brad Duguid:** Until we have the information and until we've put in place the plan of how this is going to be implemented—right now, we have not set a budget for it, and our costs would be covered from within our ministry budget.

**Mr. Taras Natyshak:** Before it decided to retain Deloitte to conduct the consultation, did the government ask the Accessibility Directorate of Ontario for any advice, recommendations or feedback on whether the government should establish or create the accessibility certification process? If so, what type of advice did you get back from the accessibility directorate?

**Hon. Brad Duguid:** Within our ministry?

**Mr. Taras Natyshak:** Yes.

**Hon. Brad Duguid:** I determined early on that we needed to do this. I liked some of the stuff that I saw out there. We've been in the process of, over the last year and a half, I would say, reinvigorating our effort within the ministry on accessibility as a whole. It's not just about this new LEED program; we're also working hard at a program where we would provide open communication online to people with disabilities who are encountering barriers, similar to travel advisories. So we're working on that as well.

**Mr. Taras Natyshak:** Like a live person on the other end of the line that would guide you?

**Hon. Brad Duguid:** No, this would be similar to a travel advisory, where people with disabilities would have the ability, if they encounter a barrier, to get it right online. That business, or that person imposing the barrier, would be notified and able to respond so that we can get quicker action on some of these barriers. A lot of the barriers that are in place aren't actually a contradiction of law; it's just things that businesses could be doing better or more sensitively.

**Mr. Taras Natyshak:** I use this app called Waze to get out of Toronto when I've got to go home. It tells me how

to avoid traffic. It also tells me, interestingly enough, where police are located.

**Hon. Brad Duguid:** You wouldn't need to know that.

**Mr. Taras Natyshak:** I wouldn't, because I always do the speed limit, of course.

**The Chair (Ms. Cheri DiNovo):** Mr. Natyshak, you have about five minutes left.

**Mr. Taras Natyshak:** I understand that concept and it's quite interesting. If that's a good analogy, it's a similar thing, right?

**Hon. Brad Duguid:** It's still in development, but yes.

**Mr. Taras Natyshak:** You talk about that one of the issues is simply businesses not being aware of the requirements under the AODA. In that regard, the government embarked on public education campaigns in the fall of 2012. The government sponsored an advertising campaign on accessibility in compliance with the AODA. How long did the campaign run, and can the minister provide the committee with the number of ads that were run on radio, television, news and other media?

**Hon. Brad Duguid:** I can undertake to do that. I don't have, off the top of my head, the amount of time the campaign ran, but we would have that information. We do know that we saw some significant uptick in compliance once the ads ran. So we did monitor that.

**Mr. Taras Natyshak:** How many ads?

**Hon. Brad Duguid:** I don't have the numbers in front of me, but it was a positive response.

**Mr. Taras Natyshak:** As a follow up, what was the budget for that campaign and what was the actual cost? You said you tracked the changes in levels of compliance. Could you give us all the data on that campaign so that we could review it?

**Hon. Brad Duguid:** We'll endeavour to give you what we have.

**Mr. Taras Natyshak:** What's the budget for the AODA advertising campaign announced on June 3, 2015? How much is that one going to cost?

**Hon. Brad Duguid:** Again, I don't have that off the top of my head.

**Mr. Taras Natyshak:** In May 2014, the Premier indicated that—how much more time?

**The Chair (Ms. Cheri DiNovo):** Three and a half minutes.

**Mr. Taras Natyshak:** The Premier indicated to the AODA Alliance that the Minister of Economic Development, Employment and Infrastructure has created a new position within the ministry, the director of accessibility integration and planning, to work with the ministry to ensure that accessibility is integrated into all business practices. Does that position still exist in your ministry as the Premier described it, and, if so, who currently fills that position?

**Hon. Brad Duguid:** Sorry, could you repeat what the position was? I didn't—

**Mr. Taras Natyshak:** It is the director of accessibility integration and planning. A key outcome of this work is the integration of accessibility criteria into Ontario's

Youth Jobs Strategy—an investment funding program—services and supports.

**Hon. Brad Duguid:** Deputy?

**Mr. Giles Gherson:** Last year, David Onley was appointed adviser to the minister on accessibility issues, and he has a staffer in his office to support him. That really became the role that you're describing now.

**Mr. Taras Natyshak:** Is that specifically that role? David Onley holds that—

**Mr. Giles Gherson:** It is part of that role.

**Mr. Taras Natyshak:** Part of that role. So is there a director of accessibility integration? Is there a specific person?

**Mr. Giles Gherson:** In the deputy's office? No, there isn't, because the position was moved, essentially, into David Onley's office.

**Mr. Taras Natyshak:** So will that position ever be made, created, filled?

**Mr. Giles Gherson:** For what purpose?

**Mr. Taras Natyshak:** For the purpose stated by the Premier.

**Mr. Giles Gherson:** But then she appointed, following that, David Onley, the former Lieutenant Governor.

**Mr. Taras Natyshak:** I'm as confused as you are, I think. No? This is a position that the Premier indicated was created within the ministry, and now what you're telling me is that the position was never really created within the ministry.

**Mr. Giles Gherson:** No, that's not true. It was created.

**Mr. Taras Natyshak:** So is David Onley the person—

**Mr. Giles Gherson:** No. The function that was described by the Premier has been subsumed by David Onley and the staff.

**Mr. Taras Natyshak:** So then there's no longer a need to create this position because David Onley has taken on that position?

**Mr. Giles Gherson:** The function is being fulfilled.

**Mr. Taras Natyshak:** So again, there is not currently a director of accessibility integration, a specific person with a full-time job and a paycheque, I'm assuming. That position has never been created.

**Mr. Giles Gherson:** No, it was created.

**Mr. Taras Natyshak:** Is David Onley that person?

**Mr. Giles Gherson:** No.

**Mr. Taras Natyshak:** Who is the person, then?

**Mr. Giles Gherson:** The position was created and then the position was evolved to David Onley's office.

**Mr. Taras Natyshak:** Okay, and what is David Onley's title within that office?

**Mr. Giles Gherson:** He's his own title. He's adviser to the minister.

**Mr. Taras Natyshak:** He's the adviser to the minister—which is a different position than director of accessibility integration and planning.

**Hon. Brad Duguid:** It's a different position, but as the deputy said, David Onley subsumed some of those responsibilities. If they had continued to pursue that position, there would have been duplication, is what the deputy's saying. David Onley advises us on that kind of

information. That role has now been—well, that role is now encompassed in the special adviser's role.

**The Chair (Ms. Cheri DiNovo):** I'm afraid you are out of time, Mr. Natyshak. We will now move to the government side. Ms. Kiwala.

**Ms. Sophie Kiwala:** Thank you once again for being here today with us in estimates. I've enjoyed the proceedings so far. There are always lots of new things to learn.

I'm glad that this morning's discussion has started out with reflection on the media and their reporting, or non-reporting, of positive things that we do. In that vein, I wanted to focus my attention this morning on the business support programs. In the past, we have had excellent programs like the EODF, and that's something that my community of Kingston and the Islands has used on a number of occasions.

After the election, in reviewing some of those opportunities for my community, I reviewed some of the projects that we have seen in that particular program. There's always a very well-laid-out percentage of initial investment and then new jobs created, jobs retained. So there's some very good information, and the support programs that we have provided in the past have been excellent. I'm happy that our community has had the opportunity to take advantage of them.

In the 2014 budget, the 10-year, \$2.5-billion Jobs and Prosperity Fund was announced. As per the 2015 budget, the government has enhanced the Jobs and Prosperity Fund by a total of \$200 million. My question to you today is, what is the process by which businesses are chosen for our business support programs? I can imagine a number of businesses in my riding that will certainly be very interested in your response today on that question.

**1000**

**Hon. Brad Duguid:** It's a really good question. In many ways, the Jobs and Prosperity Fund is still a relatively new fund, but it's one that we have put a lot of thought into, in terms of how we structure it, what the priorities are for it, how we assess and prioritize investments. We have to do that for a couple of reasons. One is, we need to demonstrate that we're getting value for taxpayer investments with the investments we're making. We need to ensure that the business partners that we're investing with are accountable for what they commit to do—ensuring that we don't go over the top in that and scare them off entirely, which can happen; ensuring that what we're asking them to do is reasonable and fair and in keeping with what the expectations are for their investment.

We also need to ensure—and this is something we probably didn't have to be as concerned about three or four years ago, but we do now—that the investments we make are of the utmost priority vis-à-vis other potential investments. That's important to mention because that's a bit of a game-changer for the province. It's good news. The pipeline for investments in Ontario has grown substantially. You see it in the numbers. You see it in the fact that we're number one in North America for foreign

direct investment two years in a row now. You see it in the fact that our GDP numbers continue to be positive. We continue to be among the leaders in Canada in terms of growth, and among the leaders, frankly, by and large, in North America, which is good. We're one of the top developed economies in terms of growth, which is a good place to be. So our pipeline today, compared to what it would have been when I served in this post initially, is substantially bigger, to a point where there will be more investments coming to this province and opportunities to invest with the Jobs and Prosperity Fund, ultimately, than we probably have dollars to spend within that fund. It was recognized, in part, with the fact that in 2015 the fund was increased by \$200 million—albeit that was to focus a lot of that, if not all of it, on the forest industry. But the fund is now \$2.7 billion over the next 10 years, inclusive of when we started the fund. So that prioritization is really important, and it's a good thing. It's nice to be in that position.

