

Legislative
Assembly
of Ontario



Assemblée
législative
de l'Ontario

**Official Report
of Debates
(Hansard)**

F-25

**Journal
des débats
(Hansard)**

F-25

**Standing Committee on
Finance and Economic Affairs**

Fair Workplaces,
Better Jobs Act, 2017

2nd Session
41st Parliament

Thursday 13 July 2017

**Comité permanent
des finances
et des affaires économiques**

Loi de 2017 pour l'équité
en milieu de travail
et de meilleurs emplois

2^e session
41^e législature

Jeudi 13 juillet 2017

Chair: Peter Z. Milczyn
Clerk: Eric Rennie

Président : Peter Z. Milczyn
Greffier : Eric Rennie

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7400.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7400.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



ISSN 1180-4386

Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

CONTENTS

Thursday 13 July 2017

Fair Workplaces, Better Jobs Act, 2017, Bill 148, Mr. Flynn / Loi de 2017 pour l'équité en milieu de travail et de meilleurs emplois, projet de loi 148, M. Flynn	F-839
Cove Country Inn.....	F-839
Mr. Terry Cowan	
Peterborough Public Health	F-842
Dr. Rosana Salvaterra	
Community Advocacy and Legal Centre	F-845
Ms. Gina Cockburn	
Poverty Roundtable Hastings Prince Edward	F-847
Ms. Christine Durant	
Ms. Elizabeth Bedore	
Kelsey's and Montana's Restaurants Kingston.....	F-851
Mr. Timothy Lloyd	
Unifor Local 414.....	F-854
Ms. Deb Henry	
UFCW Local 12R24	F-857
Mr. Craig McDowell	
Dr. Sarah Newbery.....	F-860
Kudrinko's Ltd.....	F-862
Mr. Neil Kudrinko	
Northumberland Community Legal Centre.....	F-866
Ms. Teresa Williams	
UFCW Canada Women's Advisory Committee	F-869
Ms. Debora De Angelis	
Peterborough and District Labour Council	F-873
Ms. Marion Burton	
Ontario Electrical League	F-876
Mr. Gary Oosterhof	
University of Ontario Institute of Technology Faculty Association	F-878
Mr. Mikael Eklund	
Northern Cables Inc.	F-881
Mr. Todd Stafford	
Fight for \$15 and Fairness Kingston.....	F-884
Mr. Jeremy Milloy	
Ms. Tara Kainer	F-887
Queen's University Faculty Association.....	F-890
Mr. Jordan Morelli	
Greater Kingston Chamber of Commerce.....	F-894
Mr. Martin Sherris	
Village of Westport.....	F-897
Ms. Robin Jones	

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

**COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES**

Thursday 13 July 2017

Jeudi 13 juillet 2017

The committee met at 0933 in the Four Points by Sheraton, Kingston.

**FAIR WORKPLACES, BETTER JOBS
ACT, 2017**

**LOI DE 2017 POUR L'ÉQUITÉ EN MILIEU
DE TRAVAIL ET DE MEILLEURS EMPLOIS**

Consideration of the following bill:

Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts / Projet de loi 148, Loi modifiant la Loi de 2000 sur les normes d'emploi et la Loi de 1995 sur les relations de travail et apportant des modifications connexes à d'autres lois.

The Vice-Chair (Ms. Ann Hoggarth): Good morning. We are meeting this morning for public hearings on Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts. Each witness will receive up to five minutes for their presentation, followed by up to 15 minutes of questioning from the committee.

Just a reminder that this meeting is an extension of the Legislature. The same decorum needs to be held here as in the Legislature. There is no clapping and no cheering.

Also, a reminder to the committee that at 11:50 we will be hearing from Sarah Newbery by teleconference. As you remember, in Thunder Bay, the technology did not work and we agreed to reschedule her. She will be at 11:50, by teleconference, today.

Are there any questions before we begin? All right.

COVE COUNTRY INN

The Vice-Chair (Ms. Ann Hoggarth): I'll call the first witness: Cove Country Inn. Good morning, sir.

Mr. Terry Cowan: Good morning.

The Vice-Chair (Ms. Ann Hoggarth): Could you please state your name for the official record, and you may begin your presentation.

Mr. Terry Cowan: My name is Terry Cowan, from the Cove Country Inn in Westport. I thank you for this forum.

Let me give you a general overview of the Cove Country Inn in Westport, Ontario. We are a full-service, family-owned inn with 15 rooms, lounge, dining room

and patio. We have a four-star rating on TripAdvisor and have become known as one of the major live music venues in eastern Ontario. We have been established for 30 years and, with the next generation of the family poised to continue, hope to be here for another 30 years.

We, as many others in the hospitality business, have encountered drastic reductions in income over the last 10 years. This is mainly caused by increased costs of goods, wages and energy, while being unable to increase prices due to such intense competition from the large number of other accommodation and foodservice businesses. I mention this only to highlight the extreme pressure that this proposed increase to the minimum wage will bring to bear on our already burdened bottom line. I know, in talking to others in our industry, that most are experiencing similar pressure.

To expect a small business to absorb a 32% increase in just over a year to a major portion of our budget is unrealistic and will undoubtedly result in many bankruptcies or closures. In our case, we are one of the largest employers in our small town of 700 people, with over 40 full- and part-time employees.

This is where I want you to listen: The proposed 32% increase to our wages in our budget is more than our net income has ever been in our 30 years of business and much, much more than our net income of the last five years. This leaves a long-standing, successful and popular business running in the red. This wreaks havoc with lending institutions and may make loan renewal very difficult.

We have always treated our staff fairly and we know they need to make a fair wage to be content. A fair wage in Toronto or Ottawa is very different from a fair wage in Westport, where housing and prices are considerably lower. Because of our small-town location, we cannot increase our prices to match those of major centres, where we might be more profitable.

The end result of this submission is to implore this government:

(1) To engage in a comprehensive analysis of the ramifications of this sudden large increase. Other increases to salaries, prices, rent etc. are controlled by government to prevent the drastic results that this 32% increase will surely bring to small businesses in Ontario.

(2) In our case, the need to graduate the wage increase over a longer period of time will determine our continued existence, and that is the truth. We beg the government to

rethink this sudden increase and adjust the timeline to allow us to gradually increase pricing in order to remain solvent.

(3) To establish a wage schedule that considers the location of the business and reflects the lower cost of living in rural Ontario.

(4) To provide for emergency funding in case businesses will be forced into insolvency by this proposed wage increase.

The concept that small business Ontario can simply absorb this huge budget increase is wrong. We have spent 30 years managing a tight ship with little frills, and any small net profits were returned to the business in the form of necessary improvements to stay current. As the saying goes, we remain asset rich but cash poor. I know this would describe most other small businesses. We do not have the ability to reduce staff to compensate, however. Ours is a people industry, and many staff are required to meet the expectations of our customers today.

We have weathered many storms, but the worst threat in 30 years to our beloved Cove's existence comes from a place meant to help us: our government. Please step back, rethink, and reconsider this minimum wage proposal.

I thank you for the opportunity to express my feelings.

0940

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. We begin this morning's questioning with the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Good morning, Mr. Cowan. Thank you for coming in today.

In your submission, you say you have 40 full-time and part-time staff.

Mr. Terry Cowan: We do.

Mr. Peter Z. Milczyn: Roughly, what's the salary range of those people?

Mr. Terry Cowan: They go, in the case of servers, from minimum wage to—with tips, do you mean, or without?

Mr. Peter Z. Milczyn: Just what you pay them as a wage.

Mr. Terry Cowan: Up to about \$45,000.

Mr. Peter Z. Milczyn: So those people would be around, I guess, \$20 an hour.

Mr. Terry Cowan: They usually work five six-hour shifts a week.

Mr. Peter Z. Milczyn: What percentage of your staff would receive tips as part of their normal work?

Mr. Terry Cowan: Ninety-nine per cent.

Mr. Peter Z. Milczyn: So a big portion of their income comes from tips, I imagine.

Mr. Terry Cowan: Absolutely.

Mr. Peter Z. Milczyn: That's a very interesting point. We've heard a lot in the hospitality sector about the balance between hourly wages and tips and what that means. That's something that I'm certainly thinking about very carefully as—

Mr. Terry Cowan: Can I say something? Young kids coming into our business, if the wage went up to \$15, would be making at least \$30 an hour. That's the reality.

Mr. Peter Z. Milczyn: Your customers, when they pay—how much of the business is done through credit cards and debit cards?

Mr. Terry Cowan: Ninety-five per cent.

Mr. Peter Z. Milczyn: So you could actually track the tips that people get and could report them if—

Mr. Terry Cowan: I don't have to; the kids tell me.

Mr. Peter Z. Milczyn: Putting the wage itself aside, the other aspects of Bill 148—the provisions around how work is scheduled, the leave time, all of those things—

Mr. Terry Cowan: I don't disagree with those. I think they're fair assessments. We practise that anyway. We would never bring somebody in at the spur of the moment unless they wanted to be brought in, and we would always give them at least three to four hours. In fact, we hardly ever send anybody home—even with all of this terrible weather we're having and surprises to our business this spring.

Mr. Peter Z. Milczyn: I've never been to your inn, but now I'm very intrigued. I'll try to come back with my family at some point.

Mr. Terry Cowan: Good. I'm going to need all the help I can get.

Mr. Peter Z. Milczyn: Thank you for coming.

Mr. Terry Cowan: Thank you for your questions.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the official opposition. MPP Clark.

Mr. Steve Clark: Thanks very much, Terry, for your presentation. What I'd like you to do is try to communicate to members of the committee the impact in a small community. Westport is the smallest municipality in Ontario—you said it in your presentation—with less than 700 people, and you're one of the businesses that operates on a year-round basis. You mentioned the fact that you're a major venue for live music.

I encourage members of the committee, if you're not travelling, to go to Westport on Friday night and—

Mr. John Yakabuski: Maybe they could book me some night.

Mr. Steve Clark: Maybe we could book you in there, for sure.

In a small community, the impact of having an increased minimum wage to the degree that's being proposed—you talked about the impact on your business. So I'd like you to try to focus on what you think it will cause for a community like Westport, which has many, many businesses that only operate on a seasonal basis.

Mr. Terry Cowan: I think people look at the numbers of people in the summer—we do 400-plus people a day—and they think, "My God, this guy is rolling in money." I have to have at least a quarter of a million dollars sitting in my bank by the end of the summer in order to make it through to the spring, because I lose about \$40,000 to \$50,000 a month—every month—because of my seasonality.

So it's not a cakewalk. We've been doing it for 30 years and, as I said, our nets have gone up and down, but basically they've always been under about \$80,000 a year. A 30% increase in my budget of the wages would sink me. I seriously mean that.

If that happened—very kindly, most people tell me that the Cove is the hub of the area that we live in. It would be a pretty big impact on our town and the area as well.

Mr. Steve Clark: I agree with you 100%.

Mr. Terry Cowan: I'm not trying to brag, but that would be what would happen.

Mr. Steve Clark: I think you should brag. I think you've got an excellent business.

Mr. Terry Cowan: Well, we defied the odds. We started with no money. I came here broke from Calgary—and we're there. We're still here.

Mr. Steve Clark: What do you think, in a tourist area like Westport, the impact would be on the business community? You're a member of the local chamber of commerce.

Mr. Terry Cowan: I think there wouldn't be much to see when you got there, because I think it's going to affect a lot of our small gift shops that rely on staff to meet their public. We have a grocery store which you're going to hear from later apparently. It's wonderful.

It would be devastating. I'm not kidding you. It would be devastating.

Mr. Steve Clark: Chair, through you: Terry, can you just outline to members of the committee the splits that you have between full-time and part-time employees or seasonal employees?

Mr. Terry Cowan: We have 14 full-time employees. Almost all of our kitchen staff is full-time. We have a manager—my son—and two other managers. Then we have a couple of full-time servers. The rest are—it's probably about one-third full-time, two-thirds part-time.

Mr. Steve Clark: And again—

Mr. Terry Cowan: Is that what you asked?

Mr. Steve Clark: Yes, absolutely.

Again, I just want to make sure I've got this right. At the end of your presentation, you talked about that, in your 30 years, this is the biggest threat that you see to your business.

Mr. Terry Cowan: I did. It is, without a doubt. I've never been hit with something this drastic this quickly.

Can I also mention that just because we have full-time people does not mean that the minimum wage will not affect us? I've had a hard time convincing some of my friends who have businesses. I said, "Are you not concerned about this?" They say, "Well, it doesn't bother us because we don't pay minimum wage." Well, I hardly pay minimum wage either, but if what you're paying is \$16 or \$17 an hour and the minimum wage goes to \$15, then all of those people who are making \$16 or \$17 an hour are not going to be very happy—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. Your time is up.

Mr. Terry Cowan: Oh, really? I spoke for 15 minutes?

The Vice-Chair (Ms. Ann Hoggarth): We move now to the third party. MPP Forster.

Ms. Cindy Forster: You've got five more.

The Vice-Chair (Ms. Ann Hoggarth): No, don't leave. It moves.

Mr. Steve Clark: It might be that just my time is up.

The Vice-Chair (Ms. Ann Hoggarth): Yes.

Mr. Terry Cowan: Oh, sorry there.

Ms. Cindy Forster: We have five more minutes, Terry.

You talked a little bit about energy costs.

Mr. Terry Cowan: Yes.

Ms. Cindy Forster: The Liberal government, of course, chose to sell off 60% of hydro this past year. How have hydro costs affected your business over the last two or three years?

Mr. Terry Cowan: Well, they've definitely increased measurably in the last two or three years. Yes, I would say that it has gone up, in my case, about at least 20%, 25%—20%, I would think.

Ms. Cindy Forster: In terms of dollars, what is that like?

Mr. Terry Cowan: My hydro bill a month is between \$5,000 and \$6,000 usually.

Ms. Cindy Forster: So that's a lot of money.

Mr. Terry Cowan: Everything's a lot of money.

Ms. Cindy Forster: A lot of money.

Mr. Terry Cowan: My gross has gone up—doubled—in the last 10 years, and my net is halved. That's the honest-to-God truth. I can't believe it, but it's happening, and it's because of wage increases, which we have done voluntarily. I think if you come and visit our place, you'll find happy people. I mean, they're not going to be unhappy if I pay them more, but they are not asking for more.

0950

Ms. Cindy Forster: You also talked about access to emergency funding in the event that these increases are passed in legislation, to prevent insolvency of businesses. Are there other things that a government could do to assist business owners who find themselves in the same situation?

Mr. Terry Cowan: Well, I think the biggest thing we can do is to consider a longer term of induction of this thing. I mean, it's just unrealistic. You wouldn't do it to anything else. You don't allow it for anything else. You don't allow it for rent. You don't allow it for any other aspects, and yet you expect a bunch of little guys with marginal nets to come up with it. I'm talking hundreds of thousands of dollars here, boys. That's what it's going to cost me.

Ms. Cindy Forster: And you just don't have the ability to do that?

Mr. Terry Cowan: How could I? No. I mean, we haven't stockpiled a great amount of cash. We've put it all back into our assets so that we can have a place that people want to come to.

Ms. Cindy Forster: So it isn't like you have a big, fat bank account that you can actually now draw on to move through this process.

Mr. Terry Cowan: Oho.

Ms. Cindy Forster: Oho.

Mr. Terry Cowan: No, I don't. Sorry.

Ms. Cindy Forster: You also talked about geographical wage differences.

Mr. Terry Cowan: Yes. I think that's maybe a concept that nobody has thought about. It probably would be tricky to manoeuvre, but the reality is that, sure, I bet you somebody working in a shop for \$11.80 an hour in Toronto would be hurting, a lot more so than they would be in Westport, because you can rent a house in Westport for \$500 to \$600. I think there maybe should be some measure taken to this, because it is a huge difference to live in rural Ontario as opposed to downtown Toronto, Ottawa or wherever. I don't know if anybody has thought of that or not, but—

Ms. Cindy Forster: What's your—

Mr. Terry Cowan: —they probably have. Sorry. I shouldn't be talking to you while—

Ms. Cindy Forster: You're talking to all of us. That's fine.

Your turnover of staff, then, I take it, is low.

Mr. Terry Cowan: Yes. We're very lucky. We have people who have been with us all 30 years, actually.

Ms. Cindy Forster: That's great.

Mr. Terry Cowan: Yes. We're very lucky.

Ms. Cindy Forster: Well, you might have a couple of minutes, if you want to add anything.

Mr. Terry Cowan: I think the big thing is that I really would appreciate some human element and some common sense. Look, if you go and canvass all these small businesses in Ontario, I really do feel that you will find that very few of us are living the high life. I manage to do things, to have fun, but I do them very, very economically. I know in our town and in our area, everybody is in the same boat.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. If you have any further written submissions, they need to be to the Clerk by Friday, July 21 at 5:30 p.m.

Mr. Terry Cowan: Okay. Thank you very much for this opportunity.

PETERBOROUGH PUBLIC HEALTH

The Vice-Chair (Ms. Ann Hoggarth): I call on the next presenter: Peterborough Public Health. If you could state your name for the official record, please, and then begin your five-minute presentation.

Dr. Rosana Salvaterra: Thank you. My name is Dr. Rosana Salvaterra, and I am the medical officer of health in Peterborough. Not everyone is familiar with what a medical officer of health is—it's lovely to see one of our MPPs here this morning.

I am a public health and preventive medicine specialist employed by my local board of health, to serve an area that includes eight townships, the city of Peterborough and two First Nations—Curve Lake and Hiawatha. Prior to practising public health, I was a family doctor working in both Toronto and Hamilton.

I would like to congratulate the provincial government on the introduction of this bill. We are especially pleased to see proposed language that addresses the need to create more security and stability for workers, both financially and in their employment and working conditions. A large body of research indicates that employment se-

curity and working conditions are powerful determinants of health. Employees who are already most vulnerable to poor health outcomes due to lower income and education are also most likely to experience adverse working conditions.

The proposed changes that are related to pay equity for all workers who are doing the same work; the personal emergency leave days for all employees, which includes two paid days; vacation days for long-term employees; tighter regulations around scheduling; and better protection for temporary help agency workers will all go a long way towards providing a better job experience for workers and, by extension, improve their health outcomes.

In terms of income security, we also welcome the proposed increases to minimum wage. Public health research shows very clearly that raising income is the best way to improve people's health. We anticipate a positive impact on both physical and mental health as a result of the increase to minimum wage, and a particularly large impact on improving outcomes for children.

We know that income is closely related to food insecurity, which affects about 12% of Ontarians, and that health care costs rise dramatically for food-insecure households. In Peterborough, we estimate that 16.5% of our households suffer from food insecurity.

In my written submission, which I hope all of you will have, I actually provide you with some data about precarious work and the impact of minimum wage increases in Peterborough.

In addition, it is our belief that more money in the pockets of low-income workers will also mean people will have increased access to goods and services related to health, such as the ability to pay for dental and vision care, as well as mental health supports. These are health benefits that are now inaccessible to many.

While the proposed changes are certainly welcome, there are three additional recommendations arising from the Changing Workplaces Review that we would request the government consider including in the final version of Bill 148.

First, the final report recommended that “the government initiate an urgent study as to how, at least a minimum standard of insured health benefits can be provided across workplaces, especially to those full-time and part-time employees without coverage, the self-employed and including small employers.” Peterborough Public Health supports this recommendation in its entirety. The provision of a minimum floor of insured health benefits for all would certainly improve the health and well-being of our community.

Secondly, we support the recommendation from the review that “in the context of workplace safety for assignment employees, all aspects of the risk and liability, including the responsibility for injuries suffered in the workplace, should be with the client employer, and not the agency.” Temporary workers are often called in during high-demand times and may be unfamiliar with equipment, processes, staff and specific conditions of the workplace. Their supervisor from the temporary help

agency is not on-site to ensure that proper health and safety practices are being followed. Only the client employer knows and can enforce the best practice within their workplace—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Your time is up.

The first round of questioning will be from the PCs. MPP McDonell.

Mr. Jim McDonell: Thank you for coming out today.
1000

Back in the Eastern Ontario Health Unit—I sat on the board for about five years, and was the chair one year during negotiations with the nurses and CUPE. One of the issues we had is, we have the lowest paid wages in Ontario. Our wages, of course, are funded by the provincial government. We were unable to increase those to what we thought was in the neighbouring municipalities because we lost nurses to Ottawa and local areas. Do you see, with these increases, that the provincial government is going to increase your share to pay for those wages or is this just something that we continued, in our case, just to drop programs as we tried to balance the budget?

Dr. Rosana Salvaterra: I've negotiated collective agreements. We have three bargaining units at Peterborough Public Health.

I think one of the benefits that our workers enjoy, which needs to be extended to others, is job security and benefits. I think Bill 148 does a good job at trying to ensure that more workers in Ontario don't suffer the uncertainty and the instability of precarious work.

In the letter—and I'm not sure if you've got it, our written deputation—we've recently done a survey in Peterborough and actually 60% of our residents do not have the benefits that our workers enjoy. And so I think there really are two levels out there: There are the people who are organized, like my workers, who know they have job security and who get vacation, and then there are the others. I do think that Bill 148 will address those others out there.

Mr. Jim McDonell: Just a point, though: If we had a 15% increase in wages, we would still be the lowest paid health unit in Ontario. We could not get the funding to bring us up to the second lowest, so I'm just concerned about the funding that would allow it.

I turn back to our colleague.

The Vice-Chair (Ms. Ann Hoggarth): MPP Scott?

Ms. Laurie Scott: Did you want to finish addressing that?

Dr. Rosana Salvaterra: I was just saying that I agree that public health funding should be addressed.

Ms. Laurie Scott: I think I've heard you say that before.

Dr. Rosana Salvaterra: So I support what you're saying, yes.

Ms. Laurie Scott: Okay. Thank you, Dr. Salvaterra—and for all the good work that you do in Peterborough city and in the county.

What would you say has been the number one driving issue that has put the cost of living up? Certainly, in my tenure as MPP, I have seen poverty increase exponen-

tially in my area, which does include part of Peterborough county.

Dr. Rosana Salvaterra: We actually had a case study done looking at Peterborough, because we are so activated at the local level. We have a poverty reduction network. I chair the food security network.

Despite our best efforts to decrease food insecurity, we have failed. I think the reason why we have failed is because people's incomes have not increased. We know we have a large proportion of our population that is earning minimum wage, and minimum wage just does not pay the bills. We do a comparison—and you've seen our nutritious food basket where we actually calculate the cost of food. When we look at what people would be able to afford as far as healthy food, if they're earning minimum wage they can't afford to put that food on their tables.

Ms. Laurie Scott: I've talked a lot about how the cost of hydro that has gone up 400% since 2003 has been the tipping point into poverty. It doesn't matter what group I speak to—whether it's food security, whether it's health units, whether it's rural transportation. Do you agree with that statement? You've got to be hearing that too.