When I bring something to Treasury Board—and there's a certain limit above which I have to bring the investments to Treasury Board and a certain limit under which the ministry and myself can make the decision; I believe it's \$50 million or thereabouts, anything over \$50 million has to go to Treasury Board—both of those decisions are guided by an analysis that we've put together to ensure that we're putting very significant scrutiny on those investments. We want to make sure we're investing in businesses that are going to be sustainable in our economy and drive growth, as much as we possibly can.

There are sometimes other factors in investing in a business. Sometimes a business may be a very huge anchor tenant in our economy and not necessarily be in a growth pattern, but it is really important for us, as an economy that wants to keep growing.

The fall economic statement will be out soon, and we'll talk about what the projections for growth in Ontario are. Whatever they are, our objective will be to surpass those amounts, ultimately. We want to grow more and faster, which means we've got to invest in attracting those companies to Ontario and growing those companies here in Ontario that are in growth mode, that are going to grow with the new economy, that are investing in productivity, innovation and exporting, because that's where the real growth is for the most part in our economy.

It doesn't mean that every investment we make has to be in that area. But for the most part, we've set up a report card that ranks, for the first time, those types of decisions, so that Treasury Board can compare and ask questions. Again, if an investment could, on our analysis, score lower than another investment, but still there may be a compelling reason to make that investment—it's a really good due diligence measure for us to take so that it will flag those investments that are a really, really good rate of return, which is important. You want to get a good rate of return on your investment.

What is a rate of return? Jobs are part of it. It's not everything, but it's part of it. Certainly our priority is to continue to create jobs, but we want to make sure we're

creating jobs not just for today and tomorrow, we want to make sure we're creating a business environment that's going to create jobs for the long haul as well: for the next generation, for the kids that are coming out of post-secondary now, or coming out of trades. We want to make sure that we're creating jobs for them, too.

There are times when you may make an investment that enhances the productivity of a company that doesn't increase the number of jobs at that moment, but it increases their productivity so they can go out and get global business. It either solidifies their footprint here, if it's a significant footprint—I'll use Ford and Honda as an example of that. The Ford investment, \$560-some-odd million—that's not the exact figure, but I think it's somewhere around there. That investment has solidified Ford Oakville for many, many years to come. Actually, it was \$700-million, according to the deputy here, a \$700 million investment. That was Ford's investment, the \$700 million. Ours was around \$70 million, or about 10%.

The Honda investment in Alliston was about \$857 million or thereabouts; ours would have been about an \$87.5-million contribution to that. Again, that was not a growth in jobs in that particular plant, but it was very well-received across the province because that solidifies that operation for many years to come. It's now going to be the home of the new next-generation Honda Civic, which is something that just demonstrates how Ontario's economy, and Ontario's manufacturing sector, is finding its legs, and finding its niche. When it comes to advanced manufacturing and complex vehicles, and doing first-generation mandates, nobody does it better than Ontario workers, because we have the talent and the ability to innovate.

The same with the \$421-some-odd million—the deputy checks my numbers because they might not be exact—that Toyota recently made in Cambridge and Woodstock. I don't know if it was both, or one or the other. That's an investment that they're making that's retooling and modernizing their equipment, so that they can produce the RAV4 and the RAV4 Hybrid, which is where you want to be. That's the next generation of automobile. So those are the auto investments.

We would analyze those under the report card that we have as: “Are you contributing to productivity?” Well, obviously, if you're modernizing your equipment and building a global platform, you're going to increase your productivity, which is what we need to do, because we do have a productivity gap with the US. It's not all good news for Ontario. We have some challenges, and one of our challenges is increasing our productivity. It's not a government thing; businesses will tell you that it's not a government thing. It impacts us in that we want to see increased investments. The fact is, over the years, our business community here has not made some of the investments—

**The Chair (Ms. Cheri DiNovo):** Minister, you have about five minutes left until the recess.

1010

**Hon. Brad Duguid:** —that they needed to make. Some of that is because some of them are small and

medium-sized companies that have been satisfied with their profit margin. They've been doing well for many years. Access to the US market has been good and all that stuff.

But times have changed. It's a global marketplace now, and companies that are going to compete have to be modernized, have to be productive, or they're just not going to compete. That's the transition that has been taking place in manufacturing now. Many of our companies—auto, aerospace and advanced manufacturing companies—have picked up the slack and are now making a lot of those investments. That's why we incent them through our accelerated capital depreciation program, which our finance ministers brought in in two previous budgets. I think the last budget extended it for 10 years, because that's an incentive that goes directly to those companies.

So our business support programs are one tool. Our tax system and incentives is another tool.

The third thing I would say that's really important for us is adjusting to the disruption that's happening in every sector of our economy. Everything we do in our lives is going to be impacted by this—and that's making sure that we're innovators, that we're inventors, that we're driving some of that disruption rather than being one of those jurisdictions that's just going to get swept up in it.

I look at 3-D printing as an example of that. It's amazing what's going on in 3-D printing. We don't know how quickly it's going to come on and whether it's going to take over a lot of manufacturing or to what extent. It's too soon to tell. But it's there; it's happening. Cars are being made with 3-D printed material as we speak. We want to make sure that as we save Oshawa's plant and get a future mandate with GM there—and that's still a work in progress. We're confident we're going to get there, but it's still a work in progress. I want to make sure we don't save that plant, save the direct jobs that are there, only to see all those indirect jobs in the supply chain be ferreted off to jurisdictions that have better innovation than us or that are better at 3-D printing than us. That is why investments like Autodesk in MaRS—we didn't make the investment; they did—why it's so important that we recruited Autodesk to MaRS: because they're experts in 3-D printing. That expertise will be helpful in our bio-science sector, but it'll also be helpful in our manufacturing sector.

That's why post-secondary institutions, like some of our colleges and universities that are now specializing in 3-D printing and doing technology advancement and innovation in 3-D printing, are so important, and it's why it's important that our auto sector and all of our manufacturing sector determine what their needs are going to be in the future and where this is going: so that we can make sure that we make those investments with our supply chain to upgrade their manufacturing capability and modernize their technology.

Those are the kinds of investments that we like to make in our business support programs—when they're modernizing, implementing a 3-D printing press or

whatever they call the technology. Those are the kinds of things that will make sure that we don't only have jobs that we're creating for the next five years, but that the investments we're making are going to ensure that our economy is healthy and the job market is healthy in Ontario for the next 20, 30, 40 years. I think we can do that.

We're one of the jurisdictions that is seen as a leader in innovation; there's no question. The success of MaRS is a great example of that, mostly in the bioscience sector, but in other areas; the success of that Toronto-Waterloo corridor—that is our sweet spot, in my view. That's our future economy. That may be the strongest part of our economy. And then you include what's going on in Ottawa—some incredible innovation happening there, particularly in things like cybersecurity—and throughout the province.

This is where Ontario needs to go in terms of our future branding. We need to be seen as a jurisdiction that not only has strengths in innovation but is a driver of innovation. We've done a lot of the investments you need to do. We've done some venture capital work. When venture capital has dried up—

**The Chair (Ms. Cheri DiNovo):** I'm afraid we are recessed until this afternoon at 3:45.

*The committee recessed from 1015 to 1545.*

**The Chair (Ms. Cheri DiNovo):** Good afternoon, members. We will now resume consideration of vote 901 of the 2015-16 estimates of the Ministry of Economic Development, Employment and Infrastructure/Ministry of Research and Innovation. When we recessed this morning, the government party had two minutes and 52 seconds left in their rotation.

I'd also direct members' attention to the letter that just went out from the Minister of Aboriginal Affairs.

We'll proceed then with the government side. Ms. Kiwala.

**Ms. Sophie Kiwala:** Thank you again for the opportunity to speak. Just leaving off from where we finished in the last round, we were discussing the EODF. That has been a very important fund in my riding of Kingston and the Islands in the past and has provided us with some excellent opportunities for some local businesses. For example, MetalCraft Marine has received funding in the past, in 2013, and Cancoil Thermal Corp. also received funding under the EODF of \$180,000, which leveraged an investment of \$1.83 million. That particular investment created 16 jobs and retained 114 in that firm.

I know that these types of supports and programs are extremely important for our economy and for our communities. On behalf of my community of Kingston and the Islands, I am thrilled to have had the opportunity for our community to have benefited from these funds.

As you've mentioned previously, we've given \$2.6 billion in support funds, which have leveraged \$26 billion from the private sector and created or retained over 150,000 jobs. I'm just wondering if you can share with the committee some of the stories—and I know you're good at those—of the businesses that have been granted

support funds and how those funds have affected their growth.

**Hon. Brad Duguid:** Yes. The regional economic development funds are unique and different from our Jobs and Prosperity Fund in that they really target two particular large regions in the province, eastern Ontario and southwestern Ontario, that were hit harder than most by the global recession, and by and large have recovered a little less quickly than many other parts of the province, in particular some of the core urban areas around the greater Toronto area. So the regional economic development funds were an important response to that.

It really started in eastern Ontario with the leadership of some of our colleagues. Your predecessor was one of them—

**The Chair (Ms. Cheri DiNovo):** I'm afraid you are out of time on the government side. We're going to move to the official opposition: Mr. McNaughton.

**Mr. Monte McNaughton:** Minister, I just wondered—it's an issue that I've raised a couple of times in question period of late—what your opinion is on the expansion at Billy Bishop airport.

**Hon. Brad Duguid:** Yes, you have raised it a couple of times in question period.

**Mr. Han Dong:** Point of order.

**The Chair (Ms. Cheri DiNovo):** Point of order, Mr. Dong.

**Mr. Han Dong:** Yes. I just wondered about the relevancy of that issue to the Ministry of—

**The Chair (Ms. Cheri DiNovo):** That's not really a point of order. This is to the economic development, so I'm going to go back to Mr. McNaughton.

**Mr. Monte McNaughton:** Sure. I'll let the question stand.

**Hon. Brad Duguid:** I think, first and foremost, the city of Toronto and the federal government are the decision-makers with regard to the expansion of the airport. They have to determine whether this is something that they would support or not support.

**Mr. Monte McNaughton:** What do you think, though? What's your personal opinion? Do you think there should be an expansion?

**Hon. Brad Duguid:** As a former councillor for the city of Toronto, I used to resent the government of the day at Queen's Park trying to tell us what to do on decisions that were our decisions.

So I can tell you that the airport has been an important part of Toronto's economy. I think that Porter Airlines has been a huge success story in spite of resistance from some. Its growth has been beneficial to Ontario's economy. I think all of us who have the opportunity from time to time to fly around the province appreciate the quality experience that Porter provides and the convenience that the island airport provides to Ontarians, and in particular to those who are engaged downtown, which often is our business community.

1550

So the airport is, in my view, an important economic asset for the city and the province. I'm not in a position

to weigh in on the issue of jets. I can tell you that with regard to noise, I've had the privilege of seeing the Bombardier jet fly at the Paris air show—one of the quietest aircrafts I've ever experienced. In fact, it's much more quiet than the Q-series plane, that's the prop plane that's there now. From my non-scientific analysis of watching it fly by, I think Bombardier's product is an excellent product and I hope it's successful.

I'm pleased that the Quebec government has seen—that Bombardier plan is very, very important to Quebec, and I'm glad that they've stepped up. I think my colleague Jacques Daoust was wise to do that. I encouraged the federal government to consider, as well, whether there are opportunities for them to provide support—

*Interjections.*

**The Chair (Ms. Cheri DiNovo):** Could you allow the minister to speak, please?

**Hon. Brad Duguid:** —for the C series in Quebec. That will be their decision, ultimately. I think it's an important manufacturing opportunity for Quebec and Ontario as well.

**Mr. Monte McNaughton:** The reason why I asked it—it's sort of leaning into my next question—it is about economic development, because we, I'm sure, all read the National Post story yesterday that Porter may be cancelling a \$2-billion order with Bombardier. The long-term plans of expansion at the airport would certainly benefit Bombardier at their Downsview plant as well.

I have obviously raised this because I think it's important for economic development in Toronto and Ontario, like you said, but I think it's important that this government, and you in particular as economic development minister, take a strong stand. A \$2-billion order is a lot of jobs. Maybe I could just ask for your comments on the potential loss to Bombardier of those 30 airplanes that Porter would be ordering.

**Hon. Brad Duguid:** I think it's important that Bombardier not—and they don't—put their entire business plan at risk based on whether the city of Toronto or the federal government decides to allow jets at the airport. That decision had not been made; the city of Toronto had not indicated what their preference was, and the federal government has not indicated what their preference was either.

**Mr. Monte McNaughton:** Well, the federal government has said no to the expansion.

**Hon. Brad Duguid:** It had not, though, at the time. I think there's no question that Porter would be a good customer for Bombardier, but Bombardier's aircraft is the best in class. I am absolutely confident that it will, when it hits the market, sell.

I've had the honour of being able to be in that aircraft—not in the air, but on the ground. It is top-quality, top-notch, world-class material. It is the best aircraft of its kind in the world. I think Bombardier has done a lot of restructuring. I believe they're going to be well placed to sell globally in a very high-risk and very competitive environment.

In answer to your question, I don't think it's appropriate for our government to superimpose our views,

either our personal views or our views as a government, overtop of decisions that are to be made by the city of Toronto and the government of Canada. I respect their right to make those decisions.

**Mr. Monte McNaughton:** The reports show that the expansion would deliver about \$250 million in economic value to Toronto annually—2,000 jobs—this \$2-billion order from Bombardier. It's in Ontario's best interests to have this expansion and I don't understand why you as minister or the government wouldn't lobby the federal government to approve this and change their mind, essentially, because it's in the best interests of Ontario.

**Hon. Brad Duguid:** I think it's incumbent on our government not to superimpose our views on the city, which is still considering what their position will be on this. As a former councillor, I know what that's like. I want to give them the room that they need to make their decision, and I think the federal government ought to have the room that they need to make theirs. They appear to have made some comments on this now, and it will be interesting to see what the city has to say.

Ultimately, I don't discourage you in any way from being vocal on this. People are entitled to do that, and if they believe strongly that something is going to be good for the economy, they ought to speak out. I have a responsibility to ensure that I'm not superimposing my views in a very sensitive debate both at city council and obviously something that—I don't know if it's still under discussion in Ottawa, but it may well be, depending on the city of Toronto's ultimate decision on it.

**Mr. Monte McNaughton:** Do you not think the right thing to do, though, would be to make a public statement to encourage the federal government to approve the expansion? It's in the best interests of jobs, investment and the economy as a whole.

**Hon. Brad Duguid:** You're at liberty to do that, as anyone else would be. I obviously would be at liberty to do that myself. Anything that's good for our economy is something that I'd be pleased to see happen, but at the same time, on these kinds of decisions, it's important, I think, to show respect for local council, in particular when they're in the middle of their discussions and debate on it. Out of respect for my former colleagues at Toronto city council, I want to give them the opportunity to have unfettered debate on this issue to determine what's in their best interests as a city. I know that there are some conflicting views on this.

I have a history, which you can look back on, of being a very ardent supporter of the airport. I supported the bridge, personally. It's nice to see the tunnel there. But in terms of saying anything further, publicly, in terms of the jet opportunities and the expansion—just out of respect for Toronto city council, at this point in time I don't think it's appropriate for me to express my views in public.

**Mr. Monte McNaughton:** Do you think the federal government has made the right decision?

**Hon. Brad Duguid:** Again, out of respect for the federal government, I think it's their decision. It's not ours. I want to give them the room to make that decision.

I'll be interested to see what the city of Toronto does and, based on that, determine if there's any further role for me to play vis-à-vis the federal government.

I think it's important to allow the city of Toronto to determine where they stand on this as well because ultimately as a province you want to, wherever you can, show respect for our municipalities. We've had situations in the past where provincial governments haven't done that. It's not always that one is right and one is wrong, but when one level of government imposes their view on another, it tends to lead to a pretty fractious and usually not very good result.

**Mr. Monte McNaughton:** So what do you say to the 2,000 people who may find work if Billy Bishop expands?

**Hon. Brad Duguid:** I think that Porter Airlines will continue to do a good job making its case. It's a private sector company, and I think they'll continue to do that. We're going to have to give the city of Toronto the opportunity to make its decision as a council as to what its ultimate choice would be.

1600

Surely I would think that you wouldn't expect in your community, if your community decided they didn't want a certain kind of infrastructure, that the province would just roll over them and impose that infrastructure on them. You want to, wherever you can, show respect for our municipal colleagues. They're duly elected levels of government, and ultimately, wherever you can—there may be exceptional circumstances—but wherever you can—

**Mr. Monte McNaughton:** The Green Energy Act would be one of those exceptional circumstances where you forced your plans on communities.

**Hon. Brad Duguid:** There are times when the public interest is served by moving forward. I've been involved in energy infrastructure that we put into communities that were not supportive originally, but the choice was to leave them at risk of not having power. Ultimately, strangely enough, once the infrastructure was in place, the community accepted it and got quiet and actually embraced it. Sometimes governments do have to make tough decisions like that.

In this case, it's different because this isn't the province building anything; you're just asking me to take a gratuitous position on something that I think you've pointed out would have some economic benefits to the province. I haven't seen the numbers you've brought forward; I don't quarrel with them. At the same time, it's not my position at this point in time to interfere with council's deliberations on what I do think is an important issue.

**Mr. Monte McNaughton:** And if the city of Toronto supports it, would you come out in support of it and urge the federal government to change its position?