Dr. Rosana Salvaterra: I do think energy costs are really hurting many people, but again, if you look at our nutritious food basket, just being able to pay the rent—so housing costs—and food, people can't even afford that if they're earning minimum wage.

Ms. Laurie Scott: I agree, but it's because it's coming out of the other pocket to pay the hydro bill. It's the balance between the heat and the eat.

Dr. Rosana Salvaterra: Our data shows that they're not even getting to the utilities; they can't afford food and housing.

Ms. Laurie Scott: Right. There's no question that more income in the pockets of people is what we strive for—because the hydro issue has dominated, certainly, in my area; that is what has been the reason. Unfortunately, it will increase again. We're constantly playing this catch-up game where money is going to pay the hydro, if they can get it, or they go to other resources, which affects the health unit and other social providers.

Dr. Rosana Salvaterra: In fact, in Peterborough, we have calculated that the cost of a living wage is actually about \$17.56 an hour.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party, please. MPP Forster.

Ms. Cindy Forster: I, as well, like Jim McDonell, sat on my local public health board, in Niagara. I also sat on the ALPHA board for the province at one point in time, in my former life. So I have some understanding of the challenges of public health.

It was, most recently, that public health received less than 1% of the total health care budget in this province. Is that still the case?

Dr. Rosana Salvaterra: When you look at it federally, we get about 4% of the health care costs. I'm not quite sure what it is provincially. It's small.

Ms. Cindy Forster: It is not very much, considering all of the programs—

Dr. Rosana Salvaterra: And yet prevention is so important.

Ms. Cindy Forster: It's very important.

You talked about doing a study to make sure that there was a minimum standard of health benefits for everyone across the province. Recently, Andrea Horwath, our leader, announced that she would, if elected in 2018, bring in a universal pharmacare program which would cover people from zero to end of life, with 125 drugs that would look after 75% of most illnesses. What impact would that have with respect to the 60% who don't have any benefits at all?

Dr. Rosana Salvaterra: There's no doubt in my mind that universal pharmacare would go a long way to improving health outcomes. We've gone beyond the days where treatments were offered only in hospital. We have many people on long-term medical treatments for their conditions, which improve their lives and extend their lifetime. So I think the evidence is very strong that a universal pharmacare system would benefit not only workers but everyone—even those who are not working, children and others. I think it's long overdue across this country.

Ms. Cindy Forster: Certainly, we heard from people who aren't taking their medications because they can't afford them, or they're taking them every second day, or they're splitting their pills in half. They're not getting maximum outcomes when they're doing those kinds of things.

You had a third recommendation that you never got to. If you'd like to use the time to share that with us—

Dr. Rosana Salvaterra: Thank you. I appreciate that.

Our third recommendation was that—the review recommended the creation of an Ontario workplace forum that would convene key employment stakeholders to discuss emerging issues and to strategize responses, and that providing an opportunity for ongoing, respectful and collaborative dialogue would improve a system that is so essential to our health and well-being. We were hoping, if such a forum were to be formed, that there would be representatives from public health, because we have the population's health as our mandate.

Ms. Cindy Forster: How would you see that working? It would be like a provincial body—

Dr. Rosana Salvaterra: Yes.

Ms. Cindy Forster: —and it would be all sectors of health care, as well as—

Dr. Rosana Salvaterra: Well, I'm not sure as far as whether health care—definitely public health needs to be there, given that income and employment are such powerful determinants of health and well-being—but just that provision of something that's ongoing, where you could have respectful dialogue, so that we don't just have to wait for legislation to get out of date again. I think the dynamics of the workplace are so—right now, there's so much momentum and change that we need something that's there in an ongoing way, not just a look every 10 to 15 years to catch up.

Ms. Cindy Forster: And you are supportive of the paid emergency leave days.

Dr. Rosana Salvaterra: Yes, we are. In fact, in our submission, we actually recommended seven paid days. That's because we know we often keep workers out of work. If you're a food handler and you've got E. coli, you can't work, and we police you not to work. But if that person is not being paid, it's quite a hardship. There are very few illnesses that resolve in two days. Influenza—typically, you're out for five, if not more. So the two days is an improvement, but it may not be enough.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. We'll move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Good morning, Dr. Salvaterra. Thank you for coming in, and thank you for the work you do in public health in your city and region.

1010

I just wanted to touch on a couple of aspects of what you said. I'm very happy that you raised the social determinants of health. I was wondering, what would you see as the outcomes, in terms of health outcomes, from the changes that are being proposed here?

Dr. Rosana Salvaterra: There's no doubt in my mind that poverty is the biggest problem that's facing us, and we still have about 30% of our labour market that is earning less than \$15 an hour. Being able to lift those working poor out of poverty is going to have a big impact on their mental and physical health. With the exception of one or two, most illnesses and conditions display what we call a social gradient. The poorer you are, the more you suffer. We know poor people in Ontario live shorter lives.

By addressing that income inequity, you're going to lift those people out of poverty. I think the biggest impact, as I said, will be on their children, because we know those early years are such powerful determinants for the rest of one's life. Getting children out of poverty is really important. That in itself is one of the reasons why the World Health Organization and public health support increasing minimum wage as a very powerful strategy.

Mr. Peter Z. Milczyn: Do you suspect that our publicly funded health system is going to benefit by reduced demand on it from this—

Dr. Rosana Salvaterra: There's no doubt we pay the price of poverty. We certainly see how homelessness—I mean, when a person is homeless, their use of the health care system increases phenomenally, and its misuse, which is why one of our strategies in Peterborough is to try to house people, or house them first, and then all their health care costs drop.

Similarly, with low-income wage earners, I think by increasing their income and by levelling the inequity in society—there's really good data to show that the more unequal society is, everybody suffers: the rich as well. By levelling people up, everyone benefits. We will see money being saved within the health care system because you're going to be preventing poor health. That is one of the greatest benefits. We now spend a lot of money in health care, and that's the very expensive band-aid. It's much better to prevent that in the first place by creating a

more fair and just society where people can enjoy a better quality of life.

Mr. Peter Z. Milczyn: Some of the elements that are in Bill 148, coupled with other government initiatives, like the paid leave and even the protection of their jobs with some additional unpaid leave days, also coupled with universal pharmacare for those 25 and under—would those have significant impacts?

Dr. Rosana Salvaterra: They're all definitely improvements to what we have now. There have been studies of precariously employed workers and health, and we know that just the insecurity and the instability of a job will actually knock you down a level of income, so that you then experience the poor health outcomes of an income level below you when you add the uncertainty and the instability to that. So we need to address both. We need to address income, but we also need to address job security. I think the changes to Bill 148 do take us down that road.

Mr. Peter Z. Milczyn: And so the reduction of other stressors on people's lives—certainly, for students, free tuition; for all Ontarians, a 25% average reduction in their hydro rates—I imagine is also going to contribute to better outcomes for them.

Dr. Rosana Salvaterra: Yes, I believe they do. But I just want to also emphasize the primacy of income. The first thing you want to do is ensure that people can earn a decent living. The rest of those are good too, but you want to lift people out of poverty. As I was saying earlier, when we calculate what a living wage is in Peterborough, it's \$17.56.

Mr. Peter Z. Milczyn: Just quickly, my final question: For those who say we should wait up to five years to get to \$15, what do you think would be the health impacts of that?

Dr. Rosana Salvaterra: No, I don't really think there's reason to wait. I think we pay every day. We know that other jurisdictions are already increasing their minimum wages to \$15. The last thing I want to do is see people leave Ontario.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Doctor. Your time is up.

Dr. Rosana Salvaterra: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): If you have anything further to distribute, it needs to be to the Clerk by 5:30 on Friday, July 21.

Dr. Rosana Salvaterra: May I just ask the Vice-Chair, did my letter get distributed?

The Vice-Chair (Ms. Ann Hoggarth): Yes.

Dr. Rosana Salvaterra: Great. Thank you very much.

COMMUNITY ADVOCACY AND LEGAL CENTRE

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call the Community Advocacy and Legal Centre for their presentation.

If you would please state your name for the official record and begin your presentation.

Ms. Gina Cockburn: Good morning. My name is Gina Cockburn and I'm a co-director of legal services at the Community Advocacy and Legal Centre. Our legal clinic is one of more than 75 legal clinics in the province of Ontario indirectly funded by Legal Aid Ontario.

The mandate of legal clinics generally is to provide poverty law services to people in our local communities. To give you a quick snapshot of the kinds of folks that we deal with on a daily basis—I would call them the most precariously employed of the precariously employed. Folks, to qualify for services at our clinic these days, must earn less than \$20,000 as a single person. That's a significant increase in the last few years. Historically, within the last three years, if you were employed full-time at a minimum wage job, you were over our income criteria. Now we can provide service to most of the folks who earn minimum wage, which is a huge improvement in the service that we're able to provide.

Our clinic in particular takes care of folks in Hastings, Prince Edward and part of Lennox and Addington county. These are primarily rural communities. There are two main centres in Quinte West and Belleville, but otherwise half of our population, more or less, lives in rural communities, which is a challenge all by itself.

Our geographic area is characterized, generally, by lower-than-average employment rates, lower-than-average high school graduation rates and a higher-than-average aging population. We have very high rates of poverty; we have very high rates of rural poverty.

Generally speaking, we support the submission that was made to the steering committee by the Workers' Action Centre and Parkdale Community Legal Services. I believe that that has been distributed to people. I'm just going to touch on a few things that touch our clients in particular.

The changes that most affect our clients are things such as the increase to the minimum wage. It goes without saying that my clients live in poverty. They are often working minimum wage jobs, frequently working minimum wage jobs, almost always working minimum wage jobs, and are often supported by some kind of social safety net, so Ontario Works or Ontario disability, for example. An increase to their earning capacity has a direct effect on their ability to participate in the community and also, in effect, could reduce their reliance on other community services—not only social services, but also things like food service programs, like the temporary fix of food banks that has been going on for the last 30 years or more.

An increase to minimum wage wouldn't eliminate the need to rely on these kinds of charity models, but would certainly help to improve a person's ability to purchase service in the community. I think it's realistic to say that anybody who is earning minimum wage will spend their money in their own community. They have no capacity to spend money outside of their community. When you live somewhere, you stay there. You shop there. You purchase all of your necessities. It recycles that money into the local economy.

Decent hours, especially changes to scheduling, is a really big deal for precariously employed people. To give you a couple of examples that have recently crossed my desk: a worker at a local coffee shop who has taken time off over the course of her employment for illness—personal illness and a sick child; it happens to everybody—and each and every time provided medical verification of this. And that's not a small thing. Medical verification to show that you have the flu—first of all, it's a ridiculous requirement by an employer, because it just spreads the illness to the doctor's office. Secondly, in a rural community, it's not easy to come by. It requires travel, and expense to travel. Not only do you miss a day from work, but you also incur the cost of transportation.

1020

Despite this, because there's no protection for her to take time off sick, she loses her job for attendance reasons.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Your time is up for your presentation.

Ms. Gina Cockburn: Oh, my goodness.

The Vice-Chair (Ms. Ann Hoggarth): But we will move to the third party. MPP Forster will begin the questioning.

Ms. Cindy Forster: Good morning, Gina. Happy to have you here. Go ahead and finish your presentation.

Ms. Gina Cockburn: I'll just touch on one other thing very quickly.

Adequate notice of work schedules is a really big deal for people. An example, again, is a person who has a disabled child and needs to arrange for respite care. You cannot do that when you get a schedule two or three days in advance. The amendments should improve to not only require employers to schedule, but also to make those flexibility issues that are included in the amendment.

I just want people to remember the challenges of rural communities as well: transportation, getting to work and all of those things. As well, losing a job in a rural community, for a variety of reasons, is a very difficult and tragic thing, because it's not easily replaced in a rural community, so protections like legitimate unpaid leaves that an employer has to sanction are really important.

Also, enforcement provisions: We can get orders for people, but they often languish in enforcement. The government has the skill and the ability to ensure that employers follow through on the orders if they are made under the Employment Standards Act.

Thank you for that opportunity.

Ms. Cindy Forster: You're welcome.

You said it was recently that the cut-off of earnings was \$20,000?

Ms. Gina Cockburn: That's relatively new. In the last two years, there has been a significant increase in our ability to provide service to people based on the guidelines that we have to follow.

Ms. Cindy Forster: Right. So how has that actually increased the number of clients?

Ms. Gina Cockburn: It has changed the clientele, in that it allows us to dip into things that we haven't histor-

ically been able to do, necessarily, like dealing with clients who work minimum wage jobs. Legal clinics historically have struggled a little bit providing service to people who are working. We've always dealt with people who are on Ontario Works or Ontario disability because they met our income criteria. Now we're able to expand those services to provide for people who are earning minimum wage.

Ms. Cindy Forster: So in addition to dealing with housing issues, evictions and those kinds of things, you're also now dealing with employment law?

Ms. Gina Cockburn: That's correct.

Ms. Cindy Forster: And did you receive any additional funding and staff?

Ms. Gina Cockburn: Yes, absolutely. There has been quite an expansion of legal clinics, particularly, to allow us to do that kind of work.

Ms. Cindy Forster: Right. And how does the issue of clawbacks for people working on ODSP impact the clients you serve?

Ms. Gina Cockburn: There have actually been some positive changes—I'm going back probably more than five years—particularly to Ontario disability, in the way that people were allowed to keep earned income when it's one or both partners in a family, for example. Those were, I would say, highly beneficial, particularly to people who are on Ontario disability. It has less impact, I think, for people on Ontario Works, although there are other programs that allow people to keep benefits, like medical benefits, while engaging in employment.

Those are all very positive changes. They were long overdue, and they were welcome, I think, to that community.

Ms. Cindy Forster: Okay. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you for coming this morning and sharing some stories.

You mentioned the changes in eligibility over the last little while for people to access legal aid clinics. What percentage of your clients now are people who are coming to you with employment-related issues?

Ms. Gina Cockburn: I can't actually answer that question in a percentage. I would say the numbers are still reasonably low compared to some of our other case-work, but it basically is a full-time job for a staff lawyer in our clinic: dealing with employment-related issues, including workers' compensation claims.

Mr. Peter Z. Milczyn: And the employment-related issues that you're seeing, other than WSIB claims: Would the provisions in Bill 148 go a long way to clearing up some of those issues, certainly in terms of making it clear what an employer's obligations are?

Ms. Gina Cockburn: I would say they certainly are very helpful, yes. People are always shocked to hear me say, "I'm really sorry, but there's no remedy for you in the law." People understand, generally speaking, employment law in the context of unions. That's what they hear in the news and that's what they believe their protections are, often, in their employment situation.

For example, “I provided that doctor’s note to take my time off. Why did I still get fired?” It’s like, “I may not have a remedy for you”—particularly the level of clients that we see, who are often much-shorter-term employees. They tend to have worked a year or two years. The remedies are very negligible, often, for folks like that. So, absolutely, just legislating some legitimate—for lack of a better word—time off for people and having some remedy is really a great step forward.

Mr. Peter Z. Milczyn: So the combination of the two paid leave days, some additional unpaid leave days that are protected, and also the legislated change that doctors’ notes cannot be required for those leave days—that’s going to be significant?

Ms. Gina Cockburn: It absolutely impacts the clients that I’m seeing.

Mr. Peter Z. Milczyn: In terms of the clients that you see for a variety of issues, the changes in Bill 148, coupled with recent changes in the tenant and landlord legislation around rent controls, free tuition, a reduction in hydro rates—do you see those as eliminating some of the stressors that people are having, making it easier for them?

Ms. Gina Cockburn: Yes. It becomes a much friendlier world for low-income people, with all of those things.

Mr. Peter Z. Milczyn: Thank you very much for coming in today.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We’ll move to the official opposition. MPP Hillier.

Mr. Randy Hillier: Thank you for your presentation this morning.

I was listening to your presentation, and clearly a significant concern—you used the term “the precarious of the precarious,” in trying to provide legal advice and services for those people that are in financial constraints and difficulties, to say the least. I think that’s a worthy and purposeful and good cause, to provide legal advice to those who are unable to do so themselves.

So I want to frame my question here. We’ve heard from many people that this increase in minimum wage will result in lost employment opportunities for many people in unskilled or entry-level positions, that there are not going to be as many jobs available. We’ve heard that from a host of different businesses around the province.

Looking at the Stats Canada evidence, it leads me to believe that using the minimum wage increase to get where you want to go is a very blunt and not effective instrument. I look at these statistics where 88% of minimum wage earners actually live in homes that are not below the poverty line, that they have spouses or other people earning greater incomes. We see a lot of retired people on pensions, for example, who go back to work at Home Depot not because they need the income, but they want to engage in productive lifestyles.

We also look at this where fully 85% of people under the age of 24 earning minimum wage are living at home. So is helping those people—helping the retired person who’s working part-time with a pension, helping sons

and daughters who live at home to have a greater income—and then I look at this: 2.2% of minimum wage earners were unmarried heads of a household. A very small number of people who make minimum wage are in the category that you might see.

1030

But when we bring this wage increase in and see a loss of employment opportunities, do you not see any contradiction there—and maybe actually exacerbating the problem that you’re seeing?

Ms. Gina Cockburn: I can’t address specifically the statistics that you’re giving me. What I can say is that’s certainly not the experience of the people that I see on a regular basis. Seniors, for example, returning to work at the Home Depot: I would suggest to you, sir, that that is just as often out of necessity as it is out of choice. Seniors on a fixed income are a whole issue that we’re not going to address today.

You might convince me that minimum wage is a good place for entry-level people. The difficulty is that minimum wage is not just applied to entry-level people in employment. It’s a standard.

The 2% of households headed by a wage earner who only earns minimum wage—that’s likely because that person is requiring some support from some other social safety net. They are getting their income from other programs.

Mr. Randy Hillier: Absolutely. This is what I’m getting at. Should we not be targeting our programs for those people—

Ms. Gina Cockburn: Absolutely not. Those programs are the most basic of social safety nets, and nobody should have to rely on Ontario Works for their primary source of income—my personal opinion.

Mr. Randy Hillier: I agree with you. I think targeting our resources and our programs to those people, those 2.2%, would be far more beneficial and far more effective than ensuring that the retired vice-president of the bank who wants to work at Home Depot gets \$15 instead of \$12 an hour.

Ms. Gina Cockburn: I have no concern for him.

Mr. Randy Hillier: But they’re the beneficiaries of this—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The time is up.

Thank you very much for your presentation. If you have a written submission, you need to get it to the Clerk by 5:30 on Friday, July 21. Thank you so much.

Ms. Gina Cockburn: Thank you very much, everyone.

POVERTY ROUNDTABLE HASTINGS PRINCE EDWARD

The Vice-Chair (Ms. Ann Hoggarth): I’d like to call the Poverty Roundtable Hastings Prince Edward. Good morning. Please state your name for the official record and begin your five-minute presentation.

Ms. Christine Durant: Thank you. I'm Christine Durant, the executive director of the Poverty Roundtable Hastings Prince Edward.

Ms. Elizabeth Bedore: My name is Elizabeth Bedore, and I'm a member of the employment and income security working group.

Ms. Christine Durant: Thank you so much for having us here. The Poverty Roundtable welcomes this opportunity to have a voice in the reform of Ontario's Employment Standards Act and the Labour Relations Act through Bill 148, the Fair Workplaces, Better Jobs Act, 2017.

Our round table is a network of more than 400 individuals, made up of members from social and health services, faith communities, labour, justice, business sectors, municipalities. Many are community members, many of whom are now experiencing or have experienced poverty themselves. What we have in common together is a commitment to ending poverty and to building a community that is prosperous for all of us, where everyone experiences a standard of living which is sufficient for their physical, emotional and social well-being, without compromise of dignity and self-respect.

For too many Ontario workers, full-time work does not guarantee a life above the poverty line. Income and job insecurity keeps us from making ends meet.

Ms. Elizabeth Bedore: Poverty reduction and economic prosperity are two sides of the same coin. Sharing economic prosperity is a must if we are to change and shift the current situation in Ontario and our specific circumstances in Hastings and Prince Edward counties.

Working and remaining in poverty or entering its depths is not the narrative anyone should want to see for Ontario. Seventy per cent of Canadians living in poverty are considered working poor; that is, people who are working but who are not earning enough to get by.

In Hastings-Prince Edward, low-income rates in 2010 were 14.8%. A number of communities reported poverty above 20%, with the provincial rate at 13.9%; 25.8% of children under six—that's more than one in four—live in poverty based on the low-income measure and comparison to median incomes; and 2014 data show our food insecurity rate at 11.4%.

For a region with great culture in wine and tourism located along the 401 en route to Toronto, Ottawa, Montreal and the USA, with a rich manufacturing past and present, we should not be talking about such high numbers of poverty and we should not be racing to the bottom.

Ms. Christine Durant: In the fall of 2016, the round table began a series of community conversations with people who have experienced poverty. Almost 500 people participated to talk about their experiences, about the impacts and causes of poverty and what could be done to end poverty.

We spoke to youth, we spoke to young families, we spoke to seniors, we spoke to individuals. We spoke to moms, we spoke to dads, we spoke to caregivers. We talked a lot, and we're going to share a little bit of what we heard and how that connects to Bill 148.

The Fair Workplaces, Better Jobs Act introduces many important changes to address Ontario's outdated labour laws. The labour laws, as they currently exist, are punitive and have been identified as ways into poverty throughout the many conversations that took place in Hastings-Prince Edward. The proposed changes in Bill 148 provide a good start. Work should mean our way out of poverty, not into it.

When the work that we perform to meet the profit and objectives of others cannot meet our own basic needs, when you are pushed to look to food banks, to depend on the kindness of communities to survive, and not just during a crisis, but for the long term, effectively, for many—our lives have been turned into a crisis and we are turned into dependents.

We spoke to youth and we spoke to young families. Youth said, "We do not have opportunities. We've got nothing to look forward to. There are only minimum wage jobs where we are, and that's all we have to look forward to. There is not enough here. There's nothing for us." Youth also spoke to what it was like to grow up with parents working minimum wage jobs. They said, "You know, we had to and we continue to go without. We go with lack and there's a lot that we give up. We don't go on class trips. We can tell you how shameful it is to go to the food bank or to try to go to the food bank when your parents are working shifts and you're denied because you're not old enough to bring food home for your family."

Ms. Elizabeth Bedore: The proposed changes in Bill 148 to the Employment Standards Act and the Labour Relations Act provide a good start to addressing work practices that keep people in poverty or push people into it. We support Bill 148's amendment to embed the \$15 general minimum wage and—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Your time is up. We'll begin this round of questioning with the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Why don't you take a little bit of time to finish your presentation?

Ms. Elizabeth Bedore: Thank you.

The cost of living needs to be taken into account to ensure wages match realities and support everyone in Ontario reaching a decent quality of life. The living wage initial calculations for our region, for a household of four, is an hourly wage of \$16.70. A living wage includes a basic quality of life: basic needs, child care, transportation, social inclusion. We are celebrating \$15 an hour, and we know that \$15 an hour is a movement towards a living wage.