**Hon. Brad Duguid:** I'm a member of cabinet in the government. The government will determine if it's appropriate for it to take a position on something like this. Whether I personally would express my views on this is something I'd have to give consideration to at the time.

**Mr. Monte McNaughton:** Okay. Just switching gears a bit, but talking about jobs in Ontario: Do you have any forecasts on where the unemployment rate is going—the number of people seeking work, and what the trend line is going to be moving forward?

**Hon. Brad Duguid:** Yes. Off the top of my head—I think I could probably get some numbers from some of the papers I have with me here—but I think it's easier for me just to tell you off the top of my head. Our unemployment rate now is below the Canadian average, which is good, and it will continue to be, we expect, for the foreseeable future. We're anticipating growth in Ontario that is among the top in the country. I think BC and Ontario are the two provinces that are likely to lead the country in growth.

Our unemployment rate has gone steadily down since the global recession—significantly down. It's still at a level where, even though it's now getting close to the lowest in the country—

**The Chair (Ms. Cheri DiNovo):** Mr. McNaughton, you have just about five minutes left.

**Hon. Brad Duguid:** It's still at a level where there are still too many Ontarians out of work. That's why we are very aggressively working hard to recruit investment to the province, to put in place the right environment to encourage investment and to maintain our lower corporate tax rates and our competitive advantages. It's why we're very deliberately pursuing innovation in this province to make Ontario a leader in innovation and why we continue to make those investments in post-secondary.

Overall, we're up over about 560,000 net new jobs since the global recession, and we continue to trend in that direction.

**Mr. Monte McNaughton:** Under this government for the first time in our history, real disposable income per capita fell below that of the national average. Do you have any concrete plans to help that situation, help people achieve more success and earn more income?

**Hon. Brad Duguid:** Yes. That's where our economic development strategy has gone and continues to go, and it has led to some good results. We are number one in North America for foreign direct investment now for two years in a row. We're outpacing New York; we're outpacing California—which is good.

I say often that in many ways I'm the economic development minister of two economies: Today's economy where we fared reasonably well, where we are leading the country in growth and attracting a good level of investment. We're ambitious people. We want to do better; we want to do more. But I'm also the economic development minister of what I call the economy of two minutes from now because it's not the next-generation economy anymore. It's not the future economy or tomorrow's economy. There is disruption happening throughout our economy in every sector—and not only every sector, everything we do in our lives is in one way going to be disrupted by technological innovation.

Our choice as a province, as a people, as an economy, as a society is to either lead that disruption through the

talent that we've developed over the last decade or so, which is substantial and world class or allow that disruption to run roughshod right over us. Our choice is clear. We need to lead, and this is something we're determined and committed to doing.

**Mr. Monte McNaughton:** How much time, Chair?

**The Chair (Ms. Cheri DiNovo):** Two minutes.

**Mr. Monte McNaughton:** I just want to talk to you a bit about manufacturing. We know we've lost something like 300,000 manufacturing jobs over the last 10 years. Has your government given up on traditional manufacturing in Ontario?

**Hon. Brad Duguid:** Not a chance.

**Mr. Monte McNaughton:** What plans do you have to try to get some of those 300,000 jobs back?

**Hon. Brad Duguid:** I think one of the things that if you talk to the Canadian Manufacturers and Exporters, they'll tell you that it's time to stop talking down our manufacturing sector. The fact is, our manufacturing sector has been growing steadily since the global recession.

Look, we'd love to see it get back to the level of employment that it was at before globalization took place and before the global recession took place. We're going to continue to see investment. We're going to continue to grow our manufacturing sector, but it is different. The type of manufacturing we're seeing grow in Ontario is a little bit different than the manufacturing we saw 15 or 20 years ago. So it's still in a state of transition, and we need to work together to get through that.

The fact is, we are becoming very competitive in advanced manufacturing. I'll use the auto sector as an example. Honda and Toyota are producing first-generation Honda Civics, which has never been done before outside of Japan, and first-generation Lexus, which indicates that they're the best-quality plants really in the world.

So advanced manufacturing is very much where our sweet spot in manufacturing has come from. It's where our growth is. We'll still continue to manufacture straight commodities where we can, but where we are very competitive is when we get into advanced manufacturing that requires innovation, whether it's robotics, whether it's connected vehicles in cars where we have the—

**The Chair (Ms. Cheri DiNovo):** I'm afraid, Mr. McNaughton, your time is up. Thank you, Minister. We move now to the third party, Mr. Natyshak.

**Mr. Taras Natyshak:** Thanks, Minister. In May 2014, the Premier made a written election promise to establish—that's not the question I want to ask you. Let's start over.

**Hon. Brad Duguid:** I'm still thinking of what I was doing in May, whatever that date was.

**Mr. Taras Natyshak:** Here it is. By the end of 2012, even further back—you're going to have to jog your memory—private sector organizations in Ontario with at least 20 employees had to file a first AODA accessibility report with the government under section 14 of the AODA. The question is, how many private sector



organizations have still not filed this report and what's the percentage of those that have been required to file but still haven't?

**Hon. Brad Duguid:** I can come up with those numbers—

**Mr. Taras Natyshak:** I think it's substantial. I know you're not going to be able to dig it up right now, but—

**Hon. Brad Duguid:** Well, no, but I have the information very close at hand.

We've seen a significant increase, though, in compliance with the business community.

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I would say that originally we got off to a painfully slow start when it came to compliance, and we talked about this a little bit. I think part of that was awareness. I would say, fairly, that we needed to do, and we continue to need to do, a more effective job communicating what the act is and what business's obligations are under the act. We've upped our game, in terms of doing that, but I think it's an area where we still have work to do.

We were conducting inspections, but we weren't doing it in as effective a way as we could have. We had a hotline for complaints. Often, the complaints on that hotline weren't related to AODA; they were other valid complaints, but complaints that weren't things that would be covered under the AODA. But even when they were, we didn't have an effective way to really report those complaints back to our compliance branch.

We've spent the last year and a half or so, I would say, taking a look at what we have and what we're doing to determine, are we getting the best results we can? I think you brought up earlier—you asked for some information on our media campaign; I believe it was you. That was designed to ensure that businesses were aware of how they comply.

Tomorrow night, I'll be at the Ontario Chamber of Commerce business awards, where one of my privileges will be to present the award for accessibility. We've had the Ontario Chamber of Commerce embrace accessibility as well, and reach out to their businesses. We're working in partnership with them on initiatives to try to raise awareness as well.

**Mr. Taras Natyshak:** So the specific data on this—I mean, it's a specific question. Do you have that, that you can refer to?

**Hon. Brad Duguid:** Let me just see if I can dig that up.

**Mr. Taras Natyshak:** Because it goes in concert with the amount of publicity or the amount of resources you have given to informing the public of their roles and responsibilities in terms of the AODA. Matching how much you're putting into advertising and publicity—the media—versus what the compliance rate is would give us a good idea of how successful you've been.

Again, in tandem with this question, is this data publicly available? Can people see how you're doing?

**Hon. Brad Duguid:** It may be on our website; I'd have to check with the ministry. I can tell you that in 2013, enforcement on organizations began. In 2014,

1,800 notices of proposed orders that informed non-compliant organizations of potential penalties were issued, and 332 director's orders that informed non-compliant organizations of financial penalties were issued.

I know there are some out there—not yourself, but some—who try to leave the impression that we're not doing any enforcement, and that's simply not the case. I think those who make that case would like to see us focus most of our resources and time and effort on enforcement. I've said before and I'll say again that enforcement is important. It's an important part of compliance, but it's only one element in the equation. There are many other elements in the equation that are just as important.

At this stage of implementation of the AODA, it's very important to get business buy-in to the business case: the investments they can make in their businesses, opening up their business to people with disabilities, making them more accessible for customer access and the like, opening up their websites—all of that.

**Mr. Taras Natyshak:** I get it. I absolutely understand the concept.

**Hon. Brad Duguid:** Well, you get it. I would say that we still have a way to go. I know that you get it, but I think we still have a way to go in terms of getting—

**Mr. Taras Natyshak:** I want to try to subtly help you along by applying the massive amount of pressure I have as a third party private member, okay?

**Hon. Brad Duguid:** You're very influential.

**Mr. Taras Natyshak:** Yes, I know. My wife tells me that I think I am.

Minister, the government is undoubtedly pretty good at getting the message out. I'll refer, specifically, to the advertising campaign that was initiated on the sexual assault campaign. Having had the privilege of sitting on the sexual assault and harassment special committee, we got to see some of the effects. Almost unanimously, groups that deal with and support survivors pointed to that campaign as really raising awareness. I can only imagine that a lot of money and a lot of thought went into the nuance of that campaign and the message. It was really good.

I think you could do the same thing here, given the emphasis. I know that you care and I know that you want to do that. I can envision a really focused campaign.

I guess what I want to know is how much you've put into that type of initiative so far, how much you're planning to put into that initiative, and can we measure it as to its impact? It's vitally important to bring in the compliance part and the awareness part. You're using the carrot and the stick, and I don't know whether you're using enough of both of them at this point.