Ms. Christine Durant: I'm just going to give you a quick overview of the rest of our presentation, which is basically in support of many of the things in Bill 148.

We support the changes to scheduling, but we also encourage that schedules are fair and given in advance. When people talk about the causes of poverty, scheduling is actually a cause of poverty. It keeps people there.

A lot of young families talked about being on call all the time. You don't know if you're going to get paid; you

don't know if there is going to be work. You have income volatility. You don't know what you're getting that month, so it's very difficult to find a way out or even to get a second job because you risk losing the other job. So scheduling is really, really important, and we're really happy to see the direction Bill 148 has taken.

The paid emergency leave is really important, and supports to ensure people who are in a caretaker role or are grieving have support so that they can return to work are very important. We've talked to hundreds of people who talked about grief as their way into deep, deep poverty. We've talked to many caregivers, who, because they were caring for a parent or a child who was dying, ended up themselves in deep poverty. Once in poverty, it's hard to get out, and I think that Bill 148 goes a long way in preventing that deep poverty. We've already heard this morning that, once you're in, it's hard to get out. It's very expensive to the person experiencing it and to our society, and to the cost—

Mr. Peter Z. Milczyn: I'll just stop you there because I did want you to be able to finish, but I also wanted to ask you a few questions.

You were talking about young people and youth and the struggles that they face individually and together with their family. So the combination of the increased minimum wage for perhaps the parents, but also for the young person, coupled with access to free tuition to university—what impact do you think that's going to have on raising people out of poverty?

1040

Ms. Christine Durant: I think it's going to have, potentially, a significant impact because, certainly, youth are supporting their families with the wages they're earning. I think free tuition is definitely the right way to go. In our region, we have a really low high school graduation rate, so we need some more context-specific support to our local region and the challenges that we have.

Mr. Peter Z. Milczyn: Do you think free tuition is going to be an encouragement to finish high school?

Ms. Christine Durant: I would like to see that, but I think we need some more supports for high school students as well to encourage them, from a younger age, to see opportunity. I think kids are growing up in our region seeing no opportunity throughout their lives. We need hope.

Mr. Peter Z. Milczyn: In this bill, the elimination of the need for a doctor's note to access paid leave or even the guaranteed unpaid leave—do you think that's going to have an impact on people's lives?

Ms. Christine Durant: I think it's going to have a significant impact because short-term illnesses lead to job termination, which again weigh into poverty—going to a doctor's office, having to pay that money and having to take the time off when you're sick. It will substantially be a preventive measure to poverty.

Mr. Peter Z. Milczyn: Did your organization take part in the Changing Workplaces Review?

Ms. Christine Durant: We have 400 members, and some of our members participated in that.

Mr. Peter Z. Milczyn: Do you generally see in Bill 148 the types of issues that you were raising during that consultation process?

Ms. Christine Durant: We see many of them, yes, that have been proposed through our networks. There are things that we'd like to see more of. One of those things we're happy to see is the movement towards workers organizing, but we would like to see that expanded. In our region, which is a largely tourist region, there are retail workers, hospitality and service workers. Through our community conversations, many people working poor put forward that they need the right to organize because, largely, it's women, it's precarious work and it's seasonal. So we are pleased with what's there, but hope that it will also be expanded to meet more needs.

Mr. Peter Z. Milczyn: The access to employee lists for the purposes of organizing a union—is that a positive facet of the bill?

Ms. Christine Durant: I believe it is—

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. We'll move to the official opposition. MPP Smith.

Mr. Todd Smith: Hi, Christine.

Ms. Christine Durant: Hi, Todd.

Mr. Todd Smith: Hi, Elizabeth.

Ms. Elizabeth Bedore: Good morning.

Mr. Todd Smith: Good to see you. Thank you for the work the poverty round table is doing in Hastings and Prince Edward counties. It really is important.

You talked about the impact on the cost of living. I'm just curious as to what the biggest driver is, in your opinion, in our region, in Hastings and Prince Edward counties, on the increased cost of living.

Ms. Christine Durant: There are multiple ones. Do you want to answer that?

Ms. Elizabeth Bedore: Yes, I could speak to that. Certainly, with the cost of housing and utilities, it's very difficult to make even a really basic rent on minimum wage. The elephant in the room there is that minimum wage at part-time is a big issue, as well as food security. We shouldn't be looking at a food bank as a fixture.

Mr. Todd Smith: I've actually heard from a few of the food banks in our region, and they're a bit concerned about the increased minimum wage and the impact it would have on the business of running the food bank. Have you had the opportunity to talk to those who are running the food banks in our region to gauge what kind of an impact this will have, positive or negative, on the food banks?

Ms. Christine Durant: We've heard from a number of different social service providers, food insecurity groups as well as others, and all are looking at it quite positively. Most people who are working—across Ontario, we're looking at 30% that are at minimum wage. When we break it down by who in our communities are providing minimum wage jobs, we're going into larger companies, box stores, retail and hospitality. So we haven't heard concerns. We've heard it being embraced as a very positive thing for people in working poverty.

Mr. Todd Smith: Okay, because I have heard some of the food banks that are a bit concerned about people losing their jobs as a result of reduction, possibly, in part-time hours, and specifically for those employers who are saying they're going to have a difficult time dealing with the increase that's happening so quickly—that it may actually drive more people to the food banks, and that it will drive up the cost of operating the food banks as well. Those employees aren't generally making minimum wage but they feel that that ratcheting-up effect will occur and the bump-up will occur, which will be making it more expensive to run the food bank.

Ms. Christine Durant: I guess for us it comes down to this very basic and bottom thing: Minimum wage means that you need to use a food bank. Minimum wage means that you are vulnerable to homelessness. It's very hard, as you know, in Belleville and Quinte West to find anything that's affordable. I mean, \$900 is the going rate for a one-bedroom, and if you're a family on minimum wage—I don't think we should be racing to the bottom.

We know from the research from the States and from other parts of the world that increases in minimum wage—even higher than what's happening now—have been really positive for everyone, for all sectors, and for really reducing poverty.

Poverty is income based. If we can increase those incomes—we also have, as you know, and I think quite proudly, one of the lowest unemployment rates in the province, which is pretty amazing. We shouldn't have as much poverty when we have communities with a lot more employment than the province—I mean, that's silly. We should not have that. We should work for a way out of poverty.

Mr. Todd Smith: We have, as you mentioned, a large tourism sector and a lot of seasonal work in our community. I've heard from a number of employers who work in that sector and who have serious concerns about this and some of the effect that it could possibly have on employment. As a poverty round table, have you had an opportunity to speak to employers in that sector and gauge what their concerns are, and whether or not they're going to be able to manage this type of an increase, which is, quite honestly, happening pretty quickly.

Ms. Christine Durant: We've heard a few different things. What we've heard overwhelmingly, which I think is very positive, is that businesses want their employees to be doing well and having a good quality of life. I think we all really agree on that.

I think people don't necessarily know what it's like to live on minimum wage. Most of the employers we've talked to, when asked, say, "We could not live on this wage that we're paying."

But we know we want all to do well. We need to share our prosperity. If we all have a piece of the pie, we can make more pie. If only a couple of people have the pie, we're not letting people make pie. You know? We need to grow, and we do that through sharing.

I've also heard a lot of positive things—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Christine and Elizabeth, for being here today.

When the government asked you if you were satisfied with what was in Bill 148, you said you would like to see it go further, so I would like to hear about where you think the bill needs improvements. What kinds of things are you recommending that could be added to the bill?

Ms. Christine Durant: Some of those things are on paid sick leave. We are happy to see that there are 10 days protected for sick leave, but we would also like to see those days paid, and bring us up to basically how most European countries approach sick days.

We would also like to see who is supported to unionize, to expand to hospitality and to the service sector.

We have some other areas. Do you want to mention—

Ms. Elizabeth Bedore: I think those are the strongest ones—perhaps a little bit more along the lines of the commitment to enforcement. We have a very temporary-agency-strong element of lower-income work. My personal experience, as a former temporary worker, is that the employer can make it look one way on the paperwork and have really carried off something completely different. So enforcement is something that would be valuable.

Ms. Cindy Forster: Under the ESA.

We've heard from a lot of people over the last three and a half days. Everywhere we've been, the Fight for \$15 and Fairness has had a rally. People from ACORN were in Ottawa yesterday. They're very concerned about the \$15 minimum wage and the fact that it isn't an across-the-board increase, that there are exemptions to that. Do you have any comment on that piece from your round-table discussions?

1050

Ms. Christine Durant: Yes, I'm aware that it doesn't cover everyone, especially for those working in the restaurant and the service industry. Actually, we don't have a comment.

Ms. Cindy Forster: You don't have a comment on that.

Ms. Christine Durant: I don't have a comment. But it is something to look up.

Ms. Cindy Forster: I think people, when the government made an announcement in late May, thought that it was a given that this increase was going to happen. It wasn't part of the Changing Workplaces Review. But on Tuesday morning, Minister Flynn, the Minister of Labour, was actually on AM 980 radio in Toronto, and he said that the minimum wage was up for debate. Later in his presentation, he said that, frankly, the minimum wage is not set in stone.

I've since heard from some of the activists that they're very concerned about this. What would the impact be on your community if this minimum wage did not proceed? The people that you actually—

Ms. Christine Durant: I think we're going to continue to see poverty increasing, and it's a shame. Our communities should not be living in poverty.

One of the last statements I was going to end with was a quote. I'm going to read that out to get our point: "My

job became redundant, and since then I have been with temp agencies. I'm sometimes food insecure, and I don't know if I'll be able to continue to make payments on my debt, utilities and mortgage. I was a white-collar worker, and I've been a temp worker for three years."

I think this is a concern. We need to make sure that minimum wage is high enough, because we are going through changes in our workplace where the skills needed in different jobs are changing. If minimum wage is kept at a point where people are living in poverty, there is no cushion, and we need that. None of us want a race to the bottom. I think \$15—it needs to be there.

In fact, for our communities, as we mentioned, our current calculations around a living wage is \$16.73. So \$15 is in the right direction, but I invite everyone to think about how you are going to pay and sustain yourself with \$15 at 35 hours a week, as well.

Ms. Cindy Forster: We've heard that the living wage varies from community to community. The lowest that I heard was, I believe, in North Bay, where they said they had done one calculation and then they had done a recalculation and it was around \$15. But everywhere else, it has been much higher—as high as \$18—and growing.

I thank you for being here. Thank you for your presentation. Have a great day and weekend.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a written submission, you need to have it to the Clerk, please, by 5:30 on Friday, July 21. Thank you.

Ms. Christine Durant: Thank you.

KELSEY'S AND MONTANA'S RESTAURANTS KINGSTON

The Vice-Chair (Ms. Ann Hoggarth): The next presenter would be Kelsey's and Montana's Restaurants Kingston.

Do you have a written submission? If you give it to the Clerk, he'll distribute it. State your name for the record, and then you may begin your five-minute presentation.

Mr. Timothy Lloyd: Timothy Lloyd. Good morning. Thank you for the opportunity to speak on behalf of my community.

I have reviewed the changes to legislation proposed by the Ontario government. I have always been proud of being a fair and equitable employer. I have given literally thousands of young people the start in life that has given them the life skills that have led them to productive careers. Also, I have developed senior staff, supervisory and management personnel with tenure far beyond 10 and 20 years, which is unusual for our industry.

If this legislation passes as is, that all ends abruptly.

Minimum wage: The proposal is to raise it from \$11.40 to \$14 on January 1. It's a 22.8% increase. This is unprecedented. There will be an economic impact. I will be forced to raise prices. The result will be inflation; reduced disposable income for the middle class, who will not partake in this 22.8% increase; decreased demand,

which will lower sales volumes for all businesses; and recessionary pressure on the economy as a whole. Ontario being the economic engine of Canada, that's disturbing and it's not good.

I'll be forced to give working notice of termination to one full-time, long-term manager. I will be forced to reduce labour hours. We will change our labour model. Job descriptions will encompass more responsibilities in order to adhere to the three-hour-minimum rule. We will hire and retain full-time permanent people rather than hiring entry-level employees. Youth unemployment will rise.

The unemployment rate in Ontario is 6%, approximately—a little less, probably. For 15-to-24-year-olds, it's 13.2%. The government is not helping this statistic; it's hurting it.

I will implement new technologies to reduce jobs. The government is forcing us into a world whereby we will increasingly be faced with technological interfaces rather than the personal touch that is humanity. I firmly believe that moving to a higher minimum wage so high, so fast, will hurt the very people we are trying to help.

There have been many studies done for the Ontario government, as well as other jurisdictions. Having reviewed many of these, it seems to me that the possible downside far outweighs the limited benefits this policy may have. I cite the reports of higher prices, reduced jobs and reduced hours for minimum wage workers. This is a fact we're all facing.

I do not understand, and I ask of our government, why the \$15 policy should be enacted when the system of annual minimum wage increases each October was working well. It allowed businesses to anticipate and prepare for the increases. If it is the goal to reach \$15 more quickly, simply raise the annual increase a few points at a time, and each year we'd go up a little quicker. You would get to your \$15 eventually.

If I do nothing, the effect of a higher minimum wage will have a minimum \$200,000 impact on my profitability. Industry-wide, that is approximately a 5% decrease to profitability. The average profitability for a hospitality business in Ontario is 3.4%. Ontario has the lowest profit margins for the hospitality industry in the country. Next is Manitoba at 4.2%. We're at 3.4%, they're at 4.2%, and PEI is at 6.5%. Full-service restaurants such as mine average only 2.1% profitability in this province.

There will be business failures. Business owners in Ontario will be poorer and much less likely to reinvest in Ontario. With input costs such as hydro already the highest in North America and now making us one of the few jurisdictions with such high labour costs, it will certainly curtail new investment in Ontario. Is it not the business of government to make our jurisdiction more competitive, not less so?

The hospitality industry has differences to other industries. In Ontario, the hospitality industry accounts for 6.8% of the workers, the fourth-largest sector. The tipped employee wage will rise from \$9.90 to \$12.20. The differential has been held steady at about 13%. It is

often cited in the media that servers don't get paid a living wage. Contrarily, it should be understood that an average tipped employee earns in excess of \$30 per hour when tips are factored into the equation—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. Your five minutes are up, and we move to the official opposition.

MPP Hillier?

Mr. Randy Hillier: Thank you, Tim, for being here today and representing the hospitality industry's concerns.

You made a comment about how with this rapid rise in the minimum wage, you'll be looking at not hiring young entry-level workers, that you'll have to go to more senior employees. You're not going to be able to pay that extra money to train people at \$15 an hour.

Mr. Timothy Lloyd: Absolutely.

Mr. Randy Hillier: I'll just share this: I think most people will recognize that the concept of a minimum wage was to protect people with fewer employment skills; for example, newcomers, new immigrants to our society and youth. You're saying that, under this proposal, what we're looking at is actually diminishing those employment opportunities for those very people that the minimum wage is intended to protect, and changing the concept of the minimum wage to one of an employment standard—that that's what most people will only be able to expect in this province. That's very contrary to what the stated objectives are of the minimum wage bill. Do you see that happening throughout the hospitality industry—that there will be very few employment opportunities for youth and newcomers to this country?

1100

Mr. Timothy Lloyd: Absolutely, because what you're asking me to do is put input costs into my business that will actually make me not profitable anymore, so I have to do something drastic. Why would I pay \$14 an hour to somebody to train and develop, when I can hire other people on a permanent, long-term basis? Part-time people will go away. We're not going to be hiring that 16-year-old dishwasher and that kind of thing anymore. At \$14 an hour, we'll be looking for older senior people and that kind of thing.

Just to say, I currently have 110 employees. Come January 1, I'll have 90 and one of my senior managers will probably be gone. I have to do it; you haven't given me a choice.

Mr. Randy Hillier: Near a 20% reduction in employment opportunities to get this 20% or 23% increase in—

Mr. Timothy Lloyd: That's right. We're already seeing it at McDonald's, where they've got touch screens. There's going to come a day where cash won't exist. You could put a card into a machine, punch in what you want and there's no human involvement anymore. This is what we're doing, and I don't agree with it. I think that the human touch is important.

Mr. Randy Hillier: Also, on the profitability levels: These are published standards that we see around the

country. Ontario has the lowest profitability in the hospitality industry as it is. This will have a \$200,000 impact.

So not doing those other things, such as terminating the employment of 20 people to remain at least in a break-even position, the only other alternative would be to go bankrupt. Those are the choices: lay off or terminate employees, or go bankrupt and then all 110 employees have no employment opportunity.

Mr. Timothy Lloyd: It's going to happen. There are marginal businesses that are not going to be able to adjust quickly to this drastic a change.

We have been very good. We're excellent business people in this province. We've done very, very well. When you put these October changes—and we know it's coming—we roll out menus in October, because we know there's going to be a bump in minimum wage. Well, we're going to have a new menu in January this year, and you're not going to like the prices.

Mr. Randy Hillier: So you're looking at a 20% reduction or thereabouts in employment, and that's based on the expectation that business volumes will remain, at the present time. But you also mentioned in your presentation that you can see the increased cost will also reduce business volumes.

Mr. Timothy Lloyd: Absolutely. We're headed for a recession here. I firmly believe that. It's going to happen.

Mr. Randy Hillier: This is similar to what we heard from Calabogie Peaks, for example, yesterday in Ottawa: a significant loss of employment for those people. Once again—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move now to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Mr. Lloyd, for being here today. If you'd like to finish your presentation, feel free to use some of my minutes, and then I can ask you a couple of questions.

Mr. Timothy Lloyd: Just very quickly, the tipped-employee portion was important to me because what it does is it takes away from the kitchen people. In our industry you have front-of-house people and back-of-house people. The front-of-house people are making lots of money; the people in the back are not. I want to pay them a lot of money. I want kitchen people to have a great career. We can't afford it with our unit economic model the way it is for the restaurant industry. I want to pay them more, and what I'm asking you to take a look at is perhaps we don't increase the server wage, the tipped-employee wage. Maybe we keep that where it is and do what you need to with minimum wage. Because you know what? Most of my guys in the kitchen, except entry-level people, are making 14, 15, 16, 17 bucks, no problem. But I'd like to see it even more.

There's something else involved with that as well. It's called tip pool. If you look at the law on that, I'm allowed to do what I want with it. When we talk about equal pay for equal work, we're going to have to take those tip pools and really give them a hard shake, because you've got a dishwasher and a kitchen supervisor

getting the same amount in tip pool. That's a whole other ball of wax, but it's something that will have to be looked at.

When we talk about labour relations, I would like to just say that I've always had an excellent relationship with the labour board. I've never had an issue where we didn't come to a solution between myself and our employees. I feel that it's very fair and equitable for employers and employees. I've listened to some of the people here today say that employers can be pretty nasty or something like that. Well, most of us aren't. I think that's probably the exception. I know lots and lots of people in my industry. I don't treat people like that. If you're sick, that's okay. I do think that they should have to at some point prove that they've been sick, because not all people are honest, and I think that's a consideration.

That's pretty well what I have.

Ms. Cindy Forster: I did see here you had made some comment about the extra week's vacation.

Mr. Timothy Lloyd: Oh, right.

Ms. Cindy Forster: And you believe there's an impetus for employers to then replace workers every five years so they don't have to pay that extra week of vacation.

Mr. Timothy Lloyd: For sure, because the government has taught us this one. It's contract workers, six months less a day, and then renew it and renew it, and they never go on full-time. The LCBO has just been through that, right? They keep you on part-time so they never have to pay you benefits, this kind of thing.

The behaviour you're going to create here is, "Well, you get to work for me five years minus a day." If employers aren't going to take a hard look at those employees on January 1 who are over the five-year threshold—if I can replace that person with someone else, because it's not a skilled job or something like that, why wouldn't I? That's the behaviour you're going to create with that particular thing.

Ms. Cindy Forster: We've heard those concerns as well from the workforce, so that's good. I'm glad we have an employer raising the issue as well.

Mr. Timothy Lloyd: Sure.

Ms. Cindy Forster: What is your full-time/part-time breakdown?

Mr. Timothy Lloyd: We're probably around one third part-time, something like that.

Ms. Cindy Forster: And the rest are full-time.

Mr. Timothy Lloyd: Yes,

Ms. Cindy Forster: Do you have any health benefits or paid sick leave?

Mr. Timothy Lloyd: We do for senior supervisory and management personnel.

Ms. Cindy Forster: We've heard from a lot of people—both in business and from the workers themselves—that tips vary from place to place. We've heard of tips, with your minimum wage, as high as \$40 an hour in one restaurant chain across the province, and we've heard from employees working the bar in a hotel like this, for example, where they're lucky to make 20 bucks

in a night, serving. That's kind of a hard thing to gauge. In your industry, in your particular restaurants, what do you think the average tipping is?

Mr. Timothy Lloyd: I would say they'd be making somewhere around \$20 an hour.

Ms. Cindy Forster: Somewhere around 20 bucks an hour.

Mr. Timothy Lloyd: Yes, extra, above and beyond their wage. We're a franchisee of Cara International—

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. We'll now move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Good morning, Mr. Lloyd. Thanks for coming out.

Mr. Timothy Lloyd: My pleasure.

Mr. Peter Z. Milczyn: On this issue of vacation pay, you said you would perhaps consider terminating somebody the day before their fifth anniversary of working for you. Would you not incur the potential of litigation and some action against you for termination without cause? Would that not outweigh whatever benefit you might receive from a week of pay—

Mr. Timothy Lloyd: I can give working notice of termination. Therefore, the person has to continue working until their date of termination. In the labour laws, there are stipulations that I am able to do that.

1110

Meanwhile, I'm not saying that's what I'm going to do. What I'm saying is that that is the behaviour that you're going to encourage.

Mr. Peter Z. Milczyn: One of the things you mentioned is that you might move to more full-time, mature employees. We've seen a trend—not just in Ontario; in Canada and in North America over a number of years—of more and more part-time jobs, with what's called precarious employment. To some extent, would it not be better if we had more people with full-time jobs that are reliable and steady, so they can actually live, have a family, buy a home or do whatever it is that they want to do?

Mr. Timothy Lloyd: Absolutely. I agree with you.

Mr. Peter Z. Milczyn: We talked about workers who receive gratuities. You're suggesting that that section of the minimum wage, the server wage, should stay where it is, or just rise incrementally as it does under the current legislation?

Mr. Timothy Lloyd: Well, I've looked at it over a number of years, and what they've done is pretty well kept it around a 13% differential.

Mr. Peter Z. Milczyn: Between the general minimum wage and the server minimum wage?

Mr. Timothy Lloyd: Correct.

Mr. Peter Z. Milczyn: Okay. Now, what percentage of your business would be electronic transactions versus cash transactions?

Mr. Timothy Lloyd: Oh, 90% to 95%.

Mr. Peter Z. Milczyn: Why I'm asking is that obviously with the electronic transactions it's much easier

to capture and track the gratuities that your customers are paying.

Mr. Timothy Lloyd: Correct.

Mr. Peter Z. Milczyn: Some jurisdictions have a model where the employer is required to track and report out the gratuities that each individual employee receives so then it's taxed—

Mr. Timothy Lloyd: You're speaking of Quebec.

Mr. Peter Z. Milczyn: Yes—and that model, then, perhaps justifies saying that a server's wage should stay static, because you can actually prove what their real income is.

Mr. Timothy Lloyd: I'm not sure what you're getting at, sorry.

Mr. Peter Z. Milczyn: What I'm getting at is that right now somebody might say that they're getting \$9.90 an hour; they might claim \$50 a week in tips, and they'd still be theoretically making well below the proposed new minimum wage. Whereas if in reality they're making a couple of hundred dollars a week, then it could be proven that, in fact, they're making in excess of the minimum wage, but then that would be taxed. Would that Quebec system be something that you would support?

Mr. Timothy Lloyd: That's something that is up to government. If I take cash home in my pocket, am I going to tell the government about all that, if I'm a server? I'm not sure.

Mr. Peter Z. Milczyn: But mainly it's not cash.

Mr. Timothy Lloyd: Sure, it's cash. What are they going to do? Come on.

Mr. Peter Z. Milczyn: But I'm saying that mainly you were saying it's not cash. In excess of 90%—

Mr. Timothy Lloyd: No, no. They take the cash home at the end of the night. The way it works is that they'll do a cash-out. Some of the money will be in cash, and some will be in credit cards. What they have to do for me is, at the end of the night, give me in electronic or cash what they've sold that day. Generally there's enough cash in their pocket that they can take their tips home with them. They get cash that day. I don't withhold anything or pay it later.

Mr. Peter Z. Milczyn: Okay. The other provisions of Bill 148 that might affect your business, like the scheduling aspects—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Time is up.

Thank you for your presentation. If you have any further written submissions, they need to be to the Clerk by 5:30 on Friday, July 21.

Mr. Timothy Lloyd: Thank you very much.

UNIFOR LOCAL 414

The Vice-Chair (Ms. Ann Hoggarth): I'd like to now call Unifor Local 673. If you would please give your name for the record, and then you may start your five-minute presentation.

Ms. Deb Henry: My name is Deb Henry. Good morning. I would like to thank the committee for allowing

me to speak today. I am a produce clerk, a women's advocate and a steward of my workplace. I have been asked by Maryellen McIlmoyle to speak on her behalf as she had a family situation to attend to.

I work as a clerk in the produce department of a grocery store. I applaud the government in taking a leadership role in creating decent work. All Ontarians will benefit from these bold and significant changes to our painfully outdated laws. With pressure from community and labour advocates, I am pleased that the government has recognized that maintaining the status quo is a disservice to the province. While the minimum wage was not included in the original review, we support the government's decision to increase it to \$15 an hour.

Unifor has been deeply involved in the process to overhaul our employment laws. We have joined with the Ontario Federation of Labour and its affiliates to put forward recommendations to the current legislation. Members of our union presented at all of the 2015 public hearings for the Changing Workplaces Review. The union has also published more than 250 pages on the topic, including 43 specific and thorough legislative recommendations. We have attended nearly 100 lobby events, organized town halls, participated in rallies and told our stories in the media and much more.

Unifor Local 414 supports Bill 148, but we are also calling for further improvements to the law so that no one falls through the cracks. Unifor will be making a written submission to the committee reflecting the consensus priorities of the Ontario Federation of Labour. It will highlight areas that are significant to Unifor and our members.

We believe the bill needs to be strengthened in four broad areas: first, extended card-based certification to all workers; second, stronger successor rights to stop the abuse of contract flipping; third, protection for women through domestic violence leave; and fourth, extending the concept of broader-based bargaining.

Today, I would like to speak about my views of fair scheduling as it relates to retail and card-based certification. There was a time not long ago when the grocery store chain I work for was considered a great job. It was 80% full-time and 20% part-time. Workers received equal pay for equal work, with good wages, benefits and pensions.

Unfortunately, that is not the case anymore. We are 80% part-time, the majority receiving just above the current minimum wage and, shamefully, students being paid less than minimum wage for doing the same work, with little or no benefits or pensions, forcing most to retain two or sometimes three part-time jobs just to make ends meet—some still needing to use community food banks to feed their families—leaving little or no time for a family life, social life or time to rejuvenate themselves.

If you are employed in a non-unionized workplace, there is a good chance you will receive minimal hours, no benefits, no pension and no job security at all. That is a shame. I would therefore ask that your amendments to the law include card-based certification for all workers in all sectors, including retail.

Thank you very much for your time and consideration today. I look forward to your questions and your recommendations, and to the legislative amendments.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The third party will open questioning. MPP Forster.

Ms. Cindy Forster: Thank you, Deb, for being here today on short notice.

The fourth broad area I missed. What was it? Was that first-contract arbitration or—in your presentation?

Ms. Deb Henry: The fourth one?

Ms. Cindy Forster: Yes.

Ms. Deb Henry: The fourth one was extending the concept of broader-based bargaining.

1120

Ms. Cindy Forster: Oh, sector bargaining.

Ms. Deb Henry: Right.

Ms. Cindy Forster: Okay. Well, thanks again for being here.

It's interesting: Just last week I was in two grocery stores on the same day in my riding. I was in Zehrs and was checked out by this young woman. We had a little conversation. She was working a six-hour shift at Zehrs. Then I went to my independent grocer later in the afternoon or early evening, and there was that same young woman actually working at the independent grocer. I said, "You're here again." She said that she was working 14 hours that day because she is paid minimum wage. She has to work those long hours in order to make ends meet and to pay for her education. She is continuing in school. She was probably 22 or 23 years old.

I remember a time, actually, when members of my family worked at A&P or some of those grocery stores that are no longer around here in Ontario, and that was a good job. It was a job that actually supported a family—a one-income family. It is sad that here in this province, which is supposed to be the boon of the country, that we continue to shed full-time jobs for part-time jobs. That was reflected in the recent job stats just a few days ago.

Ms. Deb Henry: Absolutely. That's how we live our lives every day. We enjoy our jobs. You know, we have a good job, and it used to be able to sustain somebody through their life: buy a home, have a pension and still enjoy your life and your family. It's just not that way anymore.

Ms. Cindy Forster: Today in the grocery sector, are there pensions for anybody, full-time or part-time?

Ms. Deb Henry: It depends on if you're unionized. I am, thankfully. I do have a pension. It's not huge by any means, but it is something. We have just recently bargained for part-time to also have a small pension. But if you're not unionized, you will not have that.

Ms. Cindy Forster: Is it like a matching contribution type of plan or is it—

Ms. Deb Henry: No. It's through the company.

Ms. Cindy Forster: Defined contribution, paid for by the company. What about benefits?

Ms. Deb Henry: It's basically the same thing. We just recently had great negotiations, actually, where we did bargain some benefits and pensions for part-time when

they have the right amount of accumulated hours, which is where fair scheduling and minimum hours comes in. You have to average 15 hours a week, every week throughout the year, to get your benefits for the following year. So if you're not getting those 15 hours, which a lot don't, you're not getting benefits.

Ms. Cindy Forster: So the ticket to try to get to middle class is actually to join a union.

Ms. Deb Henry: Absolutely.

Ms. Cindy Forster: So that's the reason that you're supporting card-based certification for every sector—because your sector as well is as vulnerable as other sectors of employment.

Ms. Deb Henry: Yes.

Ms. Cindy Forster: Do you want to expand a little bit on the domestic violence piece? I know that our member Peggy Sattler actually introduced a private member's bill that passed second reading that would have seen, I think, 10 paid days in cases of domestic violence to allow women, who often, if they're in that situation, are also being starved of money, to get out of that situation.

Ms. Deb Henry: So I'm not completely versed on that, but I do know that, a lot of times, men or women will stay in a relationship that is abusive because they can't take the time away from work, because they can't afford to lose the time. If they do have the support from their company and their employer, they can take that time off with the confidence of knowing that they will still have some pay and their job, at the end of the day, to support their children.

Ms. Cindy Forster: Do you have any sense of what the average sick time is at the store where you work?

Ms. Deb Henry: I would say—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Time is up. We'll move to the government. MPP Martins.

Mrs. Cristina Martins: Thank you very much, Deb, for being here. I know you're a little bit nervous—

Ms. Deb Henry: I am very nervous.

Mrs. Cristina Martins: —because you probably haven't done this before, but you did a fine job.

Ms. Deb Henry: Thank you.

Mrs. Cristina Martins: So I just wanted to thank you for the time that you have taken out of your day to be here today to present.

I'm not sure if you've had an opportunity—there have been many reports so far, many news outlets reporting on what it is that we're doing here this week and next. There has been a recent report that actually states that workers in Ontario who will benefit most from an increase in minimum wage to \$15 an hour are women and immigrants.

As a woman yourself—and I'm asking this as a woman—what is this going to mean for single moms who are raising their families, and for women in general? What is this going to mean, if we do increase to \$15 an hour?

Ms. Deb Henry: It will be huge. I'm quite active in my union and in my workplaces. I know many people,

very good friends of mine, who are single moms. You don't necessarily have to be a single mom; just families working minimum wage are trying to survive. But it will be huge. It will allow them to be able to go out and get those new shoes, to go to the dentist.

In my opinion—and I'm sure it's not just mine—when you give somebody money, they're going to spend it and put it back into the economy. Give somebody \$15, as opposed to \$11.40; they're now going to be able to do things with their families, and that money, in turn, is going to go back and, I believe, will help the economy in the end.

Mrs. Cristina Martins: Thank you, Bev. I know that's a lot of—

Ms. Deb Henry: It's Deb, sorry.

Mrs. Cristina Martins:—what we've heard, actually, in the last few days as well: that a lot of that money actually gets spent back into the economy. There's nothing like feeling good about yourself—so maybe even getting your hair done or something like that and making you feel good and bringing that back into the home.

Thank you very much. I'm going to pass it over to my colleague Peter Milczyn.

The Vice-Chair (Ms. Ann Hoggarth): MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you for coming in today and stepping in for your colleague.

We've heard a lot about the minimum wage and those who think that implementing it should be postponed for up to five years. What do you think the impact of postponing it for five years would be?

Ms. Deb Henry: I'm sure you can imagine that I wish it would happen tomorrow. We truly are struggling. To wait another five years—I don't know. I just think that would be a shame. As I just said, that money is going to come back into the economy. If you're making minimum wage, you're not pocketing money. You can't save your money.

If we could even get it sooner, which I know we wouldn't, I think it will build the economy and it will—as a person, we're out working hard and we enjoy our jobs. Fifteen dollars: It's not a living wage, but it's a great start. We are trying to support our families.

Mr. Peter Z. Milczyn: I understand you work for a unionized employer. But for those people in your community who don't work in that kind of an environment, some of the changes in Bill 148—the rules around scheduling; the paid leave days; even the unpaid leave days, which for your job are still protected; taking away the requirement for a doctor's note for those short-term illnesses—do you think those are going to be significant benefits to people in your community?

Ms. Deb Henry: That's huge, very huge. People are worried about losing their jobs. The employers do have full control and they will intimidate you. We have people coming to work sick. When you go to work sick, you're sharing and you're passing that on. Everybody's coming in sick. I have a worker who will come in with a face mask to do her job when she's not feeling well because she can't and is not allowed to take time off. That's even

in a unionized workplace, because there aren't paid sick days.

Mr. Peter Z. Milczyn: You mentioned some issues around unionization. In this bill, we made a conscious effort to do card-based certification in those workplaces that are spread out, where it's not everybody coming into a single store, a single factory or a single office. But we did also put in place that when there is a union drive, the employer must share employee lists. So do you think that would be—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Time is up.

Moving to the official opposition: MPP Hillier.

1130

Mr. Randy Hillier: Thank you for being here. I was interested in your comments on the card-based certification. We know that Unifor was created from two previous unions. Members of both those unions from across the country, in wide-ranging different workplaces, were all guaranteed the ability to cast a vote and make a determination on whether they wanted to create Unifor or remain with their previous union. So I found it at odds hearing that you're supportive of taking away that voting right for members of other unions when Unifor used that process to create itself.

I did want to zero in on your comments. You work in the grocery trade. You mentioned that at one time, in years gone by, it was a good place to work. Some 80% of the people who worked there were full-time, 20% were part-time, and now those roles have completely flipped. When you were saying that, I was recalling what the previous presenter said about vacation, where the unintended consequence of some of the elements in this bill will actually encourage employers to do things that they otherwise would not do, and treat their employees in a less favourable fashion. We've seen over the decades increases in minimum wage. We've seen substantial increases, changes and reforms and added protections for people in the Employment Standards Act, but we've seen the unintended consequence, in your field, of actually achieving what we didn't want to achieve.

Do you think this bill is any different than the previous reforms in that it will alter that ratio in the grocery trade, where we'll get back to 80% full-time and 20% part-time?

Ms. Deb Henry: That would be my hope. People do want full-time jobs. I do hear, which I believe is an illusion, that people are happy working part-time jobs, that it gives them flexibility; they can decide where and when they want to work. That's absolutely not a fact.

Mr. Randy Hillier: I think most people who want to work, and who have the ability to work full-time, would rather work full-time.

Ms. Deb Henry: Absolutely.

Mr. Randy Hillier: But there are those university students and others who may want part-time employment.

Ms. Deb Henry: Of course, and that's how it was before. Before it was Monday to Friday, 9 to 5 for full-time.

Mr. Randy Hillier: Right. So we didn't accomplish what we set out to achieve with past labour reforms, but you think this one will be very different than previous ones.

I want to ask this question: Again, looking back in an historical context, do you see that the minimum wage is now becoming the standard in retail; that if you work in retail, the most you will be able to aspire to is minimum wage employment?

Ms. Deb Henry: I see that. I absolutely see that. I think our work is devalued. I think we're looked at as people who are happy in what we have, and we're not.

Mr. Randy Hillier: Do you think this bill will change that concept, that minimum wage won't become the standard? Or will it actually do that: reinforce that minimum wage is the wage that people ought to aspire to or expect in retail?

Ms. Deb Henry: I don't think so. I think it's a shame that it's that low. I think that we shouldn't expect it, and if we do, we lost it somewhere along the way. We just need to be able to support ourselves and support our families.

Mr. Randy Hillier: I'll pass it over to my colleague.

The Vice-Chair (Ms. Ann Hoggarth): MPP McDonell?

Mr. Jim McDonell: Thank you. Just quickly: I know that when I was growing up in rural Ontario, essentially everybody who wanted to work worked. There were corner stores; there was agricultural work to do.

Now I look over the same territories, and villages that had three or four stores have none, and no gas stations. This little grocery store that I know of is talking about closing up at the end of the year. His energy bill is \$3,500 a month, and you look at him: He's got a small grocery store, he has an add-on for a chip shop, and he changes oil in a garage that he has. He can no longer—he has had 30 years in the business, and this is it. So that village—there's no town left. In a small town in the area, Ingleside, with a medium-to-large grocery store, the same issue: He used to own the grocery store, and he had to sell off part—

The Vice-Chair (Ms. Ann Hoggarth): Sorry, the time is up. Third party?

Interjection.

The Vice-Chair (Ms. Ann Hoggarth): Oh, sorry.

Ms. Cindy Forster: I'll take another five if you want.

The Vice-Chair (Ms. Ann Hoggarth): No.

Thank you for your presentation. If you would like to make a written submission, it needs to be to the Clerk by 5:30 on Friday, July 21. Thank you.

Ms. Deb Henry: Thank you so much for your time. Have a great day.

UFCW LOCAL 12R24

The Vice-Chair (Ms. Ann Hoggarth): The next presenter is UFCW Local 12R24.

Please state your name for the official record, and you may proceed with your presentation.

Mr. Craig McDowell: Good morning, everybody. My name is Craig McDowell, and I'm here on behalf of the United Food and Commercial Workers Union, Local 12R24.

Local 12R24 is a highly specialized union local, representing Ontario's 6,500 Beer Store workers. Our members are on the front lines of responsible sales of alcohol, but also on the front lines of our emerging green economy, through our extremely successful Ontario deposit return program in partnership with the LCBO. In fact, we recently celebrated our three billionth bottle returned.

We are encouraged by much of what is in Bill 148, like an increased minimum wage and mandated pay equity, but we feel that we need to do more. This submission proposes further amendments to advance and update labour laws to reflect the reality of the modern workplace and the rights of all working people.

Card-based certification for all Ontarians: A card-check-based system would more easily enable Ontario's workers to unionize. The benefits of doing so are demonstrable. In both quality of working conditions and compensation, the union advantage is real. As the saying goes, a high tide raises all ships, or in this instance, a decent wage benefits both the employee and the employer. The local economy always benefits from a larger supply of buyers with increased buying power.

To facilitate more people successfully joining a union, we strongly encourage the government to amend section 10 of the Labour Relations Act to extend card-check certification to all workers in Ontario.

Further, we would like to see all workers covered by just-cause protection from the point of application, including the union's initial application for workplace information, until ratification and onward.

Automatic first-contract arbitration: The changing nature of work has established a growing structural mismatch between Ontario's modern workplace and the existing legal labour relations regime. This diminished leverage on the part of Ontario's workforce has emboldened some employers to resist collective bargaining.

The current system of first-contract arbitration tends overwhelmingly towards non-intervention. The implementation of an automatic first-contract arbitration model would create the much-needed leverage to get parties back to the bargaining table in good faith and to attain a mutually beneficial contract, or risk having one decided for them.

On that note, we recommend that the government amend section 43 of the Ontario Labour Relations Act to implement an automatic first-contract arbitration model.

Sectoral bargaining: We support all efforts to improve the lot of the province's precariously employed workers to gain full protection of unionization. One way we are seeking this is through broader-based sectoral bargaining in the retail sector.

The most effective way to bargain with franchisees today is by way of bargaining collectively with multiple franchisee-owned locations. We recommend a model

where uncertified or voluntarily recognized bargaining units of different franchisees of the same franchisor, by the same union in the same geographic area, be required to bargain together—something similar to what is set out in the Changing Workplaces final review.

We further recommend consolidating existing bargaining units with newly certified units at either the same location or in multi-location situations, provided that all units are represented by the same trade union or the same related employer.

Bill 148, as it is currently written, limits the ability to consolidate to three months thereafter. This provision is restrictive and makes it impossible to consolidate existing units. Bill 148 should permit the application to consolidate at any time.

Finally, the transition in collective agreements: Bill 148, as it is currently written, requires existing collective agreements that are in effect on April 1, 2018, to prevail where there is a conflict between an existing collective agreement and new ESA legislation.

The ESA is intended to be the absolute floor for employment standards, and no worker deserves to have less than that. Collective agreements cannot be used against the better interests of the worker, especially when it's caused by legal changes that come after the fact. We recommend that the government afford every worker, whether union or not, the immediate right of greater benefit.

1140

We believe that business and labour are two sides of the same coin. The worker and the consumer are the same person. The difference is just a matter of the time of day you ask. Workers with better compensation are consumers with more buying power.

I'd like to say thank you to the committee for allowing me to speak today on this very promising piece of legislation. I'm prepared to answer any questions you may have to the best of my ability.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The government will open this round of questioning. MPP Milczyn?

Mr. Peter Z. Milczyn: Thank you for coming out this morning and making your presentation. On the issue of trying to organize a union and the provisions in Bill 148 around the requirement for an employer to share lists for the purposes of organizing: You're saying that the way it's written is insufficient? What specifically in there is lacking? Do you have an amendment that you would propose?

Mr. Craig McDowell: Well, one thing we would like to see—we're not opposed absolutely to that provision with the 20% application for the lists. What we would like to see in addition to that is just-cause protection added to every worker in that workplace upon the application for that information. What we fear right now is that if there's no just-cause protection in place, once we put in an application, it may wreak havoc on the work floor and there could be unjust reprisals.

Mr. Peter Z. Milczyn: On the first-contract negotiations, I take it you would like a change that would basically make a request for arbitration binding?

Mr. Craig McDowell: On the first contract only. What we would like to see is that once you go the distance in your bargaining—you sit down, you spend your year, you bring in conciliators and you're still at an impasse—then at that point an arbitrator would come in and offer binding arbitration on your very first one.

What I do like in the current legislation is that there were some amendments to this. There's some strengthened language on getting your first contract especially. We do like the fact that decertification will no longer take precedence over bargaining. We do welcome that.

However, as the law is currently laid out, the tendency of the labour board is towards non-intervention. There tends to be no arbitration coming into place. What we would like to see is to have an arbitration on your first contract only. Let the union and the employer get used to working together and establish what the working relationship is going to be, and then from that point onwards, the normal labour relations process will take place at bargaining.

Mr. Peter Z. Milczyn: The other aspects of Bill 148—the increase to the minimum wage, the rules around scheduling of shifts, the provision of paid and protected unpaid leave days, equal pay for work of equal value—are those things that your organization was looking for in changes to legislation?

Mr. Craig McDowell: That was not something that we had placed as the focus of our lobbying efforts. That said, we do welcome these changes as they have come in. I think that it's very important—I mean, I'm a trade unionist. The reason why I got into this type of work was to raise the standard of work of as many people as I possibly could, and I think that these mechanisms—the increase to minimum wage, better rules around scheduling and especially new rules around pay equity and mandated pay equity—are absolutely a step in the right direction.

Mr. Peter Z. Milczyn: Thank you very much for coming today.

Mr. Craig McDowell: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the official opposition. MPP McDonell.

Mr. Jim McDonell: Thank you for coming out.

I grew up in an era in time where there was lots of business around. Growing up, if somebody wanted a job, there was a job there. But there were many small towns that had two or three grocery stores, garages, farm implement locations—now that is all gone. Very few of the small towns can even afford a grocery store anymore, because there's not enough business.

I look at some of the unintended consequences of what the governments have done over the last number of years. We've heard from small businesses that—no matter which one I talk to—they won't be able to hire as many people if wages go up. That just makes sense. There's only so much money coming in. If they have to raise their prices, there's less money coming in because people spend less. If it costs more, they have to look after the basics first. I'm just worried about this being the nail in the coffin for many more businesses.

A small grocery store in our area has been in business for 30 years, and he suggested that at the end of the year, this is his last year—before this labour legislation or whatever is put in—just because of the cost of energy. The people he's getting in and what he's allowed as far as income—he just can't pay the bills anymore.

Another fairly large grocery store—he used to own his own grocery store. He had to come up with \$100,000 to look at energy efficiency issues. He got a grant from the government to look after part of it. He has a franchise, so he now only owns part of the store. This will put him under.