I need you to put us at peace with what's happening there. I know you've got the plans in place. Are you being given enough resources and are you delivering enough resources?

**Hon. Brad Duguid:** In a world of unlimited budgets, I'd love to have, on Super Bowl Sunday, 20 commercials run on accessibility, but we don't have unlimited budgets. We're dedicating a substantial commitment to AODA

implementation and the initiatives that we're bringing forward around that. We don't have unlimited access to revenues or resources, so we have to be strategic with the resources we have. That's what we're trying to do.

I finally found the response to the original question that you asked. I was fishing around here for it. We launched that marketing campaign in 2014. The campaign was successful. By this fall, we were looking at doing some additional campaigning on this. We've partnered with a lot of organizations, as I said, to get the word out on the AODA. Our public awareness campaign, as I said, was launched in 2014. This campaign helped increase end-of-year reporting from 16% in 2012 to 40% in 2014.

We believe that it had an impact. I wouldn't say that it was just the campaign that did that. Businesses are getting more and more used to it, and there may have been, in some cases, media articles and things like that that made businesses aware. The work with the Ontario Chamber of Commerce probably helped. But we did see a marked improvement in compliance. It doubled from an unacceptable level of 16% to a better level of 40%, but there's still, admittedly, a long way to go.

**Mr. Taras Natyshak:** Those who have a long way to go are those in the private sector who have just not responded at all to any of the directives. What can they anticipate, going forward, from the ministry in terms of an accelerated or enhanced campaign to bring them online?

**Hon. Brad Duguid:** We look to bring forward a subsequent communications campaign to follow up on the success that we had on the first one. I don't have an indication of the timing of that, at this point in time. We're leading up to a new standard for employment in January, so there's work being done now, targeting businesses—in particular, larger businesses in the retail sector—to ensure that they're complying and ready to comply with the January standard. That's where the focus is now: on the retail sector, to comply with the January deadline.

They're trying to focus the compliance efforts in blitzes on certain sectors where they feel that they can have the biggest impact. Often, what I have asked them to do is the old adage, "Fish where the fish are," which is that you can, at this stage—we're still at early stages in trying to increase the compliance rates. The best way for us to do that is to focus mostly on the larger businesses who have more capability of making the adjustments they need to make, and frankly, less excuses; they should be making these adjustments.

1620

Often, when they're informed of this stuff—I could tell you that it can be challenging when you wonder why they're not informed, but we talked earlier about obligations that businesses have with government these days, and there's a lot for them to keep track of. This is one, however, I would suggest, that is not only in the public interest, it's in their interest, and so I'm confident that once that message resonates even further—with

David Onley as the special adviser on accessibility, that really is his message. When he's out speaking to the business community—and you may have seen him in the past—the room goes quiet. People listen. He's one of the most respected leaders in accessibility anywhere in the world, and he's really a big help in pushing us to do more, while at the same time getting out there and helping us communicate with the business community on how important this is.

**Mr. Taras Natyshak:** Some of the low-hanging fruit in this file would be in the public sector. Do you have any idea of what the compliance rate would be for public sector agencies in terms of reporting?

**Hon. Brad Duguid:** Yes, it's very good. In fact, I think it's full compliance, but I would have to check to confirm that.

**Mr. Taras Natyshak:** In the 90%?

**Hon. Brad Duguid:** Yes, it's very, very high. The public sector has embraced the AODA. My understanding is, the last I've seen a report on this—I don't know if I've seen a report, but last I've asked and gotten a response from the ministry on this was that the public sector has done well in implementing and complying. The challenge has been getting that same attention and compliance in the private sector.

Deputy, would you agree with that?

**Mr. Giles Gherson:** I would.

**Mr. Taras Natyshak:** The Accessibility Directorate of Ontario: What was the budget for 2014-15?

**Hon. Brad Duguid:** I would have to go to the deputy for that, and I can't guarantee you that he would have—well, he might have that. He might need a minute to dig that up.

**Mr. Taras Natyshak:** Sure, yes. Take your time.

How much time do we have, Chair?

**The Chair (Ms. Cheri DiNovo):** You've got about six minutes.

**Mr. Taras Natyshak:** So what was the amount budgeted and how much was spent in fiscal year 2014-15?

**Hon. Brad Duguid:** We can get help from the folks behind us as well, our budget folks. They'll have it for you.

**Mr. Taras Natyshak:** I have the privilege to ask you these questions, but what about the general public? How are they getting the answer to this type of question? Where are they finding that data? On your website? On the ministry website?

**Hon. Brad Duguid:** The numbers are available, and they're generally in the budgets, in the estimates. I think most members of the general public don't make a habit of going through all the budgets of government, but they're there if they want to.

I can tell you, though, something that's interesting about that: Open government is an initiative that we're really keen on. Our chair of Treasury Board is trying to look for ways to ensure that government data can be accessible to all who need it, and that's an area—it comes

into the Internet of everything, but it's something that we're very keen to be leaders in.

Deputy, do you have your number? I think I killed enough time for you.

**Mr. Giles Gherson:** The appropriation was just over \$15 million—\$15,071,800.

**Mr. Taras Natyshak:** And how much was spent?

**Mr. Giles Gherson:** I believe—we're just checking that, but I don't think we lapsed any funds from this division.

**Mr. Taras Natyshak:** Can you tell me how much was spent for enforcement?

**Mr. Giles Gherson:** I'm going to have to get you that number.

**Mr. Taras Natyshak:** While they're crunching the numbers over there—you referenced the toll-free number for the public to report AODA violations. What specific steps has the government taken to publicize the toll-free number, and how many calls has that number received in the last year?

**Hon. Brad Duguid:** I want to chat with you a little bit about that. I think we need to go beyond having a hotline number for people with disabilities that experience challenges or barriers. A good part of the calls we get are not things that would be considered infractions of the AODA, they're often things that could be human rights challenges or a variety of other things where businesses maybe, by law, don't need to comply but should. So I want to move beyond that. We want to have a hotline number that's there and will feed the information—which we didn't previously do—to our compliance folks, which is important, but it's not like we have an accessibility police force out there that, every time somebody calls, is going to be able to get into a car with a siren and get out to a site. We just don't have that level of resources to be able to do that. What it does do is it informs our compliance and our enforcement strategies as to where we're getting complaints.

**Mr. Taras Natyshak:** So I can understand and I respect the fact that you don't have an AODA police force out there and the capacity to do that. I know that some accessibility advocates have spoken to the government and advocated that other agents be given the ability to enforce the AODA. Have you looked at that type of mechanism, whether it be Ministry of Labour inspectors or health inspectors, even municipal—give the governance to the municipalities to be able to do it?

**Hon. Brad Duguid:** Yes. We've been open to that consideration, and my understanding is that we've had discussions with the Ministry of Labour, for instance, on those possibilities. Those discussions are ongoing.

**Mr. Taras Natyshak:** I know I'm focusing a lot on the enforcement side. I don't want to come down as the law on this, but imagine the frustration when you simply want to go out and get a bag of milk and you are met with that barrier, and you say, "You know what? I know there's a toll-free hotline somewhere, but I can't find it, and I know that these guys are supposed to have conformed to the standards and to allow me access to this enterprise."

A law is great. We have lots of them. We do them every day here, but without enforcement, of course, they are minimal in their impact. There has to be a balance there. I need you to reassure those with disabilities that you're doing all that you can to make sure that that balance is there.

**Hon. Brad Duguid:** Not only are we doing all that we can within the resources that we have, we need to go beyond that. This is where I talked a little bit this morning—and I may not have articulated it that well—about an initiative that we're also moving on that will provide people with disabilities that access a barrier with direct access to the public and the media to expose where there are barriers and to put businesses that are not complying or—whether they're complying or not—put businesses that are not doing what they should be doing—

**The Chair (Ms. Cheri DiNovo):** Mr. Natyshak, I'm afraid the time is up. We now move to the government side: Mr. Crack.

**Mr. Grant Crack:** Thank you, Minister, Deputy Minister and staff for being here this afternoon.

Just a follow-up in the line of questioning from my colleague MPP Kiwala, and I believe a couple of the members have talked about jobs in the province and what our government is doing. Minister, you've spoken about a number of programs that we've implemented as a government since assuming office in 2003. Also, when the recession hit in 2008 and 2009, there was an impact on our manufacturing sector. As we well know, manufacturing has been a major contributor to Ontario's economy over the years, but it seems to have been going through a period of transition, if I may say. I think, as you've mentioned on numerous occasions how we've come through the recession and the success that we've had with some of our programs. I also think as well that Ontario was fairly well-positioned prior to the recession that allowed us to be impacted perhaps not as severely as some of the other industrialized nations and subnational governments across Canada and around the world.

**1630**

You've spoken on a number of occasions about the creation of over 500,000 jobs since the recession. As I mentioned earlier, as I was speaking with regard to the transition in manufacturing, we have seen a resurgence in job creation and manufacturers having confidence in Ontario's economy, and perhaps our policies as well that you're a real champion of. I want to congratulate you on the work that you do and the knowledge you have on all the files. That's a huge ministry, so congratulations on all the work that you do. You represent us quite well as a province, not only just the government but as a province here and abroad.