That's what we're looking at. We're driving everything to the large cities and a few large grocery stores, which means, in the end, the corner store on Fifth Street or Second Street is gone because people now can only go to the places that can raise prices and that are large enough to support people.

Any comment on that?

Mr. Craig McDowell: I'd say, first off, I absolutely share in your sentiment that what has been going on especially in rural Canada—I've spent a lot of time in rural northern Canada—for the political economies is quite heartbreaking. That said, I obviously can't speak on behalf of the business community. That's not the organization I represent today.

But what I would say is that, in my experience, a lot of what's needed in these communities is new buying power. We need to have people with actual expendable cash so that they can then go in to their local economy, especially in rural Canada, where we know that this money tends to stay closer to the community that people live in.

Mr. Jim McDonell: I guess the point is that there's nobody working in these communities anymore, because all of the businesses have closed down. Not that there aren't some changes that need to be made to the employment standards—everybody is agreeing in that, but who should pay? If we just unload the cost of the responsibility on to the small employers, they disappear. Would it not be better to target the people that need the help with programs, versus basically forcing them out of work?

We heard from the predecessor talking about where the small grocery stores used to be 80% full-time, 20% part-time, but changes in legislation have moved that around the other way because the employers—we can just tell by the percentage—have gone out of business, gone bankrupt. There's not a huge margin there.

The expectation from this legislation is that everybody will just pay more and everything will be rosy. But we know from past history there are just fewer jobs. I look at my experience. All of those people in my age group who got jobs somewhere, they're no longer working anywhere. They're sitting at home looking for work, trying to get some part-time work, if it's available, or working under the table. I think all we're doing is driving that up.

Mr. Craig McDowell: Like I said before, one of the ways that we think the minimum wage will actually help is that people will earn more money. It generates an

economic stimulus in your local economy. But I do feel for rural northern Ontario communities, having lived there myself. Employment opportunities are very difficult. There's much seasonal employment, on many occasions. What I think, though, beyond this, is that through the path of unionization people not only get better compensated, but people also get a better sense of themselves at work. You get more control over what you end up doing, and your quality of life goes up.

Mr. Jim McDonell: Recently we talked about technology being a great thing—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Craig, for being here today. I just want to delve a little bit more into the card-check piece. We know that even in unionized workplaces, the world of negotiations and bargaining has changed. Where we used to have collective agreements that were for one-year terms or two-year terms, we now often see collective agreements that are for four- and five-year terms. It's my view, as you said, that the ESA is the bottom line of working conditions for workers in this province—that somebody today could have signed off a collective agreement for five years in the private sector or the public sector and they're going to be denied any improvements under Bill 148 because there are no more one- or two-year collective agreements.

Can you comment on that?

1150

Mr. Craig McDowell: I think that's a very good point and I'm really glad that you glommed on to that piece of my presentation. It's one of the things that we were very worried about when we saw how 148 was currently drafted. We believe very strongly in the right of greater benefit that helps everybody. Nobody would willingly or knowingly negotiate something underneath, in terms of compensation, what they would be getting otherwise.

You're absolutely right: Contracts are routinely now going five years. I've seen seven-year; I've seen 10-year contracts in some industries now. These people are going to have to wait that much time to get the benefit of law that everybody else has. That's why I think that if there would be an amendment or a change to 148 to include the right of greater benefit, it would be not only the fair thing to do, but it would be something that would benefit the political economy of Ontario as a whole.

Ms. Cindy Forster: That's what the bill is called: Fair Workplaces.

The other piece is the fact that card check is only being applied in this bill to a very small sector, basically building services—and not all people in building services—community health workers, and other community services yet to be defined. I believe that's discriminatory. We have a Charter of Rights. I know the federal government has reinstated card check for everyone. Can you comment on that?

Mr. Craig McDowell: Absolutely. I agree. I think there is an element of discrimination in this, absolutely. I think it is a step in the right direction that you do open up

card-check certification to more Ontarians, but I think it needs to be opened up to absolutely everybody. I don't see why you would go part of the way on something like this when you could easily go the entire distance and let every single Ontarian enjoy the same privilege and the same right to have the ability to join a union under those circumstances.

Ms. Cindy Forster: I think that the rationale behind it from the government's point of view was that these people don't congregate in any common place. But you can say that of any sector today. You go into Starbucks or Tim Hortons and you see people with virtual offices on their laptops actually working in a coffee shop or working in a restaurant. They don't congregate either. They probably don't even have a physical space that they attend on any regular basis.

Mr. Craig McDowell: Absolutely, and that addresses much of what we've been, I feel, going through with this process. There is a changing nature of work that we've been experiencing over the last 30 or 35 years, arguably, and that is a real fact of work these days. It's not necessarily the case where you go to the same place at the same time with the same people. Work is becoming much more decentralized. People work from home more often. Even the workplace environment, the structure of the office, has changed quite a bit over the last 10, 20 years even: the concept of open offices and whatnot.

In that way, it's very difficult to have people come and do votes in the workplace in that regard. That's one of the reasons why we think that card check is the best way to go for everybody. The card that you've signed is your vote. It's more difficult to get a card than it is to vote for a union, I would argue. I think this is something that every single worker in the workplace has access to, especially in this modern form of work.

Ms. Cindy Forster: In addition, retail isn't included, agriculture isn't included and domestics are not included. Just last week, my next-door neighbour's daughter, who is a nanny—she's also a student going to Mohawk College—lifted a child, in an individual's house, that she was looking after and ended up having to have emergency back surgery—

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. I would remind you of the deadline for a written submission. It has to be to the Clerk by 5:30 on Friday, July 21.

Mr. Craig McDowell: Thank you.

DR. SARAH NEWBERY

The Vice-Chair (Ms. Ann Hoggarth): Members, we are now going to have the teleconference that I spoke about earlier. It is Sarah Newbery. Sarah, are you there?

Dr. Sarah Newbery: I am here. Can you hear me?

The Vice-Chair (Ms. Ann Hoggarth): Yes, we can.

Dr. Sarah Newbery: Great.

The Vice-Chair (Ms. Ann Hoggarth): Sarah, if you would give your name for the record and then proceed with your five-minute presentation.

Dr. Sarah Newbery: Thanks so much. My name is Sarah Newbery, and I live and work as a rural family physician in the community of Marathon, on the north shore of Lake Superior, where I have been for the past 20 years. It was really good to have comments earlier about the importance of northern Ontario.

I want to thank you for being able to accommodate me in this way, because it's really helpful for me to be able to remain in my community and still participate in this process.

My focus today is on the issue of personal emergency leave and its impact on people who live in communities like Marathon, which is, in fact, as you know, most of the communities across northern Ontario. The majority of employers in our community, as with most northern communities, have fewer than 50 employees. I think that's clear not only across northern Ontario, but much of southern rural Ontario as well.

What I want to focus on is the challenge that people face having to access tests and specialist appointments in northern Ontario, despite all that we do as family physicians to optimize care as close to home as possible.

Marathon is 300 kilometres from Thunder Bay, which is our nearest—

The Vice-Chair (Ms. Ann Hoggarth): Sarah?

Dr. Sarah Newbery: Yes?

The Vice-Chair (Ms. Ann Hoggarth): Could you please back away from the mike? We are getting some interference. We think you're too close to the mike.

Dr. Sarah Newbery: Okay. Is that better?

The Vice-Chair (Ms. Ann Hoggarth): Yes.

Dr. Sarah Newbery: Good. Okay, I'll pick up where I left off.

Marathon is about 300 kilometres from Thunder Bay, which is our nearest tertiary centre. It takes about three and a half hours, most of the time, to get from Marathon to Thunder Bay, and that's a drive that is not easy, particularly in the short days of winter.

For most people in Marathon and communities like it, to undertake any test in Thunder Bay requires two days away from our community. Given that most medical services and hospital services are provided Monday to Friday, those two days that it takes to get a single test are days away from work for most people. A single ultrasound, a single CAT scan, a single specialist appointment would use the entire allocation of paid emergency leave days for most patients in our community. This actually does have a very direct impact on patient decision-making about health care and testing. I'll share with you a couple of examples just to illustrate.

Three years ago, a patient of mine named Jack, who is an aging worker, had a positive screening test for colon cancer, but did not undergo a colonoscopy because he didn't feel he could afford the two days away from work that he would have had to spend to undergo a colonoscopy in Thunder Bay. Last year, when we offered colonoscopy services locally, he did undergo the colonoscopy. It was not about getting the test; it was about the time off work. When he had his colonoscopy done here,

his colon cancer was detected, and he is currently being treated.

Last week, I saw an 18-month-old child with a speech impediment. That child never underwent newborn hearing screening because her father couldn't afford to take the time off work, to take two days in Thunder Bay, to have the half-hour newborn screening test.

Those kinds of decisions are made all the time. People choose the testing that they'll undergo, or the specialist support that they'll receive, based not only on the direct costs of travel but the indirect costs of unpaid days off work.

Certainly, it's clear that workers all across Ontario face illnesses and personal crises, which can create compounding challenges if they don't have the opportunity to take some time to deal with them. Whether it's a parent who has had a stroke, or a child who's sick, or a teenager with a minor overdose, or a personal illness of their own, we need workers to be able to take the few days that they need to be able to deal with things fully, confident that there's no penalty to their job security or their income as a result of taking care of their own health or the health of a loved one who depends on them.

I fully support two paid leave days and eight unpaid days for all workers, regardless of employer size. I think that's a step in the right direction. But I also support the Decent Work and Health Network's proposal to increase access to seven paid days, as a significant opportunity to improve health equity and access for people who live and work in northern Ontario.

I'll simply close by saying thank you for allowing me the opportunity to offer this small contribution to your consideration for the legislation today.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Sarah. Just before we proceed with the questions, I'll let you know that we have members from all three caucuses here: the official opposition, the third party and the government.

I would ask that the MPPs identify themselves before they ask Sarah the question. We will begin with the official opposition.

Mr. John Yakabuski: Thank you, Sarah, for presenting to us today. It's John Yakabuski, MPP for Renfrew-Nipissing-Pembroke, representing the official opposition. I appreciate your submission, and we apologize that, through no fault of your own—technical difficulties—we were unable to hear your presentation when we were actually in the north.

1200

Dr. Sarah Newbery: Thank you.

Mr. John Yakabuski: I certainly understand your concerns as a physician, and as a physician in one of the remoter parts of Ontario, how it sometimes seems that the reality of northern Ontario is not properly considered by governments—and I'll say governments of all stripes—over the years. I can certainly understand the challenges of anyone trying to get routine health care, let alone speciality health care, in areas such as the one you work in and some even more remote, as you know.

I think it's important for government to recognize that, whenever they bring in legislation, geography has to be taken into consideration. For example, we had a submission this morning that talked about the minimum wage changes and that maybe we should be doing—he didn't cite New York state, but, for example, New York state is doing something quite unique where they're having different levels of minimum wage proposed for different parts of the state, because the cost of living in different areas is different. Well, maybe we need to look at different ways of supporting people who live in Marathon or other places in northern Ontario to assist them not only with getting health care—we recognize that you're not going to build Toronto General in Marathon, but we still have to be able to somehow ensure that there is access to health care, and, if it means travelling, how we support them to make that more possible.

Thank you very much for your submission. It will certainly be taken into consideration.

Dr. Sarah Newbery: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the third party.

Ms. Cindy Forster: Good afternoon, Sarah. It's Cindy Forster from the NDP. I thank you for your presentation and your request to increase the paid emergency leave days.

We know—we hear it all the time—that Ontario doesn't stop at the border of Toronto. We hear in the Legislature on a regular basis that, in fact, the north has less access to health care, and they have poorer outcomes because of it. But the government continues to close beds and to close rural hospitals across this province.

I know that you have a northern allowance for health expenses when there's travel involved, but I understand that there are a lot of hoops to jump through to actually access those funding dollars as well. Recently, Sarah Campbell, our member from the NDP from Kenora-Rainy River, tabled and debated a motion in the Legislature to make it easier for people from the north to access those dollars, to make the rules less stringent and to make sure that people have access to the funding.

So I hear you; I hear the issues that you, as a constituent in the north, face. Hopefully, we'll get an amendment, going forward, to assist you with this. Would you like to comment further?

Dr. Sarah Newbery: Simply to say thank you. I think you've identified the challenge of health outcomes. We know, through very good work being done by Health Quality Ontario that, in the North West LHIN at least, we perform either at the bottom of the list or second-to-last in every health outcome metric that has been looked at by Health Quality Ontario. I think we absolutely do need to find ways of ensuring equitable access to health care services. You're right: We will not have many of the bells and whistles that are available in urban centres. I think patients are willing to travel to access those things as long as other barriers are removed, particularly barriers around income and cost. People will go where

they need to go to get the service, and we need to make it fair and easy to do that.

Ms. Cindy Forster: And you lost your train as well under this government, so you can't travel by train; it's really by car or perhaps a flight somewhere.

Dr. Sarah Newbery: It's typically a flight. The Greyhound bus is down to one a day, so it actually means three days of travel if you're relying on the bus.

Ms. Cindy Forster: So we're hearing about the realities of the north, and we thank you for calling in and participating in this hearing.

Dr. Sarah Newbery: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government.

Mr. Peter Z. Milczyn: Hello, Dr. Newbery. It's Peter Milczyn, MPP for Etobicoke–Lakeshore. I'm also the parliamentary assistant to the Minister of Labour. Thank you very much for your submission and for accommodating us and making yourself available when we could sort out the technology.

Would your recommendation, then, be that, perhaps for the north specifically, there should be an extra day or extra days of paid leave to accommodate travel times?

Dr. Sarah Newbery: I think if it's not possible to extend extra paid days to all workers in Ontario, then certainly acknowledging the particular challenges of the north and enhancing the paid days access for northern residents would be helpful.

Mr. Peter Z. Milczyn: In this bill, one of the things that we've also done is eliminated the requirement for doctors' notes for these short-term leaves, which we believe would be of benefit all across Ontario. Would it be of particular benefit to the people that you serve?

Dr. Sarah Newbery: I think it would be of benefit to all primary care physicians in the province. I think the reality is that often when we're asked to do sick notes, it's actually in retrospect, when an illness has occurred and has resolved. So somebody missed Friday, they were sick Saturday and Sunday, and they come in Monday for a work note, but the illness has resolved and they're ready to go back to work. I think there is a significant amount of physician time that is being utilized—in some ways it feels like policing, almost, the relationship between employers and employees, and I don't think that's an efficient use of physician time. I think it creates barriers to access for people who truly are sick and need care—not simply have been sick and need a note. So I absolutely support the elimination of the need for sick notes for patients who have had to take the days of time that are allocated under this legislation. It is a very important step in the right direction.

Mr. Peter Z. Milczyn: Earlier today, the medical officer of health for the city of Peterborough came and was a witness here and spoke about the social determinants of health and the impact that many of the changes in Bill 148 would have on those. Do you have any comment on that?

Dr. Sarah Newbery: I think there's abundant evidence that a small rise in income creates significant

health impacts. I think there's a tremendous amount of evidence. Rosana is a brilliant clinician and would have provided you with all of that information.

I absolutely support that. I think that until we address the social determinants of health in the province, we are not going to succeed in addressing our health access challenges. So much of the illness that we see is related to poverty. If we can address poverty, we will have taken a step toward improving health care and the sustainability of our health care system for all residents of Ontario.

Mr. Peter Z. Milczyn: Thank you, Dr. Newbery, for your work and for your advocacy.

Dr. Sarah Newbery: Thank you so much for being willing to accommodate me this way.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Dr. Newbery. If you are interested in submitting a written submission, it needs to be to the Clerk of this committee by 5:30 p.m. on Friday, July 21. Thank you and have a good day.

Dr. Sarah Newbery: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Committee members, we are now recessed until 1:30 back in this room.

The committee recessed from 1208 to 1330.

The Vice-Chair (Ms. Ann Hoggarth): I'm calling this session to order. Good afternoon. We are meeting this afternoon for public hearings on Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts. Each witness will receive up to five minutes for their presentation, followed by up to 15 minutes of questioning from the committee.

A reminder: This is an extension of the Legislature, and the same decorum is required. There is no clapping or cheering here and no kinds of political signs.

Are there any questions before we begin?

Interjection.

The Vice-Chair (Ms. Ann Hoggarth): Eric, we have a quorum, right?

The Clerk of the Committee (Mr. Eric Rennie): Yes.

The Vice-Chair (Ms. Ann Hoggarth): We do have a quorum. Thank you, MPP Clark.

KUDRINKO'S LTD.

The Vice-Chair (Ms. Ann Hoggarth): I will call the first witness, and that would be Kudrinko's Ltd. Welcome, sir. If you could please give us your name for the official record, and then you may start your five-minute presentation.

Mr. Neil Kudrinko: Thank you very much. My name is Neil Kudrinko and I own Kudrinko's Ltd., an independent grocery operation, a single-store operator in Westport, Ontario. My wife and I also have a fine food shop in the village, Rosie Yumski's Fine Foods. We employ approximately 30 people in the summertime, and on a year-round basis about 18 individuals.

The reason I wanted to come and speak to you today is because I am definitely concerned about the manner in

which Bill 148 is being proposed and presented to the business community. I'm also concerned for the small communities that people like myself serve. There are a lot of independent grocers throughout rural Ontario, and we work very hard to support our communities, create good employment and provide good nutrition to the communities that we serve.

The grocery industry: If anybody else has any experience with it, you'll know it's a very, very tight margin. My store does slightly less than \$5 million a year in sales. The expected net profit for my store based on industry averages, and this is through the Canadian Federation of Independent Grocers—some of you will know Gary Sands—and FMS, which is an accounting firm: They've done a survey across Canada which demonstrates that the average net profit of a grocery store in Canada is 0.82%. So if you buy \$100 worth of groceries, 82 cents is available to the grocer for capital reinvestment to keep their business going.

In my particular case, we're a very progressive retailer. We're well known for our sustainability measures and our environmental efforts in our community. Actually, we're known well around North America. I sit on a number of committees in the US as well. But we also take a really strong stance toward community development and providing good careers for our employees. I don't see my grocery store as a McJob by any means. We're definitely there trying to create employment. The fact that we have a really long-term tenure with our employees speaks to that.

You talk about CEO to lowest wage earner. There was a piece today in there about Hydro One and the CEO making \$4.4 million, and how much does the lowest employee make? In my case, I make double the lowest employee, but that's if I don't count the number of hours I put in, because I don't pay myself overtime.

The reality is that when you take my entire business, half my employees already make over the minimum wage. They make anywhere from \$15 to \$20 an hour. Then the other half of the adults that I employ are between \$12.50 and \$14. We have a group benefits plan, which is shared-cost. I've been picking up more of that recently, because the cost of long-term disability benefits has been going up, and that's 100% paid by the employee.

We also recently started a group RRSP program, where I match 2% of my employees' wages up to \$35,000 a year. If the employee puts in \$700, I put in \$700. That's not your low-end, dead-end job. We have good jobs, for a village of 700 people, and we try really hard to make it that way.

But the reality is, we have about 10 to 12 students a year that we hire. Probably about half of our adults do make that \$12.50 to \$14. The total cost of the increase of that, if you add in the additional vacation pay that I have to cover, with somebody to cover those hours, and also the paid emergency leave, amounts to \$75,000 a year.

I am expected to make \$40,000 in profit. Bill 148 costs me \$75,000. I'm \$35,000 short.

I've already started making some changes in my business. I've cut my hard-copy paper flyer. Canada Post lost \$8,000 worth of revenue, and my local printer in my village lost \$10,000 in business. So there's \$18,000 gone.

There are other things I can do. I could probably charge for bags. I don't have market power, and I don't want to tick off my customers, so I may have to start charging for bags. They cost about \$10,000 a year. We're looking at other things that we can do as well.

Community donations: I get asked for \$100 or \$200 probably four or five times a week. I've started saying, "No, I'm sorry. The Premier has said that has to go to a minimum wage increase. I can't give you a donation." We've put a lot of money back into the community, and that's going to have to stop.

Even at that, if I make up that other \$35,000 that I'm short, that gets me to break-even. Well, breaking even doesn't keep you in the game, folks, because I have what's called a demand loan with the Royal Bank. If I don't show certain covenants—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Sorry, your time is up.

Mr. Neil Kudrinko: No problem. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We begin this round of questioning with the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Mr. Kudrinko, for being here. Please feel free to continue your presentation. If there's time, I'll ask you questions. If there's not, you'll get your story out.

Mr. Neil Kudrinko: All right. Thank you. I'll just take a minute to finish up.

Ms. Cindy Forster: Go ahead.

Mr. Neil Kudrinko: I was just going to add that the problem with having a demand loan is that if you don't meet the covenants of your loan, you're no longer in business, because the Royal Bank is going to turn around and call my loan.

One of those covenants is my profit margin. If I don't show a certain net profit, they're not going to continue to extend me that credit. They can call my loan at any time. This isn't a home mortgage, where as long as you make the payments, you're good to go. You need to show a certain amount of solvency.

If I lose my demand loan, I lose my business; my employees lose their jobs; I lose my house; I lose my ability to support my family, and I'm personally bankrupt. I have good debt. I took on that debt knowing what my business could do, and the bank was happy to support me.

But a change in 18 months of 32% in minimum wage is definitely something that's tough to swallow, just because we don't have time to adjust that quickly. I'm afraid that a lot of small grocery stores like my own are going to be put out of business. You're going to have food deserts throughout rural Ontario, and you'll see Ontarians having to get in their cars and drive to cities like Kingston, an hour away, to get basic groceries. We'll have to explain that to Minister Murray when his CO₂ numbers don't come in where he wants them to be. Thank you.

Ms. Cindy Forster: Thank you. How many employees do you have?

Mr. Neil Kudrinko: I have about 18 year-round. Usually, I keep a couple of students on, if we have a couple of exceptional students. Then in the summertime, we usually hire about 10 to 12 students.

Ms. Cindy Forster: When the tourist industry picks up?

Mr. Neil Kudrinko: Yes. We hire them usually in May, to try to give them some training. I give them a day a week. Even the students that I hire through the year, I always restrict them to one shift a week, because I believe that there is school five days a week. They should still have a day off.

Ms. Cindy Forster: Right. That's good.

If this bill moves forward and the increases move forward through legislation, what other things can the government do to assist small business with these additional costs?

Mr. Neil Kudrinko: I think one thing that the government would definitely want to do is look at the timetable on which they want to roll this out. Can it be reviewed? Can it be lengthened to allow business time to be able to react to those changes and do them incrementally? I already raised my lowest wage earners from \$12, \$12.50, up to \$13, anticipating \$14 in January, so I've got some time to adjust.

1340

Also, I think if we look at the \$2 student wage subsidy, I won't be hiring students anymore. I'll require three years of experience because I'll pay somebody \$17 or \$18 an hour before I pay a 14-year-old \$14.10, when they've got no life skills. We're just trying to teach them how to show up for work and have some basic skills. And if we are lucky, after a year or two, they might actually be able to cover their wages or return a profit to us. We've had some great students work for us. I've personally paid the first year of tuition for a couple of them when they've gone to college because I think that highly of them. But the reality is, at \$14.10, when you've got a department manager making \$16.50 beside them, it's kind of hard to justify.

Ms. Cindy Forster: Right.

Mr. Neil Kudrinko: That would be one. Another one is I would increase the wage subsidy for students, and I would also make it so you don't have to do the paperwork. I've got a T4 for those students. They've got social insurance numbers; it can be checked out. Allow my accountant, at the end of the year, to be able to put in a tax credit to get coverage for the fact that we do hire and train students.

Another one is the employer health tax. It sat at \$400,000 for years and years and years, and finally increased to \$450,000. Many of the businesses paying the employer health tax in Ontario today were never the intended targets of the tax in the first place. Based on what it was when my family bought the store in 1990, at \$400,000, and where minimum wage is today, you should be at least getting your first million tax-free.

Ms. Cindy Forster: So in the student programs, through the federal government, we were told at one of the places we've been to this week that some businesses don't qualify for that subsidy. Do they in the grocery retail sector?

Mr. Neil Kudrinko: I believe they do. I've never applied for it simply because the amount of paperwork and the red tape that goes along with applying for that just ends up being burdensome. I could always justify it, but with a 32% increase, on tight margins like mine, unfortunately I'd be firing students left, right and centre based on what I see in the workplace today.

At \$10.70, I can kind of have some patience, and hopefully develop them. If I hire them at 14, 15 and 16, hopefully I get them through the first couple of years of university too so that they are working for me when they're 20 or 21. I've got some of those, and I've already raised them up to \$12 an hour. They're 18 years old, and they're great students. They work really hard and they have developed some great skills, but they started with me when they were 14 and 15.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government side. MPP Fraser.

Mr. John Fraser: Thank you very much, Mr. Kudrinko, for being here today, presenting and taking time away from your business. I know it's a busy business; I spent about 22 years in the same business as you did. I'm familiar with some of the things that you've told the committee today.

I just have a couple of questions. There are different needs of different businesses, small and medium-sized businesses, in terms of the things that, when you take a look at how we can assist small business with this, what those things are.

How big is your payroll?

Mr. Neil Kudrinko: My payroll is around \$750,000 to \$800,000 a year. And probably going up to about \$875,000, if I don't make any cuts.

Mr. John Fraser: I'm glad that you mentioned the EHT, the employer health tax, which has been brought up a couple of times by a number of people before the committee, as something that would be helpful to you.

In terms of your complement of full-time and part-time staff, roughly what's the ratio?

Mr. Neil Kudrinko: Actually, I only have two part-time adults and 16 full-time. I want these to be careers. I want these jobs to be meaningful. I don't want turnover, so I hire somebody when I've got 2,000 hours to spend.

Mr. John Fraser: I can understand that. Retention, having one job that you go to that you're responsible for, is advantageous, not just for the employee, but for the employer because you invest—

Mr. Neil Kudrinko: Yes, and in the summer with the tourism industry in tourism towns, if you start competing with another employer, all of a sudden you find yourself playing second fiddle. It's just easier to hire somebody year-round full-time.

Mr. John Fraser: Because of your seasonal business, since you have such a high ratio of full-time, your cash flow and profit margins must vary over the year, right?

Mr. Neil Kudrinko: They do, yes, because my rent doesn't change, my hydro doesn't change significantly. There are a number of things that don't change, but my volume goes up considerably. I have to have at least \$100,000 in the bank on Labour Day in order to get through the winter months.

With the proposed changes I see here, I'd probably need a minimum of \$150,000 to get through those months, or I could start doing seasonal layoffs. That's going to have consequences, as well. I've avoided it to this point, because as you know, trying to hire a meat cutter back in the spring is pretty tough.

Mr. John Fraser: Well, sometimes, in some job markets, trying to find a meat cutter—it's pretty hard to sell things if you don't have the people there to make them, or to cut them in the case of the meat cutters.

Mr. Neil Kudrinko: I have three meat cutters, but I definitely don't need three in January.

Mr. John Fraser: Yes, and that's the challenge inside. You may know François Bouchard. Do you know François?

Mr. Neil Kudrinko: I know François. We did our ads together for years. I know you're his MPP.

Mr. John Fraser: I'm his MPP. I worked with him at Steinberg's way back when.

Mr. Neil Kudrinko: That's right.

Mr. John Fraser: One of the things François has talked to me about is that some small grocers are caught in not being able to take advantage of some of the programs that exist out there for hydro in terms of saving. Is that the case with you, or is your usage kind of under that small-business level?

Mr. Neil Kudrinko: No, I pay the wholesale rate. I'm actually paying the same amount for energy as I did in 2007. As I mentioned, we're really progressive. We work really hard on sustainability and environmental, and we've actually cut our carbon footprint from 195 metric tonnes to under 50 metric tonnes. As a result, when there are increases in hydro, I'm not as affected as other grocers who haven't made strategic investments.

Mr. John Fraser: How did you do that, if I can just ask?

Mr. Neil Kudrinko: I completely redid the entire physical plant of our store, right from the building envelope to putting in a Protocol rack system to heat reclaiming to LED lighting. You name it, I've done it. Our store actually increased in size and went down in consumption.

Mr. John Fraser: Is your store organized, or your employees?

Mr. Neil Kudrinko: That would only cost them union dues. They wouldn't get any more pay, so no, they're not organized.

Mr. John Fraser: I was just asking, because some of the measures you're taking in terms of RRSPs are very similar to some of the things that I've seen across the industry in both organized and non-organized stores.

Mr. Neil Kudrinko: Well, to be honest with you, when the government was talking about doing the On-

tario Registered Pension Plan, I was bent and determined that we would do the 4% and 4%, because I felt it was important for my employees to own their retirement savings, not simply pay into a fund that, if they died before they hit 65, their family never got the benefit of.

Mr. John Fraser: How much time is it—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. John Fraser: That answers that question.

Mr. Neil Kudrinko: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move now to the official opposition. MPP Clark.

Mr. Steve Clark: Just to pick up on Mr. Fraser's line of questioning, we're very proud in my riding to have Neil as a grocer in Westport. I want to remind members that the first deputant this morning, Terry Cowan from the Cove, is from, again, the same community, the smallest municipality in Ontario.

Neil has done some very interesting things. We just recently had the Environmental Commissioner in our riding, and she took great interest in the amount of work that Neil has done at Kudrinko's in Westport to lower his carbon footprint and make those strategic investments to position himself against the competition. If you look at the community of Westport, with less than 700 people, it's very important that we have a Kudrinko's in our community. It's very important that we have a government policy that fosters innovation and growth at Kudrinko's.

Neil, you talked about a number of things. I think you shortchanged yourself on being a leader in the local food movement in not just the riding, but in eastern Ontario as a whole. Earlier in your presentation you talked about the fact that you'll be looking for people with more experience rather than hiring a student right out of high school, and I'd like you to expand a little bit about the wage compression that you see in small business given the quickness that the government is proposing the minimum wage be increased with. Could you address that for us?

Mr. Neil Kudrinko: Sure. I remember when we went through the 75 cents an hour every year for four years. The previous government had not raised the minimum wage in a long time. I think that was a mistake, and then I think that raising it so quickly this time is also a mistake. There needs to be a middle ground, you know? Doing increases with inflation is a good idea. Maybe a little bit more is required, but 32% in that short a period of time doesn't give business a chance to build in some additional efficiencies.

In 1990, when I started receiving every case down a set of rollers—you remember the rollers coming down the trucks—one at a time, you'd unload an entire tractor-trailer load. Who could afford to do that today? We replaced labour with forklifts.

1350

There are a number of things that the industry has done, measures the industry has taken, in order to reduce the amount of labour required, to be able to sell food to people at a price that they can afford and to keep food affordable for people. But when you do such a quick increase of 32% over 18 months, there isn't the time to

be able to work that in. You need to be able to see an increase, adjust your labour needs where you can, find some more efficiencies, and over time, you can get there. You can. It's hard; you have to make some difficult decisions. Also, it gives you some time to increase your prices gradually. It's less traumatic for the business community.

When it's so fast, you're right: The pressure, the compression on my wage cost—I run a 14% wage cost. This paper says 13.33% is the average. I already run higher because I have more wage inputs, with high-quality fresh departments that support local farmers. I'm going to have to look at maybe walking away from some of those programs I do that support Ontario agriculture. I maybe have to get rid of a meat cutter. Maybe I'll have to get it all cut at a plant somewhere. Do you know one of the first jobs that might go? That \$20-an-hour job. This may become an industry of everybody making 15 bucks, everybody making the minimum. Then I just need somebody to go along with a scanner and scan the barcodes and then put it on the shelf.

We pride ourselves on providing quality service and good jobs, and quality products that support local agriculture. It is really going to be difficult to maintain that level of service that people expect. At a 16% wage cost, I'm bankrupt.

Mr. Steve Clark: As well, Neil, in your presentation, you talked about conversations you've had with farmers about price points. Do you want to elaborate on that?

Mr. Neil Kudrinko: Sure. I was over at Robert and Shannon Miller's in Rideau Ferry the other day. I'd just finished buying \$7,000 to \$8,000 worth of strawberries from them. I go over every other day and pick up 50 baskets. I do it myself because nobody works as cheap as me. They're grateful for the business.

We were talking about the corn coming up. I go over there every other day, and I usually pick up two watermelon bins full of corn, about 50 to 100 dozen every other day.

I said, "Robert, how is this going to affect you?" Because this isn't just the time it takes to pick the product. You've got to plant it, you've got to tend to it, you've got to pick it. Sometimes, you've got to process it. "What's the cost going to be?" He said, "A dollar a dozen."

Mr. Steve Clark: A dollar a dozen. Wow.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Kudrinko, for your presentation. If you have a further written submission, it needs to be to the Clerk by 5:30 on Friday, July 21. Thank you.

Mr. Neil Kudrinko: I've distributed it already. Thank you for your time, everybody.

NORTHUMBERLAND COMMUNITY LEGAL CENTRE

The Vice-Chair (Ms. Ann Hoggarth): The next presenter, please? Northumberland Community Legal Centre. Thank you. If you would state your name for the record, and then you can begin your presentation.

Ms. Teresa Williams: Thank you. It's Teresa Williams.

Good afternoon. Thank you for the opportunity to speak today. There is a written submission of today's presentation that's going around.

I'm here to represent the Northumberland Community Legal Centre, where I am a community legal worker. I have been advocating for employment rights for over 15 years. You may know that legal-aid-funded community legal clinics practise the area of law called poverty law.

At the Northumberland Community Legal Centre, we assist low-income people in Northumberland county with matters concerning income, such as social assistance and other areas of income replacement. Additionally, we assist people with their employment standards claims, employment insurance claims and appeals, and their workplace injuries, among other areas of law.

Northumberland county is made up of seven municipalities that total approximately 85,000 people. The largest is Cobourg; you may pass it on your way through. They have a population of 19,000. The population of Northumberland county lies within 1,900 square kilometres, with approximately 23% of the population in Cobourg. Much of Northumberland county is rural and remote.

I'm going to try to keep within the five minutes and stick to three important speaking points. We're not going to speak about the temporary agencies or labour. We do endorse the \$15 and Fairness campaign and the Migrant Workers Alliance for Change submissions, among others. We think they've done a great job of capturing things, so we're not going to repeat them here.

Further, we're not going to speak about labour, except to say that there should be easy paths, without reprisal from employers or from governments deeming work as vital services, for workers to join unions.

Our speaking points today will focus on the minimum wage increase, enforcement of the employment standards, and amendments to other acts.

Firstly, we do appreciate the work that has been done through the Changing Workplaces Review and following. We applaud the government for all of the implementations that have been made so far. There was actual effective, progressive change, not just mere tinkering, which of course is what advocates were pushing for. Having said that, we must not allow ourselves to be bullied by the business sector. We can't reverse the changes that have been made or prevent additional changes from being made.

Recently, Minister Flynn made a trip to Northumberland county and met with local chambers of commerce and employment advocates. The chambers agreed that workers ought to receive a living wage, but that the implementation to get workers there is too steep. In fact, one chamber put forth a concern of one of its business members that next year the business will only be able to donate half of what they've been donating to charities in years past as a result of the minimum wage increase. The chamber presenting the anecdote and the employer both

failed to see the irony in paying living wages to their own employees that would reduce their own need for charity. Additionally, employers have failed to recognize the many years that employees endured without any increase at all. They did not seem to be able to reconcile that they were living on the backs of employees who required the charity because their wages were not enough to live on.

At the same meeting, Minister Flynn indicated that there is no proof, no evidence or statistics, to support the doom and gloom being projected by employers. To date, the employer lobby has been filled with rhetoric that states that increasing the minimum wage will lead to inflation and job cuts. None of this is based in fact, statistics or history; it's merely conjecture.

Employers object to studies that have in fact been done because they were not done in Ontario, yet no quantitative study can be done without action. The impact can only be measured once the changes have been made. Employers would rather rely on fear, rhetoric and conjecture than rely on studies from places like Seattle or Sweden. Even still, economists have analyzed data from a project that was done in Canada in the 1970s. You may recall Mincome in a small town in Manitoba where there was a guaranteed annual income. While a Conservative government closed down the study without analyzing any data, economists have since, in fact, analyzed some of the data from that project. They did determine that members of the community did not stop working; they had increased health and wellness, and more teens—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll now move to questioning. It's the government's turn.

Ms. Teresa Williams: That's five minutes?

The Vice-Chair (Ms. Ann Hoggarth): Yes, it was.

Ms. Teresa Williams: Okay.

The Vice-Chair (Ms. Ann Hoggarth): We move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: I'll just give you an extra minute to wrap up, and then I can ask you some questions. Okay?

Ms. Teresa Williams: Sure. Thank you.

I would like to say that enforcement must be kept in our sights and that there are other areas of related legislation that wasn't analyzed, such as deeming in the WSIB realm, as well as the Agricultural Employees Protection Act and the live-in caregivers act.

As well, there must be an incentive for people to get off social assistance. They must be able to leave, so a two-tiered health benefits system would be of great benefit to people trying to leave social assistance to be able to work.

Mr. Peter Z. Milczyn: Thank you very much for your presentation. You covered quite a lot of ground in that.

I just wanted to ask whether your organization participated in the Changing Workplaces Review.

Ms. Teresa Williams: We did.

Mr. Peter Z. Milczyn: You did. Do you see, in Bill 148, many of the things that were raised during that review? Do you see it in the bill?

Ms. Teresa Williams: We do. We see it in the bill.

Mr. Peter Z. Milczyn: Very good.

Ms. Teresa Williams: In fact, \$15 in Northumberland county is, in fact, a living wage.

1400

Mr. Peter Z. Milczyn: We heard in a number of submissions from folks about the need to implement the minimum wage over a much longer period of time, up to five years. While I respect their views and their concerns, and I don't diminish them, what would be in your mind the impact of making people in Northumberland county wait another five years?

Ms. Teresa Williams: I see then that the increase in social assistance—there's not transportation for people in Northumberland county. There are two towns with buses. People aren't able to move around from township to township to get work or from their rural areas of their local municipalities. It would mean a greater catch-up in years to come.

We can't keep the freeze on—well, there hasn't been a freeze recently, but there were so many years without increases that people have lost vehicles, they don't have the mode to get to employment, those kinds of things. I think it will be detrimental to a larger group if there's a delay.

Mr. Peter Z. Milczyn: In the work that you do, have you seen an increase lately in the number of people coming to you with workplace-related issues that they need assistance with?

Ms. Teresa Williams: Yes, we do.

Mr. Peter Z. Milczyn: And have you had more funding to help deal with those issues?

Ms. Teresa Williams: No.

Mr. Peter Z. Milczyn: No?

Ms. Teresa Williams: I shouldn't say no so boldly. We were able to get special project funding for one position, to get more work into the office to deal with employment issues, but not to deal with it in the office.

Mr. Peter Z. Milczyn: Okay, because we heard from Community Advocacy and Legal Centre this morning, and they said that they did actually have some additional assistance to help deal with these things.

With the people that you assist, would things like the paid leave days, the protected additional leave days that they have, the change that no longer would require a doctor's note for a short-term work absence—do you think that would help resolve some of the issues that you see people coming to you with?

Ms. Teresa Williams: It would have a huge impact on employees. They would be able to—many don't have doctors still in Northumberland, and we're scheduled to lose five more, so hospital waits are incredible. It would have a really big impact.

Those aren't typically the reasons people come to us because they fear, currently, reprisal. So they do not file employment standards claims based on not getting a sick day—the unpaid ones, even, now. They don't take them.

Mr. Peter Z. Milczyn: Because they don't have a right to them under the current legislation.

Ms. Teresa Williams: On the smaller employers, right, yes.

Mr. Peter Z. Milczyn: Overall, with some of the other issues that we are trying to address in the bill, such as the equal pay for work of equal value, the successor rights for contracted employees, the protection for workers—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. I move to the official opposition: MPP Yakubuski.

Mr. John Yakubuski: Thank you very much, Teresa, for your submission today. It's quite blunt. Some of the things that you've implied about businesses' fears today—were you here when Mr. Kudrinko testified just before you?

Ms. Teresa Williams: Yes.

Mr. John Yakubuski: Does he strike you as someone who is making things up, or dishonest?

Ms. Teresa Williams: I didn't say anyone was being dishonest or making things up. I don't think he was dishonest or making things up.

Mr. John Yakubuski: So when he says he's going to have to lay people off or he's going to have to cut wages or cut people or fail to offer jobs, is that true or is it not true?

Ms. Teresa Williams: It's unknown to this point.

Mr. John Yakubuski: Well, he knows his business better than anybody. He knows what his profit margin is; he's not inventing it.

Ms. Teresa Williams: He's made steps to be able to hang on to the employees he has.

Mr. John Yakubuski: Pardon me?

Ms. Teresa Williams: He said he'd made steps to be able to hang on to the employees that he had.

Mr. John Yakubuski: He's going to try. He's going to try, but, no, at the end of the day he said he would be cutting students from his payroll.

Ms. Teresa Williams: One of the great things about the living wage increase is that students now likely will have to work less because their families will then be able to have the income coming into the home.

Mr. John Yakubuski: Again, that's just something you're forecasting.

Ms. Teresa Williams: But that's based on statistics.

Mr. John Yakubuski: In fairness, Teresa, you didn't like the conclusions of the study that came out of Seattle.

Ms. Teresa Williams: No.

Mr. John Yakubuski: But the study that you speak about, out of Manitoba—if you like the conclusions, it's a good study; if you don't like the conclusions, it's a bad study. It's about fairness.

Ms. Teresa Williams: No, I like the study from Seattle.

Mr. John Yakubuski: Yes.

Ms. Teresa Williams: Yes, I'm absolutely about fairness.

Mr. John Yakubuski: So I think when we want to discuss this issue, it's very important that we are willing to look at the other side and ask them genuinely, is this something that you can actually manage?

I can see that you are a tremendous advocate for the vulnerable. I can see that not only in your presentation but in the way you present yourself and the way you speak. But if Mr. Kudrinko, like so many others who have come before us—we're now into the fourth day—actually have to reduce employment as a result of the speed at which this is being implemented—we had a professor, of course, who is now being purported as being supportive of the changes. True, but he also said that nowhere else have the changes been implemented at this rate; in none of the other studies that he cited was the rate of increase this high or the implementation period as narrow.

So when we have businesses in front of us and they're putting their heart on the table and saying this is going to happen, what you're saying here is that it's not going to happen.

Ms. Teresa Williams: What I'm saying is, it may happen. I feel that many employers are threatening it to be able to push the timeline, but until something is implemented, you can't actually measure it.

Mr. John Yakubuski: Once it's implemented, if it happens, then it's too late, is it not? You can't put the toothpaste back in the tube.

Ms. Teresa Williams: You can't, and with that, the employees have had so many years without any increases—had previously, not in the most recent years—that the regression of that can't be ignored. We need to get them up to where—

Mr. John Yakubuski: And people like Mr. Kudrinko and others have said that they want to move to the \$15-an-hour minimum wage, but they have to be able to do it at a rate that allows them to stay in business, because if they're not in business, they're not paying anybody a wage.

Ms. Teresa Williams: We're still a year and a half from \$15, but currently, today, \$15 is the living wage. So in a year and a half we would still then be behind on bringing minimum wage to an actual living wage.

Mr. John Yakubuski: That's the number that people have arrived at, but it could be different in different areas of the province. As one person said, it costs more to live in Toronto than it does in Westport or some other small location like that.

Ms. Teresa Williams: It's my understanding from Minister Flynn that only one community in all of Ontario is below \$15 today as a living wage. Raising it to \$15—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. John Yakubuski: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): We now move to the third party. MPP Forster.

Ms. Cindy Forster: Hi, Teresa. How are you today?

Ms. Teresa Williams: I'm great, thank you.

Ms. Cindy Forster: Good. Why don't you go on and finish your presentation? Take a couple of minutes and go ahead and finish up.

Ms. Teresa Williams: I'll speak to the correlation with the other legislation because it's the one for me that has the biggest impact. The special advisers did a vast

amount of work. The scope of the review itself, though, may have been narrow because it only focused on the Employment Standards Act and it didn't contemplate any of the exemptions within the act.

In Northumberland, \$15 is a living wage, but much of our county is rural and many of the people work on farms and so that excludes them from the ESA rights. The Agricultural Employees Protection Act doesn't in fact protect ag workers. There has only been one matter heard by that board from workers, and those workers were later faced with reprisal.

1410

Agricultural workers, both temporary foreign workers and domestic ag workers, are some of the most precariously employed, often relying on their employers for housing and transportation. This is also true for live-in caregivers. They only have access to such luxuries as cable and Internet if their employers have it installed, which we are aware has not happened in many of the farms in Northumberland county. Because the workers are tenants and not owners, they do not have authority to make changes to the premises, so the cable, Internet and phone companies won't install it.

Additionally, the review does not appear to have contemplated the effect of deeming by the WSIB. I'd like to say that we support the letter from the Ontario Network of Injured Workers Groups to Minister Flynn that is dated June 14. We've included it here because it's a specific letter; it's not part of the submission to this committee.

For example, a deaf client is being forced by the WSIB to look for work as a light delivery driver. Because of his workplace injury, he now has weight restrictions. It has been confirmed by the WSIB's own doctor that he can't lift more than seven kilograms. However, the WSIB has decided that he can lift up to 30 pounds, which is almost double. While he understands his obligation to cooperate with the return-to-work plan, it's unlikely, because he doesn't speak English, that he will be able to find work. He can't lift more than seven kilograms, and even if he could lift the 30 pounds, it's unlikely that being a delivery driver where he has to communicate will work for him.