So maybe if you wanted to continue with some of the other good-news stories that we've been doing, talk about our track record and feel free to add anything about our record.

**Hon. Brad Duguid:** I appreciate the compliments and your confidence, although I hope it's not just an indication that you want more EODF—

**Mr. Grant Crack:** No.

**Hon. Brad Duguid:**—Eastern Ontario Development Fund dollars to flow into your riding, because, God knows, I think we've done a fair bit out there. I know I've been out there a few times. You'd know the businesses better than I would, but one of my favourite beer companies, Beau's, is one of the ones that we've supported in the past through the Eastern Ontario Development Fund, and it's proven to be a really good investment. It's a company that's done well, creating jobs, and now as Ontario is opening up more opportunities for smaller craft brewers, the expectation for Beau's I would think is pretty positive. It's really developed a great niche there. What a unique business, with a couple of fantastic entrepreneurs, a father and son, if I'm not mistaken—

**Mr. Grant Crack:** Correct.

**Hon. Brad Duguid:**—as I recall. It's been a while since I've been out there. I've gone through the case of beer that I bought when I was out there some time ago now. But that's an example, to me, of what the Eastern Ontario Development Fund is really all about: helping a family business or a smaller business in a community that is a fantastic community but that doesn't have a huge diverse economic base, for the most part, that is striving to find ways to creatively create jobs. You get a company like Beau's out there, a fantastic company that I expect is probably growing, and hopefully will continue to.

I know you were instrumental a number of years ago in having a regulation passed here. When we talk about working closely with businesses, sometimes it's about working with businesses to get rid of regulations. Sometimes it's about working with businesses, as things evolve, and being agile and nimble enough to respond to their needs. I think it was when you were first elected here, if I'm not mistaken. You came here and said that there was something wrong with our regulations—that wasn't working for how Beau's packaged their goods. I'll certainly go back to you, if you want to explain that a little more, because it's an interesting story.

You complimented me, and I want to compliment you as well, because you were a local member who went to bat for them. It's not easy as a new local member to come to the big apparatus of government and say, "Can you change this regulation for this business?" Not only Beau's would have been impacted, but really Beau's was the only business that needed this regulation change at the time, and it gave it the flexibility it needed to market its products across the province, if I recall. So kudos to you as a local member for standing up for local businesses.

Maybe you can refresh my memory on—what was that regulation again? Do you remember?

**Mr. Grant Crack:** It was the regulation, Minister, that allowed Beau's to partner with Operation Come Home, which is a non-profit organization in Ottawa that would allow adults with life difficulties some employment that would allow the delivery of that particular product within

the city of Ottawa. So it was very well-received. We got a hero's welcome when we were there.

I thank the former Premier, the Honourable Dalton McGuinty, for recognizing that this was a challenge not just in my riding, but also right across the province. We've received a lot of positive feedback.

If I may say, Minister, as the rural representative—now we have MPP Kiwala in the far east—I've had the good fortune of going in to Stormont-Dundas-South Glengarry, Leeds-Grenville and other ridings that aren't held ridings and actually calling businesses across eastern Ontario and congratulating them on receiving the Eastern Ontario Development Fund. Every time that I called, they were very thankful and appreciative of this particular program. They are creating those jobs.

**Hon. Brad Duguid:** One of the interesting things about the regional economic development funds—when we first came forward with them, I wasn't sure whether they would have the economic impact they've had. Something like 31,000 jobs have been created through the regional economic development funds. We've invested about \$120 million, and that has leveraged \$1.3 billion since 2008. That's a significant amount of private sector development that these funds have been able to leverage. Even in Toronto, that's a big deal. But some of these communities are pretty small. One or two jobs matter. The nice thing about the regional economic development funds is that they actually reach out into these smaller towns and rural areas, and they're sensitive to the importance of being able to actually make a difference with, sometimes, a pretty modest investment.

I look at some of the Southwestern Ontario Development Fund projects: We've had projects in Guelph with Walinga Inc., Precision Resource Canada in Cambridge, Canada Tubeform in London, Ground Effects in Windsor, Ball Service Group in Kitchener, and Ontario Drive and Gear. I know that investments have been made in smaller communities; they're just the ones that I happen to have in front of me right now.

Then, I think of eastern Ontario and the investments we've seen in Kingston, in Cobourg, in Brockville and in other places through the years. In your community, in particular, you've seen a few of them. They're the kind of investments that really make a difference. It's small things, sometimes, that matter to a business—like that regulation you passed so that a government can respond really fast; like when we sit and do our round tables with a sector and we identify six issues that the sector may find challenging, and we say, "We're not just going to pay lip service to this. We're going to commit to respond vigorously within the next 60 or 90 days and fix these problems." Sometimes we're able to fix them in that short period of time. Sometimes we need to get started on a process to address them that might take a little bit longer. But they all, ultimately, get addressed. To me, that's what gives the business community confidence in a government.

For a lot of small and medium-sized businesses, in particular, it's challenging. To set up a restaurant in

Ontario today, when you look at municipal and provincial regulations, there are about 20 forms they have fill out—20 forms to set up a restaurant. I can guarantee you—and I haven't looked at the forms—that some of those forms, between the municipal forms and provincial forms, are probably the same damn information, but the business has to continue to fill them out.

We heard a story yesterday—I was with John Tory in the first meeting of our Toronto-Ontario burden reduction task force. We had heard a story from the CFIB about a restaurant owner who went through 10 banks to get funding and was refused each time, but still got their restaurant up and running. She never cried getting refused by the banks, but cried when they saw the amount of paperwork they had to do to get their restaurant going. Eventually, she got through it. That's the kind of thing where we can do better and we need to do better.

**1640**

In some ways, governments through the years have kind of worked in silos. We've worked in silos within our respective governments, department to department. We've really worked hard to try to break down those silos. We're going to do more, and you're going to see more announced very soon about how we can restructure ourselves internally here to tackle these issues within our government. But those silos also exist between governments. That's where I think there is a lot of incredible opportunity—easy opportunity—for governments if we find ways to better work together.

Sometimes, it's small. It's like cutting in half the number of forms—that's probably still too many—that a restaurant has to fill out to start. My understanding is that 30% of the information on those forms is the same information over and over again. Good God, with technology now, should we not have all that information that we already know somewhere in a computer, with a business identifier number, that we should be able to pull that up so that they don't have to fill out those forms—or they come already filled out, or they do it online? There's got to be easier ways for us to do this.

We may even be able to save our governments money by doing this—save taxpayers money—by reforming the way we do business in some of these areas. This isn't the stuff of headlines; this isn't the stuff that gets any of us re-elected. But this is stuff that really matters to small and medium-sized businesses.

We've committed ourselves. We passed legislation just recently. It's groundbreaking legislation—I think we're the first in the country to do it—that commits this government and subsequent governments to report annually on burden reduction. We're trying to find ways. This is something we're at the forefront of: measuring the time that our regulations take for business people to fill out and the amount of savings to businesses in terms of dollar savings. You've worked in a community that has all kinds of small businesses. You hear the complaints, I'm sure, in those areas.

We've made a lot of progress, so don't get me wrong. We've come a long way: 80,000 regulations reduced,

gone, in I believe six years. That's a pretty good track record. We've got the legislation we've passed that the CFIB has worked very closely with us on.

The Canadian Federation of Independent Business used to be seen as an organization that was just a critic of whoever was in office, federally or provincially—a fairly confrontational organization. They were there to represent small and medium-sized businesses. We're working really closely with them now. We're working much more constructively with them. Look, they're not going to agree with everything our government does, and that's fine and good—

**The Chair (Ms. Cheri DiNovo):** Minister, you have about five minutes.

**Hon. Brad Duguid:** —but they're working as partners with us. That's why they were at the table yesterday when we were sitting with the mayor and working on these issues. That's why we implemented—their number one ask to me, when I was economic development minister before and brought them into my office and said, “Look, let's work together. Let's achieve some things together rather than have this confrontational relationship where you criticize everything we do, but we never actually get on the same page.” We went out—I did a tour with them—to a number of different parts of the province, meeting with small business people. They then came to me and said, “This would be our number one ask. We would like to see some better analytics done and hold the government's feet to the fire to report on a regular basis on your burden reduction successes.” I think we were the first in the country to do it, certainly in legislation we were. I don't know if we were the first in the country to commit to reporting.

They were very pleased. In fact, we had the highest—they give us these annual report card marks. We ended up with a B+. If I came home with a B+ back when I was a student, I don't think my mother or father would have been all that impressed—not that a B+ is bad, but I think they would have expected better. But that, I think, was the highest mark in the country. They don't tend to award a lot of As. So working in partnership with them, we've now gained their confidence.