In closing, I just want to say that one impact that I think is worth measuring as changes are implemented is the effect on health care and the impact on health care. Workers who do not have to choose between shelter or food, who can have both, will have greater mental and physical health.

I recognize that you're hearing many things and you may find it repetitive, so we've tried to keep away from the temporary agencies and the paid sick days, because we feel they're well covered elsewhere.

Ms. Cindy Forster: Do a lot of the clients that you serve work in temporary agency situations?

Ms. Teresa Williams: Yes. There are many.

Ms. Cindy Forster: Some of the worst ESA infractions probably come out of that population. That's what we hear.

Ms. Teresa Williams: They do, except if the ag workers weren't exempt, those would be the worst infractions.

Ms. Cindy Forster: The agricultural workers would be the worst?

Ms. Teresa Williams: Yes.

Ms. Cindy Forster: Could you give us an example of deeming, what that actually means?

Ms. Teresa Williams: In the case of my deaf client, he was making \$27 an hour as a body repair person. He injured his arm. His employer made great accommodations and they were text. Now he can't text as easily. It's an elbow injury. He signs now with his left hand instead of his right because of the injury, so he is no longer able to do that work.

They are saying that he must be a delivery driver, and that beginning in March of next year, they will deem that he is making minimum wage. That, then, will be \$14 an hour, and if he's making \$14 an hour, they just pay the difference. In reality, it's unlikely that he will find work. He can't communicate.

Ms. Cindy Forster: It's a pretend job for the purpose of reducing his benefits?

Ms. Teresa Williams: Yes.

Ms. Cindy Forster: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission, it needs to be to the Clerk of the Committee by 5:30 on Friday, July 21.

Ms. Teresa Williams: Thank you.

UFCW CANADA WOMEN'S ADVISORY COMMITTEE

The Vice-Chair (Ms. Ann Hoggarth): I'll call the next presenter: UFCW Canada's Women's Advisory Committee. Good afternoon. If you'd please state your name for the official record, and your time will begin.

Ms. Debora De Angelis: Debora De Angelis.

The Vice-Chair (Ms. Ann Hoggarth): Do you have anything to hand out?

Ms. Debora De Angelis: Yes.

The Vice-Chair (Ms. Ann Hoggarth): We've already got it.

Ms. Debora De Angelis: I have another one, a different one.

The Vice-Chair (Ms. Ann Hoggarth): Great. Could you begin, please?

Ms. Debora De Angelis: Good afternoon, and thank you for this opportunity to present UFCW Canada's—

The Vice-Chair (Ms. Ann Hoggarth): You must identify yourself, please.

Ms. Debora De Angelis: My apologies. Debora De Angelis.

Good afternoon, and thank you for the opportunity to present UFCW Canada's Women's Advisory Committee's submission to the Standing Committee on Finance and Economic Affairs regarding Bill 148.

UFCW Canada is encouraged by the government of Ontario's introduction of Bill 148 and its measures to strengthen the province's labour laws by boosting the minimum wage, mandating equal pay for work of equal value, increasing vacation and personal leave entitlements and enhancing union rights for some sectors.

As Canada's leading union for retail and food workers, UFCW Canada represents over 250,000 workers across the country and more than 105,000 members in Ontario. UFCW Canada members live and work in communities across this province. Over 50% of UFCW Canada members are women and 60% are members under the age of 30—young members. They are your neighbours. They operate your local grocery stores, process your food, provide security services, maintain your hotels, nursing homes, rental car agencies and drug-stores, and work in many other sectors in the economy.

UFCW Canada continues to advocate that all workers in Ontario ought to have the right to freely join a union. Bill 148 extends card-based certification to the building services industry, home care and community industry and the temporary help agency industry.

The leading employment sector in Ontario is the retail sector, and nearly all of these workers are in non-union, precarious employment and receive below-average wages. They lack security, and workplace benefits are almost non-existent. Scheduling is unpredictable, and the turnover is high.

Women—indigenous, racialized and immigrant women in particular—are highly represented as workers in the retail sector. The gender pay gap in Ontario is 30%. This gap increases based on race and origin. The pay gap for indigenous women is 57%, for immigrant women it is 39%, and for racialized women it is 32%.

The enhanced ability for workers to access collective bargaining rights and have a say in the workplace through a card-based certification system can help address some of these issues. Organizing workers into unions makes life better for everyone, but is especially helpful as an equality-promoting tool for closing the gender pay gap.

UFCW Canada strongly encourages the government to amend section 10 of Ontario's Labour Relations Act to replace Ontario's mandatory representational vote for certification with Quebec's card-check certification procedure, whereby a union is certified with a simple majority of signed membership cards, and to extend a card-based certification system to all sectors in Ontario.

Of course, providing workers with an opportunity to improve their workplace rights through card-check certification would only be a first step. Collective bargaining and achieving first collective agreements is a challenge for newly organized units, and the model we have right now is not working for all workers in Ontario. The implementation of an automatic first-contract arbitration system, such as the one we propose, will create the much-needed leverage to get the parties to the bargaining table and iron out a contract on their own or have one decided for them by a competent third-party

arbitrator. UFCW Canada recommends that the government amend section 43 of Ontario's Labour Relations Act to replace Ontario's no-fault first-contract arbitration with Manitoba's automatic access model.

UFCW Canada is encouraged by and supports the newly defined personal emergency leave provisions in Bill 148. However, we would like to see point 4 under section 29(1) be a stand-alone provision. Sexual violence is connected to gender inequality and contributes to the gender wage gap. A woman who is a victim of assault or harassed out of a job is left with few economic resources.

Fifty per cent of all women in Canada experience at least one incident of physical or sexual violence in their lifetime with devastating direct and indirect consequences. This amounts to decreased productivity, which is estimated at \$78 million annually in cost to Canadian employers. On average, every six days, a woman in Canada is killed by her intimate partner.

In June 2016, Manitoba became the first province to pass legislation for five days of paid leave for survivors of domestic violence, guaranteeing job security while they take time off to sort out their lives and find a new place to live. UFCW Canada proposes that section 29(1)4—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition: MPP Hillier.

Mr. Randy Hillier: Thank you for your presentation. In your presentation, you stated that you wanted to see an expansion and improvements for people to freely join a union.

1420

Ms. Debora De Angelis: Yes.

Mr. Randy Hillier: Would you extend that out to enhance their ability to freely join a different union or also to freely leave a union, or is it just to join a union?

Ms. Debora De Angelis: Let me start off by telling you a story—

Mr. Randy Hillier: No, no. If you could just answer the question: Do you believe that people's improved rights to join a union should also be extended to change unions or to leave unions?

Ms. Debora De Angelis: Absolutely. I believe in a worker's right to exercise their democratic right to join a union, and, by signing union cards, that is what they're doing.

Mr. Randy Hillier: Okay. A previous presenter from Unifor talked about expanding the card-check system as well. My question is, Unifor was the creation of a new union from two previous unions. They had locals all across the country, in various industries from both those unions. Every member of both those unions had the ability to cast a vote and decide what they wanted to do.

I'm just wondering why you want to take away that ability for people to make a choice by casting a ballot—a fundamental democratic principle—and replace it with a card.

Ms. Debora De Angelis: Let me tell you a story. When I was 19 years old, I organized my workplace. It was one of the first workplaces to fall under this legisla-

tion. I went in with 80% of cards signed in six retail stores. During the week, in the five days preceding the vote, management came in and intimidated and coerced everyone.

The workers who were in the five other stores—because we went in with 80% of cards signed in six different stores—called me the night before and they said, “Debora, we will not be able to exercise our democratic right and vote the way our heart tells us because management will be able to know which side we voted.” I said, “Go ahead. Vote en bloc”—

Mr. Randy Hillier: Excuse me. Pardon me. Hold on. On a secret ballot, there is no way for anybody to know how you cast your ballot, if it is indeed a secret ballot.

My concern is that, if this is a good principle to follow and to expand, why don’t we go out beyond unions? Why don’t we give that same extension to our democratic principles in the election of MPPs? People can sign a card—an NDP card or a Liberal card or a Conservative card—and that is their choice. They don’t have the freedom to change their cards.

This is one of the elements of card-check that is lost. Somebody may want something today and sign something today, but they may have a different opinion tomorrow. Card-check prevents people from making different choices up until that point, where casting a ballot—a secret ballot—is a time-honoured tradition and we know that it protects the rights of individuals.

If this works for Unifor, if it worked for autoworkers, if it worked for the chemical workers and all across this country in very, very diverse workplaces, how can it not be also something to be defended at the local level?

Ms. Debora De Angelis: I was trying to give you a personal story as to exactly what happened personally. The night before the vote, the workers called me and they said to me, “Debora, we can’t vote the way our heart tells us to vote, because management will know because they’ve had meetings with us one-on-one. There are only 10 people in the store and there are only 15 people in the other store, so they’ll know which way we vote. We’re going to vote en bloc.” I said, “You do what you have to do.”

In the end, out of six stores that signed 80% of cards, only one store voted in favour of the union. You said that this is a time-tested tradition. It’s only been around since 1995—

Mr. Randy Hillier: Secret ballots?

Ms. Debora De Angelis: The signing the union card plus the vote in Ontario—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We’ll move to the third party. Ms. Forster.

Ms. Cindy Forster: Thank you, Debora. Go ahead and finish your answer, finish your presentation, and then I’ll ask you some questions.

Ms. Debora De Angelis: Okay. I just wanted to say that, definitely, the signed card was what the workers wanted. Those five days—in the end, they knew they wouldn’t be able to vote the way their hearts told them to vote, and so they had to vote a different way.

I just wanted to finish with the personal emergency leave stand-alone provision. I think that’s where I ended.

Sexual violence is connected to gender inequality and contributes to the gender wage gap. A woman who is a victim of assault or harassed out of a job is left with few economic resources.

I think I said that already. I was at “in June.” Sorry.

Ms. Cindy Forster: It’s all right. Go ahead.

Ms. Debora De Angelis: In June 2016, Manitoba became the first province to pass legislation for five days of paid leave for survivors of domestic violence, guaranteeing job security while they take off time to sort out their lives and find a new place to live. We’re proposing that section 29(1), point 4, “Sexual or domestic violence, or the threat of sexual or domestic violence, experienced by the employee or an individual described in subsection (2)” be amended as a stand-alone provision, with 10 days of paid leave. Thank you.

Ms. Cindy Forster: MPP Hillier, I think, was trying to suggest to you that when you become a member of a union, you don’t have the right to change unions, and that just signing a card isn’t giving everyone the right to exercise their decision on whether or not they want to join a union.

Interjection.

Ms. Cindy Forster: But in fact, once you are certified, there is still a decertification process. Maybe you want to explain that to the committee.

Ms. Debora De Angelis: The decertification process works exactly the same as a certification process. Right now in the province of Ontario, you need 40% of cards signed to apply to the Ontario Labour Relations Board. Once you apply to the board, you have five business days. Later, you have a secret ballot vote. Decertification happens the exact same way.

Ms. Cindy Forster: Would you anticipate that if we move to a card-check process, there would still be a process in the Ontario Labour Relations Act to decertify?

Ms. Debora De Angelis: That’s right.

Ms. Cindy Forster: You would just have to—

Ms. Debora De Angelis: The same way.

Ms. Cindy Forster: The same way. Right.

Maybe you can also explain how union executives and committee members are elected, so that people can make a change even throughout that elected process of their executive and their committee members.

Ms. Debora De Angelis: Absolutely. It’s by election. Just because you sign a union card doesn’t mean it’s not democratic. It’s democratic. There are laws protecting workers from coercion and intimidation on both sides, so it is a very democratic process, and should be viewed as the worker indicating what they would like to do.

Ms. Cindy Forster: Your proposal really was around using a gender lens when we’re introducing legislation, and how important it is to ensure that we’re protecting women in this province with legislation. Do you want to expand a bit on that?

Ms. Debora De Angelis: Yes, absolutely. Unionized women make more than non-unionized women, on

average. The collective bargaining agreement has been used as an equality-generating tool.

What we have noticed, however, is that 60% of minimum wage earners are women, and many of these precarious jobs are also held by women. So you'll see that this type of legislation, where you have the signing of the card and then you have the vote, is actually impacting women. They don't have the same access to collective bargaining, and therefore there's less chance of closing the gender wage gap.

Ms. Cindy Forster: Right. I was really shocked at these numbers, that the pay gap for indigenous women is 57%, and 39% for immigrant women, and that in workplaces across this province, the gap is that big between men and women, in light of the fact that we've had pay equity in this province since 1990.

Ms. Debora De Angelis: That's right. Those are the numbers for Ontario.

Ms. Cindy Forster: What recourse do these women have to address that?

Ms. Debora De Angelis: We view the unionization process—or improving your working conditions through a union—as one way of closing the gender wage gap.

Of course, closing the gender wage gap will not happen just by joining a union. We need the government's leadership in providing universal child care and a living wage. We do commend the government on the two paid days as well as the 10-day emergency leave.

1430

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Martins?

Mrs. Cristina Martins: Thank you very much, Angela, it was, right?

Ms. Debora De Angelis: Debora.

Mrs. Cristina Martins: Oh, Debora, sorry. It's De Angelis; that's where the Angela came from.

Thank you so much for being here today and for your deputation. You gave it with such passion, so I wanted to thank you for that and wanted just to recognize the comments you made with regard to sexual harassment and violence, and that unfortunately there are still women today who have to go through that hardship, whether it be in the community, in their workplace or at home. So I wanted to acknowledge your words there and also to acknowledge the recommendations that you have made in representing your union here today with expanding the personal emergency leave for those people—those women, most often—who have suffered sexual violence and harassment.

My questions really are based on—you're here as a woman; I'm here as a woman MPP and I represent a riding that is home to many single moms, is home to many immigrant women. It is still a riding that people call home and come to when they first come to Ontario.

This gender wage gap piece is really bothersome for me, so I want to understand. I know that our government concurrently has a gender wage gap committee that is looking at this specifically, but if you can speak to the proposals that we're making in this piece of legislation

and how they are going to help those women who are often in these precarious jobs, whether it be in retail or foodservice, the home keepers, young women who have to keep two, three or four jobs to make ends meet. How are our proposals in this bill going to help those women and young girls?

Ms. Debora De Angelis: So the retail sector is very precarious and very unpredictable. If women had a better ability to exercise their democratic rights and participate in collective bargaining, they would be able to have advocates advocating on their behalf and improving their working conditions. Unionized workers, on average, have better benefit plans and have pension plans, and so this would be a way of closing the gender wage gap.

In regard to increasing the minimum wage as well, which we applaud the government on doing—milk continues to go up; bread continues to go up. That extra money that mothers, single mothers and women are making, they are putting right into their community. They're putting it to buy a soccer uniform for their child, or glasses, so this is going right back into their community. They're going to their local store, their local supermarket, buying an extra box of cookies or ice cream, and so what they're doing is putting money back into their community, unlike giving corporate tax cuts, which then leave the country.

In regard to violence against women, we will never close the gender wage gap if we do not address violence. All we're asking is 10 days' paid leave with a guarantee that a woman will not lose her job when she takes time off to take care of what needs to be taken care of, either herself or her family, or move. Already, currently, women have to work until 79 to make exactly the same as what a man makes by 65, so we're having to work longer. So with these initiatives that the government has put into place, hopefully we will see the gender wage gap shrink here in Ontario. It takes leadership, and I think there are a lot of advocates who have been advocating on behalf of closing the gender wage gap in Ontario, so I thank them also for the work that they've done.

Mrs. Cristina Martins: Great. And what do you think this \$15 minimum wage will mean for women? What is it going to bring to them? What are the things that you could share, perhaps, that you anticipate something like a \$15 minimum wage would bring to women and their families?

Ms. Debora De Angelis: Yes, well, just having a \$15 minimum wage is just having that extra something to buy something for their children, whether it's glasses or a uniform or a soccer ball, or something for their families. It really is just to give them a little bit more dignity in regard to—Ontarians and especially women, especially since the majority of them are minimum wage earners, have not seen any real increases to their wages, so they've been scraping by on two or three jobs, or just barely making it. What I see this \$15 minimum wage doing is giving them that little something to do something for their families, and they will. They'll be putting that money back into the local economy.

Mrs. Cristina Martins: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you would like to submit a further written submission, it needs to be in to the Clerk by 5:30 on Friday, July 21.

PETERBOROUGH AND DISTRICT
LABOUR COUNCIL

The Vice-Chair (Ms. Ann Hoggarth): The next presenter will be the Peterborough and District Labour Council. If you could please state your name for the record, and your time will begin.

Ms. Marion Burton: My name is Marion Burton. I'm the president of the Peterborough and District Labour Council. I want to thank you for giving us the opportunity to come and speak to you today regarding this very, very important issue surrounding changing workplace standards for workers in our community covered by the Employment Standards Act.

The labour council in Peterborough represents over 7,000 unionized members throughout the city and the county. We are also developing a Peterborough Workers' Action Centre, and I sit on that steering committee as well.

In April of this year, members of the Peterborough Workers' Action Centre steering committee conducted little pop-ups in downtown Peterborough asking the question, "What decent work means to me," or to the person responding to us. Of course, this was not a scientific approach, but many individuals didn't hesitate to write down their comments, and certain issues, particularly fair and liveable wages, were mentioned frequently.

When we were speaking with older adults, they quite often would say, "No, I've had a good job. I've got a pension. I'm doing okay." But when we asked them about their children's circumstances and what their experience was, they had much more to say and reflected great concern for the well-being of the younger generations. While a fair and liveable wage and an increase in the minimum wage were the most common responses, a positive work environment and fringe benefits, such as paid sick days and paid vacations, were also high on the list.

For the record, we do support increasing the minimum wage to \$15 an hour and we would direct you to the presentation that you received earlier this morning through Dr. Rosana Salvaterra from Peterborough Public Health that showed that 61% of working Ontarians earning minimum wage are not teenagers, they're adults; 30% are earning less than \$15 an hour; and 15% are earning minimum wage and work for an employer with over 500 employees. So these are very large employers, such as the Walmarts of the world.

There was a recent letter from the Progressive Economics Forum's economists—you're probably aware of that; it's been in the paper—about Ontario's proposed legislation. They're saying:

"For years, we have heard that raising the minimum wage will kill jobs, raise prices and cause businesses to flee Ontario. This is fear-mongering that is out of line with the latest economic research. Using improved techniques that carefully isolate the effects of minimum wage increases from the remaining noise in economic data, the weight of evidence from the United States points to job loss effects that are statistically indistinguishable from zero. The few very recent studies from Canada that have used these new economic methods agree, finding job loss effects for teenagers smaller by half than those of earlier studies and no effect for workers over 25."

Both the Peterborough labour council and the workers' action centre steering committee support Bill 148, the Fair Workplaces, Better Jobs Act, 2017, but we want to emphasize that there are sections that need to go further than what is currently in the proposed legislation, specifically as the legislation pertains to precarious workers. The Peterborough Public Health presentation earlier also showed that in a survey done last November in Peterborough by research firm Leger, 60% of Peterborough workers were in vulnerable and precarious employment. That's a pretty high number for a small local economy.

In Peterborough, there are currently eight temp agencies providing admin and human resources outsourcing for local employers. All too often, workers are falling between the cracks on issues such as incorrect or no pay, health and safety issues, and other employment standards regulations. We hear how neither the temp agency nor the workplace is held accountable for these violations, and workers are fearful of job loss if they file a report with the Ministry of Labour.

1440

The studies have been done. We know that small business is raising many concerns about the economic impact of raising the minimum wage. The Premier, at her media conference at the end of May, indicated that the province would be looking at how the government could support small business through this transition.

So my question to you is, what does this support look like? We do need to hear that. Our community does have a lot of small business, and we want to know that we all are working together to build a healthy and viable community.

There are three points I would also like to focus on today. I'm not sure where my time is at here.

The Vice-Chair (Ms. Ann Hoggarth): Five seconds.

Ms. Marion Burton: Okay, then I think I'm done. I do have it in the report, and I'd be happy to respond to any questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The third party: MPP Forster.

Ms. Cindy Forster: Thank you for being here today, Marion. You can use some of my time to finish your presentation.

Ms. Marion Burton: Okay, thank you, Cindy.

Just quickly, the three points: The first one is extending employment standards to cover dependent contract-

ors, the second is strengthening equal pay for equal work, and the third one is the personal emergency leave days.

The independent contractor, which is outside of employment standards protection: Even the Ontario Court of Appeal has concluded that an intermediate category has developed called “dependent” contractors. Dependent contractors have been created by employers to circumvent their obligation to workers who are rightly their employees.

We would like to see Bill 148 amended to include a broad definition of employees similar to what is contained in the Labour Relations Act, and ensure that the Employment Standards Act coverage extends to these so-called dependent contractors.

The second point is talking about the fundamental principle that workers who are doing similar work should be paid the same. If male and female positions are deemed substantially the same, we’re saying they should be paid the same. This definition creates an incentive for employers to establish or maintain minor differences between jobs performed by different genders, in an effort to maintain pay differences. We would like the bill to repeal the exceptions to equal pay, and to mirror the exemption language in the Pay Equity Act. We would like that, please.

The third point that we wanted to talk about is workers with the two paid sick days—we commend the government on putting that in—without a medical note requirement, but we believe it should be seven paid days.

The number of days allocated to personal illness is unreasonable and inadequate. No one is immune from getting sick. Taking time off work is known to speed up recovery, deter further illness and reduce overall health care costs. People should not be forced into a position where they must either compromise their own health and the welfare of others, or risk losing wages or their job. Workers not only require the right to take time off work when sick, but that leave must also be paid, to make it a viable option. In Peterborough, many low-wage jobs are in the service sector: foodservices, and health care such as personal support workers in home care and long-term-care facilities. Going to work sick spreads illness and disease to a vulnerable population of the sick and the elderly.

Again, I would just like to thank you for your time. Thank you, Cindy.

Ms. Cindy Forster: How much time do I have?

The Vice-Chair (Ms. Ann Hoggarth): Two minutes.

Ms. Cindy Forster: Thank you, Chair.

Maybe I’ll just delve into the piece about the temporary workers, the dependent contractors, and the injuries and workplace illnesses—

The Vice-Chair (Ms. Ann Hoggarth): Excuse me, MPP. Would you move the mike? We can’t hear you. Thank you.

Ms. Cindy Forster: Sorry.

There’s the issue of who is the employer when it comes to people being injured or developing a workplace illness and how difficult it is for employees to get coverage under compensation in those situations.

Ms. Marion Burton: Having met with some workers who have been employed through the temp agencies, what we’re hearing at various times, through various temp agency employers, is that their opportunity for future employment just disappears. WSIB has been given to them, but then there’s no more work.

Ms. Cindy Forster: Right. So there’s no return-to-work plan for them.

Ms. Marion Burton: That’s right.