Optimism among small business owners is now on the rise, which is something that's always a good sign. When you look at small businesses, the Toronto, Waterloo and southern Ontario areas rank number 6 in the world. Waterloo, the small area that it is, has actually got more small businesses opening up than Singapore, which people would be surprised to know. That Waterloo-Toronto-Ottawa corridor is a hotbed for small businesses. And these are businesses that are growth businesses, which is really exciting.

There are 19,000 information and communication technology companies in the province of Ontario today. There is only one other jurisdiction that has more than that, and that's California with the Silicon Valley. They probably have a fair bit more than that because there's a huge amount of ICT businesses down there.

We're becoming a global force when it comes to information and communication technology, and these small businesses that we're seeing crop up right across the province are a driving force in helping to drive disruption in every sector of our economy. So when I see companies like League in MaRS now today that's a local company, or companies like Square in the news—a Canadian company. I'm not sure where they're from in Ontario, but an Ontario company, Square, doing an IPO where they're—I mean, that's a billion-dollar company, for all intents and purposes. I don't know what their final valuation was, but they're a huge success story.

When I see Shopify, an Ottawa success story—it came out of the Ottawa ecosystem. It continues to have a significant presence in Ottawa, a significant presence in Toronto. Just about a month ago they opened an office in Waterloo, where I think they're looking at hiring about a thousand people, if I'm not mistaken. I could be wrong on the number, but I think it is a significant number of people. They're global. It's a billion-dollar company. It's so exciting to see that coming out of Ontario.

At the same time, I look at that and I say, "We need to do more." We have got a lot of companies here that start, get going, and then to get the financing they need to get to scale, they may need to move to the Valley or go somewhere else. And that's, I think, our challenge for the years ahead: How do we get these small businesses to scale up into medium-sized businesses and then into global businesses?

We've got some success stories, OpenText, being one. Everybody uses BlackBerry is a story, and BlackBerry has spawned a number of others, like Desire2Learn, D2L, a company that continues to excel. It may be the best company of its type in its niche in the entire world today. I know that there were some articles about them in the last week, about how they've really excelled and gone global and are succeeding.

There are so many of those stories—

**The Chair (Ms. Cheri DiNovo):** Minister, your time is up.

**Hon. Brad Duguid:** —but I would argue we need more, and there are not enough.

**The Chair (Ms. Cheri DiNovo):** We now have approximately 22 minutes left. That means about seven minutes per party. We now go to Mr. McNaughton.

**Mr. Monte McNaughton:** Great. I just wanted to touch on a couple of things. You mentioned the restaurant which has to fill out 20 forms to open, I guess, is what you were referring to, something like that. What is the government's plan to reduce some of that paperwork that small businesses and businesses in general have to deal with?

**Hon. Brad Duguid:** Obviously, some of that information is necessary to get a restaurant licence. Some of it may involve—and I've never started a restaurant, but probably health issues and things like that. There are certain things restaurants have to do, and that may vary from municipality to municipality. The province would have our forms that you would have to fill out. I don't

know if the federal government has forms to fill out for restaurants. Municipalities would have certain types of forms—what we're looking at is to say, "Well, let's not work in isolation anymore." Maybe we can combine our forms. Maybe we can share the information in this day of technology, so that the business owner doesn't have to continually fill this stuff out, and reduce the burden on them and the time it takes for them to deal with their respective levels of government.

1650

**Mr. Monte McNaughton:** That's certainly a concern.

**Hon. Brad Duguid:** I know. I saw your eyes light up when we were talking about that. You're a small business guy, so that's—

**Mr. Monte McNaughton:** Well, as a small business owner, it is frustrating, obviously.

I wanted to ask you too—I remember, when I first questioned you at the beginning of this session, we talked about—I think it was Don Drummond, or maybe in one of your budgets, you talked about moving to a one-window approach. Can you update the committee on the progress in moving to a one-window approach?

**Hon. Brad Duguid:** Do you mean a one-window approach for filtering in changes for regulatory burden or investment?

**Mr. Monte McNaughton:** Yes. I thought that you were trying to, within the ministry—I'm not sure if it's condensing programs, so there's a one-window approach for businesses to go to. I think that's what—

**Hon. Brad Duguid:** There are really two or three different areas where that applies. One is those that want to invest in Ontario. Some countries—Mexico has done very well at this, and others have as well, where a prospective investor has one place, one office to call that helps them weave their way through all the other levels of government or procedures they need to do to make an investment—buy a piece of property, go through a planning process. So there's that concierge service, which we're working on now and we'd like to implement in Ontario. It's something that I'm very keen on seeing us do. I think it would be helpful.

There are some discussions that we've been having on how do we better bring in feedback from businesses on regulatory burden issues? Because if a business has a problem with one particular ministry, do they go to that ministry or do they go to the Minister of Economic Development to champion it for them? Are our mechanisms within government aligned in a way that there's one place they can go, and it will be a strong enough place to get them the action they need?

The way governments are currently structured today—not just our government, but I would suggest most—we often still have silos on those kinds of issues. We need to find a way to break down those issues. We'll have more to say on that in the coming months, but we've put some very serious work together on how we can break that down.

I think that's probably what you were thinking of.

**Mr. Monte McNaughton:** Yes, it certainly was sort of that concierge approach.

Has the government laid out a plan to reduce red tape even further? Have they set targets, moving forward, specifically?

**Hon. Brad Duguid:** Yes, we have. In fact, the figure I believe is \$100 million in savings by a particular date, which would be—if somebody could help me with that—

**Mr. Giles Gherson:** It's 2017.

**Hon. Brad Duguid:** —2017, I think the deputy believes it is. Part of that is our stakeholders like the CFIB—when we talk to them, they say that it's okay to talk the talk; we want to make sure that we're getting to specific goals as much as we can.

So, yes, we do have specific goals in terms of savings to businesses.

**Mr. Monte McNaughton:** Just to finish up, a question I wanted to ask earlier, and I'm not sure if a colleague of mine asked this before, talking about MaRS and the Johnson and Johnson contract between the government and Johnson and Johnson: Has that been made public?

**Hon. Brad Duguid:** These contracts are not made public. They are often commercially sensitive information that would impact the competitiveness of the organizations. So, in answer to your question, the full contract has not, and, I believe, could not be made public.

Deputy, I'll get you just to confirm that because sometimes the answer coming from a political representative is one thing, but I think it's important to hear from the deputy as well.

**Mr. Giles Gherson:** I think you're right, Minister. What we've announced is that we have a contract with JLABS for them to fit out one of the floors in the MaRS west tower. But the terms of that contract have not been made public for—

**Mr. Monte McNaughton:** But the dollar amount has been. Right? The \$19.4 million?

**Mr. Giles Gherson:** That is only the provincial contribution. That's not the full amount. As the Minister stated yesterday, and I think he stated at the time, the considerably greater investment is by JLABS itself.

**Hon. Brad Duguid:** Usually, on most of these contracts, the investment by the company is something that they make public at the time. In this case, Johnson and Johnson, or JLABS, indicated that, for competitive reasons, they weren't—and they may be opening these types of labs in other locations, and they have, so they probably don't want to disclose how much they're investing in each place.

**Mr. Monte McNaughton:** Can you disclose—and again, I may have missed it when my colleague asked, if they did—how many jobs they had to create? Were there any guarantees?

**Hon. Brad Duguid:** No. I can assure you that, ultimately, it will be thousands of jobs.

**The Chair (Ms. Cheri DiNovo):** The time is up, Mr. McNaughton.

We are going to move to the third party now. Mr. Natyshak, you have about seven minutes.

**Mr. Taras Natyshak:** Given the recent changes that the federal government has initiated in terms of the P3 procurement model as it relates to joint provincial-federal projects, eliminating the \$100-million threshold: Are you planning on reviewing your \$100-million threshold that the Auditor General recommended, and eliminating it completely in terms of having to go through a value-for-money on individual projects over \$100 million?

The rationale that the federal government has given is to expedite money rolling out to be able to get infrastructure projects online quicker. They've identified it as a burden to timely completion and timely commencement of infrastructure projects. They're sending you a signal at the provincial level that we can do this probably quicker and, as I've argued, as our party has argued and as the Auditor General has argued, probably cheaper as well. Does that give any weight to procurement on the provincial side?

**Hon. Brad Duguid:** No. Well, first off, that is not the signal that they're sending. We've had discussions with the federal government about this. What the federal government is saying—and through their actions actioning—is the fact that provinces ought to determine what form of procurement they plan to use. The previous Harper government put a philosophical lens to those investments and imposed a measure that would have made provinces have to do AFPs—

**Mr. Taras Natyshak:** Are you not doing the same thing, putting a philosophical bent on procurement by having a threshold?

**Hon. Brad Duguid:** No. We've set the threshold so that we have a standard to provide us with assistance in determining what projects should be funnelled one way and what projects should be funnelled another way. That—

**Mr. Taras Natyshak:** Okay. I've only got seven minutes, I've got to cut you off. I don't mean to be rude, Minister, but I've got four questions for you. You gave me an answer, I get it.

Do you know what the unemployment rate is in Windsor right now? Nobody tell him. You guys sit down.

**Hon. Brad Duguid:** I know the unemployment rate in Windsor is—I believe the last we checked—pretty to close to double what the unemployment is in Ontario, and I—

**Mr. Taras Natyshak:** It's 9.7%. It was 9.7%; it went up to 9.8%. It is unacceptably high and has been for—before your party became government. This is going on decades here. We've lost tens of thousands of manufacturing jobs.

**Hon. Brad Duguid:** Yes. In fairness, it has gone down substantially. It's gone down from 15.7% during the recession. It's now at 9%. That's not an acceptable rate, which is why we've worked so hard to roll out our regional economic development funds—a number of them have gone to Windsor—and why we continue to work with that jurisdiction to try to attract business.

**Mr. Taras Natyshak:** You mentioned globalization earlier in one of your responses as an indicator of the

challenges that growth and economic growth domestically specifically when it comes to manufacturing.

1700

Undoubtedly, we've seen manufacturing head to low-wage jurisdictions, whether they be the southern United States or Mexico. Now, with the proposed Trans-Pacific Partnership agreement, they will be going to jurisdictions like Vietnam, where hourly wages are roughly 50 cents an hour. Does that not give you pause to reconsider the province's position and to review the impacts of the TPP on manufacturing, as has been indicated by the Canadian manufacturers' association, which has presented some real concern around the impacts of the TPP on manufacturing?

**Hon. Brad Duguid:** When we're talking about a trading block that's going to be 40% of the world's trade, it's one where Ontario and Canada would need to have a pretty good reason not to want to be part of. It's not that the agreement is perfect—

**Mr. Taras Natyshak:** Oh, we can be part of it. Even state legislators are saying they want to review some of the aspects of this, given the final language on it and the impact that it has. This is Republicans and Democrats on the—

**Hon. Brad Duguid:** I think our federal government is wise to take a close look at it because we really have just gotten the wording of this agreement just recently—

**Mr. Taras Natyshak:** So will you take a closer look at it and—

**Hon. Brad Duguid:** We have been, and we'll continue to. Ultimately, the decision will rest with the federal government. I would say, as I've said all along, we have expressed some concerns with the impacts on the auto sector, although in the auto sector many companies have a different perspective. Many have contacted me and urged us to be fully supportive because they feel they can compete under the TPP initiative. Some small or medium-sized companies in the supply chain have expressed concern. So we've listened carefully. We're continuing to review the language to determine what the potential impacts would be, and potentially—

**Mr. Taras Natyshak:** We've seen impacts of multi-lateral trade agreements before—

**Hon. Brad Duguid:**—whether there would be a need for some federal assistance to help through the transition.

**Mr. Taras Natyshak:** The GATT free trade agreement, NAFTA—I mean, we've seen the decimation of our domestic manufacturing under trade agreements that really open the door to low-wage jurisdictions—

**Hon. Brad Duguid:** Surely, though, your party's not taking the position that when 40% of the world is signing on to a free trade agreement—

**Mr. Taras Natyshak:** Surely, if our party had been negotiating those trade agreements, they would have been fairer, rather than freer—

**Hon. Brad Duguid:**—you want to be outside of that free trade agreement. That would put our manufacturing sector—actually, that would have the potential of putting our manufacturing sector—

**Mr. Taras Natyshak:** Look, I live in the coal mine where the canary has died due to the effects of trade agreements. You've seen it. You've seen those plants shutter under trade agreements—

**Hon. Brad Duguid:** But you've also seen a comeback happening in Windsor as well.

**Mr. Taras Natyshak:** No, not to the extent—

**Hon. Brad Duguid:** We've seen 50 manufacturers in 2013-14—

**Mr. Taras Natyshak:** If you're arguing that Windsor has come back—

**Hon. Brad Duguid:** We've seen 1,200 businesses open in Windsor.

**Mr. Taras Natyshak:**—then you've got to come down a little more often and see—

**The Chair (Ms. Cheri DiNovo):** Thank you, Mr. Natyshak.

We now move to the government side. Mr. Dong.

**Mr. Han Dong:** First of all, for the record, I just want to thank you, Minister, for the good work you do at the ministry in promoting Ontario tirelessly around the world. Being the number one jurisdiction in terms of attracting direct foreign investment, it doesn't just happen by chance. So I want to thank you for that good work, and also for having to answer these tough questions not just in the House but in committee. I know it's a lot of pressure. It's a lot of work for you.

But I'm going to bring this back to the local level, which has to do with Pan Am. We've heard before that a big part of the reason that we went after Pan Am was to ensure a legacy in different various communities. How will the Pan Am athletes' village and the sporting venues be used now that the games are finished? I understand that in the past there were plans and there were talks about how this legacy will play a big part in our communities and provide a long-lasting legacy to support our young athletes in various communities.

**Hon. Brad Duguid:** I think I got tougher questions from my side than I have from the opposition through most of this estimates committee. We've had some good discussions.

One of the things that I think Ontarians were very proud of is the fact that we put on a Pan Am Games that was second to none. One of the things that makes me very pleased, as the minister responsible for accessibility, is the fact that we put on the most accessible games ever held, and that's important.

At the same time, it did demonstrate to us that there is still further work for us to do. During the games, something that I think will become an annual legacy piece for me, as Minister of Economic Development and minister responsible for accessibility, was something we put on called the Accessibility Innovation Showcase. It was done at MaRS; a phenomenal turnout. I expected there to be, maybe, about a half-dozen or so small businesses showing their innovations there over the course of time. There were dozens—dozens—of small businesses. I don't know how many altogether; probably 60 or so that were there, maybe more.



They were demonstrating technology that just knocked my socks off. I met a young lady who was part of a company. She was severely visually impaired. She had never seen her daughter. The technology, which has been invented here in Ontario, allowed her to see her daughter for the first time. Just awesome stuff.

I met a young man. He was a hockey player and, as soon as I saw him, I could tell—you can tell hockey players; they have this unique frame. But he was disabled. He'd been hurt playing hockey, I believe, and he didn't have movement in parts of his upper body. He was determined, though. He wants to get back on the ice. He was told he was never going to move his arms again—or at least one of his arms.

There is a device that they had for him that helps him with physio—Ms. Kiwala has seen it—that's helping him do things with his body that he wouldn't have been able to do in the past. It's speeding up his recovery to a point where he was saying to me that he is confident he's going to get back on the ice. His hockey career is probably over in terms of maybe achieving what he hoped to achieve, but the kid's probably going to play again one day. I saw a gentleman there who was doing similar—who had a severe injury or it may have been some form of a disease that was taking away his ability to move.

The list goes on and on. What we were talking about earlier, about disruption in small businesses and innovation—this is an area of great opportunity for us economically. It's all part of that bioscience cluster. The amazing thing is the impact it's going to have on people's lives, making people, who didn't have hope of being able to walk, walk, or see, see or hear, hear. It was awesome to see. That's a legacy piece in and of itself. The discovery of that huge cluster that's so exciting for us, to me, is something that we'll be able to run with.

I come from Scarborough, as you know. The Pan Am Games swim facility was there—TPASC they called it; I'm trying to think what the acronym stands for—an incredible piece of infrastructure, game-changing for that community, in partnership with the University of Toronto Scarborough campus. In fact, students voluntarily put forward a fee that they'll be paying for some time to contribute to the building of that infrastructure. The

University of Toronto, the city of Toronto, the federal government and the province all contributed to that.

I remember my days as a city councillor starting out in Scarborough, before Toronto amalgamated, when people would come to council, calling for us to have an Olympic pool. That was over 21 years ago and Scarborough had not been able to get that Olympic pool until that facility was built. It is now the best athletic facility anywhere in the country today. It is attracting athletes from across the country, which is great for the University of Toronto Scarborough campus because they're getting all kinds of elite athletes from across the country to come there to train. Our synchronized national swimming team swims there. All kinds of athletes are training out of there for aquatics.

Just as importantly—

**The Chair (Ms. Cheri DiNovo):** Your time is up, Minister.

The time for consideration of these estimates has expired. Standing order 66(b) requires that the Chair put, without further amendment or debate, every question necessary to dispose of the estimates. Are the members ready to vote?

Shall vote 901, ministry administration program, carry? Carried.

Shall vote 902, economic development, employment and infrastructure programs, carry? Carried.

Shall vote 903, research and innovation programs, carry? Carried.

Shall the 2015-16 estimates of the Ministry of Economic Development, Employment and Infrastructure/Ministry of Research and Innovation carry? Carried.

Shall I report the 2015-16 estimates of the Ministry of Economic Development, Employment and Infrastructure/Ministry of Research and Innovation to the House? Carried.

Just before we conclude today: You all received the minister's letter. Minister Zimmer is unable to attend tomorrow and has asked that Deputy Minister Deborah Richardson appear in his stead. Is that okay? Okay. Thank you.

We are adjourned until tomorrow at 3:45.

*The committee adjourned at 1711.*





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Mr. Taras Natyshak (Essex ND)

#### Also taking part / Autres participants et participantes

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Mr. Christopher Tyrell

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