Ms. Cindy Forster: And then you raise the issue of equal pay for equal work, and we’ve been hearing about this, I’m sure, every day, probably every third presentation, from minimum wage workers right up to university part-time professors and lecturers, who are making far less than permanent full-time profs in the university sector or in our community colleges. So that issue certainly is widespread.

Now, the issue of sick days, your medical officer of health kind of addressed today, too, and talked about the fact that influenza lasts five days, not two days, generally. I think the provincial average—you may know—is somewhere around seven to eight sick days per year per employee, regardless of the sector that you’re in.

Ms. Marion Burton: I personally work in the health care hospital sector—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We now move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Hi. Good afternoon. Thanks for coming out today and giving us your presentation. I just wanted to ask whether your district labour council participated in the Changing Workplaces Review.

Ms. Marion Burton: Yes, we did. We made a presentation.

Mr. Peter Z. Milczyn: Very good. Thanks for sticking with this process for quite a while.

Ms. Marion Burton: We’re quite excited about it.

Mr. Peter Z. Milczyn: In terms of the types of issues that you were raising during that review, and now looking at Bill 148, how closely does Bill 148 reflect some of the issues that you were raising back then?

Ms. Marion Burton: I would say we’re quite pleased with the proposals that have come through Bill 148. I’ve mentioned a few that we would like better, but overall we see a huge step forward in providing a much more equitable situation for workers in Ontario. The percentage of low-wage workers is far too high to think that, in this booming economy, all will be able to float their boat. I think a few will, but if you don’t bring the bottom up, it’s going to have a negative impact on the whole economy.

Mr. Peter Z. Milczyn: Thank you. That’s a very good point.

Some people have asked why this minimum wage is being brought forward as part of Bill 148, because it wasn’t really part of the Changing Workplaces Review. However, what we felt was a common theme throughout that Changing Workplaces Review was not just the specific recommendations on changes to the Employment Standards Act or the Labour Relations Act, but the underlying theme that there are many precarious workers

in this province and that there are many people who simply cannot make ends meet with the wages they are being paid. Did it come as a shock to you, knowing that, that minimum wage is being addressed in this bill?

Ms. Marion Burton: It was a delightful shock, yes.

Mr. Peter Z. Milczyn: But you would agree with what I said, that one of the recurring themes through the Changing Workplaces Review was that employment standards are important, but that, fundamentally, people are having a hard time making ends meet.

Ms. Marion Burton: Absolutely. It's about bringing people out of poverty. Working full-time, you cannot survive on minimum wage the way it sits right now. Even bringing it up to \$15 an hour—a lot of communities have done a living-wage estimate process. In Peterborough it's \$16 and, I don't know, 70 cents—something like that—which gives you the bare minimum of covering your expenses. There's no retirement savings. There's no sending yours kids off for educational opportunities. That is strictly paying the basics.

Mr. Peter Z. Milczyn: Your medical officer of health was a witness earlier this morning. She spoke about the social determinants of health. You just mentioned students. The combination of changes in workplace standards, in minimum wage, in free tuition, in free pharmacare for those 25 and under and a reduction in hydro rates across the board: Are all of those things that are going to help people get out of poverty?

Ms. Marion Burton: Yes, I would agree with that. There needs to be an adjustment in equity across—they say our economy is booming, and I'm really glad to hear that, but you can't have some who benefit and some who don't. Nobody works harder than somebody on minimum wage trying to provide for their family. So if you are giving someone more money in their pocket, it's not about just buying a few extra things for your children; it's about not having to go to the food bank, and actually going to the local grocery store and spending your money in the local grocery store, to buy food with some dignity and not be dependent on begging to be able to feed your family.

1450

Mr. Peter Z. Milczyn: So all of these wages will end up being spent in the local economy.

Ms. Marion Burton: Yes. Improving the workplace conditions, having some control and ability to plan your life, having a schedule: All of those things will improve the dynamics of our social fabric in our communities. We'll take care of our kids better. We'll be able to have less stress, cope better with less impact on our health care system—all of those things go hand in hand.

Mr. Peter Z. Milczyn: Thank you very much for coming today.

Ms. Marion Burton: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition. MPP Yakabuski?

Mr. John Yakabuski: Thank you, Marion, for joining us this afternoon. I have just a couple of things.

An interesting comment you made: They say the economy is booming. Well, the government says that, but there are a lot of others who say it is not booming.

You talked about your children. I have children. None of my grandchildren, of which we have nine, are in the workforce yet, but I too worry about the future for them—our children and our grandchildren. A booming economy is not one that has children worried about the future like they are today, and worried about your grandchildren. When I was growing up, I was never worried about getting a job.

Ms. Marion Burton: Nor was I.

Mr. John Yakabuski: Nor were you. So for them to say this is a booming economy—it's just what they're saying. But do you have any concerns, Marion? I understand that in order to do your job you must advocate for the people you represent, and I respect that. Do you have any sense that the alarm bells being raised by business are legitimate, that they have real concerns that the speed at which this change could be implemented—specifically, as we know, the one that worries them the most is the speed at which the increase in the minimum wage would be implemented. Do you have any sense that they are genuinely worried about the effects of this?

Ms. Marion Burton: I'm sure their worry is genuine. I would be more concerned for the reactions or sentiments from small business. But 50% of Ontarians earning minimum wage work for an employer who has over 500 employees. That's a huge sector. You can just set it aside, because those corporate levels are not having difficulty with their balance sheets.

You're asking about small business, but I just wanted to put that in perspective. We're not talking about most people earning minimum wage in the small business category. That's a smaller sector of the business community. Many small businesses are actually in favour of this, and many small businesses already pay more than the current minimum wage. I was listening to the gentleman from the grocery store who presented at 1:30; he indicated that he currently pays \$13 or \$14 an hour.

Mr. John Yakabuski: He has moved some people to \$13, but he is just as concerned, Marion. And when you say 50%, that means that 50% are not employed by those more-than-500-employee—

Ms. Marion Burton: Yes, but let's just make sure we have the right perspective. It's not everybody.

Mr. John Yakabuski: Oh, yes, but 50% is still half of that workforce.

The other situation that they're very concerned about, those businesses that are paying minimum wage, is because of the compression, when the employee with more seniority who is making \$15, or maybe \$14, today, which is substantially more than the minimum—when the laws are changed, because we can't have two laws, one for the small guy and one for the big guy. We can't do that.

Ms. Marion Burton: Well, I think that—

Mr. John Yakabuski: Let me finish the question.

Ms. Marion Burton: You're not making a question.

Mr. John Yakabuski: Oh, yes. When the compression hits, when the fellow or lady who is making \$14 or \$16 today comes into the office and says, “I need to maintain my gap. My seniority, my experience, is worth something”—you can’t just measure the increase based on the minimum of today to the minimum of tomorrow and who that is affecting. It’s the others who are affected. Does that give you even more concern for these small businesses?

Ms. Marion Burton: Not really, because you need to be looking at the research that is out there in abundance. What it is telling you is that the money goes back into the local economy and those businesses do better.

Mr. John Yakabuski: That research, Marion, to be fair—somebody commissions the study and they all determine what they want at the end of the study. Have you ever had a piece of real estate appraised? You can get four different real estate appraisals depending on who wants it done and what the object of the end of the game is. These studies are done for organizations that want the conclusions to be exactly what they want to hear—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Thank you for your presentation. If you have a further written submission, if you could have it to the Clerk by 5:30 on Friday, July 21.

Ms. Marion Burton: Thank you all very much for your time.

ONTARIO ELECTRICAL LEAGUE

The Vice-Chair (Ms. Ann Hoggarth): I’d like to call the Ontario Electrical League. If you would state your name for the official record, and your time will begin.

Mr. Gary Oosterhof: Good afternoon. Thank you for letting me be here this afternoon. My name is Gary Oosterhof. I’m a local licensed electrical contractor. I’m also here on behalf of the Ontario Electrical League. The Ontario Electrical League is a representative association for electrical contractors in the province, which I’ve been a member of since I started. My wife and I started our electrical contracting business over 25 years ago, and we employ about 10 employees, electricians and apprentices.

I’m also privileged to sit, as an electrical contractor representative, on the Electrical Safety Authority, which oversees electrical safety in the province. I’m proud to serve there as well. I represent the Ontario Electrical League in our Kingston chapter, the Kingston Electrical Association, which I’m privileged to be chair of.

I’m fortunate enough to be just recently elected to the Kingston city council in a by-election, representing my area, north of the 401, the Countryside district. I’m very proud to represent Countryside as well. That’s a little bit about who I am and what I do.

In 2006, my company was union-certified through the construction card-based certification. It’s going very well for us. It has been a positive relationship, and I’m fine with that—it’s been a little over 10 years now.

The thing that we’re asking for you to consider is that amendments would be made to consider that, in this bill,

it should stipulate that construction-based certification only be allowed to occur from Monday to Friday during the workday and not on weekends or on statutory holidays.

Ontario is a great place to work. It’s a wonderful province, and we’re proud of it. It’s a wonderful place to live. Yet we believe that all employees deserve a fair and democratic workplace. They all need to be given the opportunity to join a union or not to.

I can give you two circumstances that have occurred with our members. In one particular situation, our member was a residential contractor with 40 men in a business for over 70 years. Three of his men were working on a holiday, and two of the three signed cards. He was unionized on that day.

In this case, the remaining 37 employees did not have a say; 17 of these men quit the next day. Months later, the contractor ultimately was forced to close down. As a result, 40 skilled tradespeople were unemployed.

1500

Another recent scenario in Burlington: Chesterton Electrical. He was certified on a Saturday this past long weekend in May. Two of his men, two of the five working that day, certified, and his shop was unionized that day.

We are asking that, for construction card-based certification, there be amendments to this bill that would stipulate that certification could only occur on Mondays to Fridays, on regular business days, and not on weekends or on statutory holidays.

Thank you. I’d be happy to take any questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We’ll move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Good afternoon, Mr. Oosterhof. Thank you for coming today. Congratulations on your election.

I just have to ask: Do you have a relative who is an MPP in the Legislature?

Mr. Gary Oosterhof: No, he’s not related at all. He’s got the two Fs; I have the one F. Yes, I’ve met Sam.

Mr. Peter Z. Milczyn: Oh, okay. I was just wondering. The family would be on a roll, then.

Mr. Gary Oosterhof: Yes. I’m a one-F-er.

Mr. Peter Z. Milczyn: Thank you very much for this. This particular circumstance which you describe about the electrical contractor with three people working, and two signed a card—I personally had heard this story even before these hearings started. I believe we heard it yesterday. I personally sympathize with the issue that you’re raising. Certainly, I’ll take it back under consideration to the minister, as we take all of the input we receive through this process. So I can just get that out of the way.

Bill 148, though, deals with a number of other issues as well. I imagine that in your company, the overwhelming majority, if not all, of your employees must make well over minimum wage already.

Mr. Gary Oosterhof: Yes. Basically in construction or in licensed electrical contracting, that’s not an issue.

Mr. Peter Z. Milczyn: Some of the other elements of Bill 148 around scheduling, around paid leave days,

some protections for temporary workers who are brought in—do any of those issues affect your company, or do you have any views on those elements of Bill 148?

Mr. Gary Oosterhof: Not really, not at this time. I know we have a very good collective agreement that considers a lot of those issues. It's negotiated, so it's working well for us.

Mr. Peter Z. Milczyn: Just more of a social question, given also that you're an elected official here in this community: Do you generally support the intent of this bill to raise the living standards of a number of residents in this community as well as elsewhere in Ontario? Do you see benefit in the changes that are being proposed in Bill 148?

Mr. Gary Oosterhof: I certainly understand the intentions of the bill. It was very, very informative just to hear the past speaker too. I really do understand that. I worked for years too at a very low wage, and I understand the challenge that it is.

But I also understand that there is going to be a challenge for employers to come to that level. I don't think it's in construction so much, but certainly I hear from corner stores and from smaller employers that they can only generate so much income, so maybe that has got to be considered in that too.

But I completely empathize with the need for those who struggle to make ends meet. I empathize very, very much with that.

Mr. Peter Z. Milczyn: Thank you very much for coming in today.

The Vice-Chair (Ms. Ann Hoggarth): We move to the official opposition. MPP Hillier.

Mr. Randy Hillier: Thank you very much, Gary, for being here today, and thanks for your presentation.

I was glad to hear some comments from the government side as well about recognizing some of the defects in the card-check process that you were talking about. Maybe if you can just explain, so that everybody clearly understands what happens, and how it happens that a very few number of employees get to make a determination for all employees.

Mr. Gary Oosterhof: It is important, Randy. Thank you.

Construction labour law—and that's really important to stipulate—is a different labour law than anywhere else. It's only construction that has this type of card-based certification. It's a snapshot of a particular moment in construction when there are only a certain number of employees, and many people don't understand that. It can happen right now on all days of the week.

I can relate. Even for our own company, my wife and I and our children were on vacation. Actually, it wound up that there were three or four of us on vacation, of about seven of us. It was a situation where it wasn't a complete representation of all of our employees. That's why we mention that it's important that all employees in a workplace need to be given that opportunity to vote.

Mr. Randy Hillier: Not just the ones who are on a particular job site on a particular day.

Mr. Gary Oosterhof: Exactly, Randy, on that particular day. Right.

Mr. Randy Hillier: That is important. I think that the way it's being used in that fashion is actually an abuse of the intent of the legislation. I don't think anybody intended to allow two or three people, out of a business of 100 people, to decide if it will be certified as a union.

Mr. Gary Oosterhof: Yes, to let democracy be—

Mr. Randy Hillier: But now we're looking at expanding that into other businesses beyond the construction trades.

Mr. Gary Oosterhof: Yes. Right.

Mr. Randy Hillier: I know a number of businesses have been punished, and a couple of them are in your notes.

I'll pass it over to MPP Yakabuski for some comments as well.

Mr. John Yakabuski: Thank you, Gary, for coming today, and thank you for your presentation.

You may know the business that is cited in your example here.

Mr. Gary Oosterhof: Yes. I know them all.

Mr. John Yakabuski: It's in my riding.

Mr. Gary Oosterhof: The one in Ottawa?

Mr. John Yakabuski: No, it was in Arnprior.

Mr. Gary Oosterhof: Yes, very good. Thank you.

Mr. John Yakabuski: He called me the week after that happened, and he was in tears. Of course, a number of people quit immediately because that was not their intention and it was not their desire. It was their right, and easier for them, to go out as a licensed electrician and find work somewhere else than it was for him to keep his business going with all of the work that he was expected to carry out, to finish jobs, and was contracted on. Anyway, he did end up closing the business. He was forced to close the business and declare bankruptcy. He lost everything. He called me the week after, and he was in tears, because he saw what was going to happen.

I heard some encouraging words from Mr. Milczyn that perhaps the government, recognizing the loophole in their own changes, might propose an amendment. Especially if they're going to extend the card-based certification to other sectors, they should recognize the loophole that exists where in a situation of 40 employees, their future could be determined by as few as three.

Mr. Gary Oosterhof: Yes.

Mr. John Yakabuski: In this case, it was three. I guess it could have been two, if there were only two there and they both voted in favour. In this case, it was two of three that voted in favour.

Mr. Gary Oosterhof: That's correct, yes.

Mr. John Yakabuski: I hope, when we get the amendments to the bill, that the government side is going to follow through on saying they're concerned about this. They have the power, because they're in a majority government. No amendment will pass here, Gary, unless the government supports it.

Mr. Gary Oosterhof: Yes.

Mr. John Yakabuski: Any number of amendments that could be proposed for any piece of legislation in a

majority government will only pass if the government supports them. Hopefully, they're listening to the concerns.

I support the right of every worker to organize.

Mr. Gary Oosterhof: Exactly.

Mr. John Yakabuski: I think that's an important right in a democracy like Canada, but fairness has to exist on both sides of the street.

Mr. Gary Oosterhof: Exactly.

Mr. John Yakabuski: Thank you for bringing that to the attention of the committee here in Kingston.

Mr. Gary Oosterhof: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Mr. Oosterhof, for being here today.

I just have one comment. I want to follow up on MPP Yakabuski's final comments. In my experience in the Legislature, in a majority government it is rare that the government puts forward any amendments from the official opposition or the third party and passes them—rare. So I hope they're listening to you, and I hope that they're going to put the amendment forward. You may want to just follow up on that.

Mr. Gary Oosterhof: Thank you, yes. I will.

Ms. Cindy Forster: The other thing is, I didn't hear that you're opposed to card-check certification.

Mr. Gary Oosterhof: No, I'm not opposed to it.

Ms. Cindy Forster: You're not. Okay. I know that the other fellow who was here yesterday, I think, from construction wasn't opposed.

1510

I think part of Bill 148 has that employer having to give employee lists after 20% of the cards are signed. So, in that situation, at least all of your employees would be aware that there is a signing process, a certification, going on, so everybody can make a decision.

Mr. Gary Oosterhof: That's correct, yes.

Ms. Cindy Forster: Okay. That's all I've got, unless you want to add something.

Mr. Gary Oosterhof: No, that's good. Thank you.

Ms. Cindy Forster: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. Just a reminder that the deadline for submitting a further written submission is 5:30 on Friday, July 21.

Mr. Gary Oosterhof: Thank you very much.

UNIVERSITY OF ONTARIO
INSTITUTE OF TECHNOLOGY
FACULTY ASSOCIATION

The Vice-Chair (Ms. Ann Hoggarth): We now call on the University of Ontario Institute of Technology Faculty Association. Good afternoon. Would you please state your name for the record, and your five-minute presentation will begin.

Mr. Mikael Eklund: Thank you and good afternoon. I'm Mikael Eklund, associate professor and president of

the UOIT Faculty Association. Thank you for giving me this chance to speak to you today regarding Bill 148.

I came here to ask you to amend the proposed changes to section 15.1 of the Ontario Labour Relations Act to provide more support for the consolidation of new and existing bargaining units, and to apply them more broadly across sectors. At UOIT, we have been forced into fragmented bargaining units by the present labour relations legislation, and this has been detrimental to employees at the university. Strengthening section 15.1 would redress an unfair situation which presently exists for newer academic institutions in our province, such as my own, and perhaps other employee groups in other sectors as well.

The University of Ontario Institute of Technology, UOIT, in Oshawa was established in 2002, opened its doors in 2003, and has grown to almost 10,000 students, about 175 tenure-stream faculty, 60 teaching-focused faculty, about 15 full-time contract academic staff, also sessional instructors, teaching assistants and non-academic staff.

Currently at UOIT, there are five separate bargaining units who are all academic staff. My faculty association represents the 235 tenure-stream and teaching-focused faculty in two separate bargaining units. The Public Service Alliance of Canada represents teaching assistants and research assistants—which are students, generally—sessional instructors and post-doctoral scholars in three separate bargaining units.

The tenure-stream is the largest and arguably strongest employee group on campus, and we organized first in 2007. Then the teaching and research assistants, led by graduate students—who are arguably not as powerful, but very passionate in voicing their concerns—then the teaching-focused faculty, sessional instructors and post-docs organized, each separately, either under the faculty association or PSAC. Each was a progressively smaller and weaker bargaining unit.

At UOIT, we were prevented from adopting the sector standard, and more efficient, model for bargaining, which is typically to have two units: one for our student workers and one for non-student academic workers. This was due to the constraints of the current Labour Relations Act, which has thus far prevented employee groups from consolidating in any way, and allowed the employer to effectively “limit the power of the employees,” in the language of the Changing Workplaces Review report. Under the current OLRA, none of these groups has a viable option to consolidate given that the employer has vigorously exercised its current right not to voluntarily recognize any such consolidation.

Unfortunately, neither the report's recommendation in 11.5 nor the current bill sufficiently address the issue of precarious academic work and the consolidation of bargaining units, as was suggested in footnote 277 in that report regarding the consolidation of bargaining units.

The CWR report does note that the OLRB has been restricted in its ability to “revise or rationalize the various bargaining units. This results in a labour relations system that could grow more ossified over time.”

That is the situation at UOIT. We will become more ossified over time unless we continue to spend unreasonable resources, on both sides, or we are allowed to normalize our relations through consolidation.

Again, all these bargaining relationships have happened over the last 10 years. As such, I will note that the first amendment that I would recommend for 15.1 of the OLRA is that it should apply to all sectors of employment in Ontario.

Secondly, the timelines in 15.1 are too restrictive and do not consider the consolidation of units that have emerged over the course of the current legislative environment. Allowance should be made for at least the relatively new organizations like UOIT—and I think there are others in the province.

In conclusion, both the current environment and the currently proposed changes to the OLRA section 15.1 play to the employer's advantage. I question if they sufficiently support the Supreme Court's decision, including that reported in the CWR report, that a collective bargaining process should protect the "right of employees to form and join associations that are independent of management." To address a situation like UOIT's in terms of consolidation of bargaining units for better and more efficient labour relations, I believe the recommendations fell short of the mark, and would urge the committee to recommend that the timing restrictions of 15.1 be amended and acknowledge that many fragmented bargaining units have grown up over the past years and can be addressed here.

Thank you. I would be happy to answer any questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Mr. Eklund. Do you have a written submission as well? Are you going to provide the committee with a written submission?

Mr. Mikael Eklund: I will provide it by next Friday, yes.

Mr. John Yakabuski: Thank you. I can't say (a) that I'm a labour lawyer or (b) that 15.1 has been the most studied section of this bill for me. That is a different issue that you're bringing forward. I hope I understand it, but if I don't, maybe you can help me a little bit.

So you've got a diverse group of employees represented by a number of different bargaining units at the same educational institution. If they had an option, they would like to be one unit. Is that correct?

Mr. Mikael Eklund: It's very common to have more than one union representing employees at a university. In our situation at the faculty association, we have two bargaining units. One is a tenure stream, like myself, and the second is teaching-focused faculty, which emerged separately and is very disparate in terms of their power on campus and their—

Mr. John Yakabuski: So that's common, then, to have that type of a—

Mr. Mikael Eklund: That's very uncommon, to have two full-time instructor groups in separate units.

Mr. John Yakabuski: And the employer themselves is preventing you from joining, or attempting to prevent?

Mr. Mikael Eklund: Yes, that's correct.

Mr. John Yakabuski: Under what statute can they—are they legally entitled to prevent you or are they simply putting as many roadblocks up as possible, making it difficult? Under the current legislation—and obviously, even if 15.1 of Bill 148 is enacted as it stands, it would still allow them to legally prevent that from happening?

Mr. Mikael Eklund: Currently, yes, they are legally allowed to prevent that. We have to mutually agree to consolidate a bargaining unit right now.

Mr. John Yakabuski: The units and the employer.

Mr. Mikael Eklund: Yes.

Mr. John Yakabuski: Okay. And then they're simply not agreeing.

Mr. Mikael Eklund: Exactly.

Mr. John Yakabuski: Okay. So what you're suggesting, then, is that we would change the legislation so it doesn't require unanimous mutual agreement. It could be only the bargaining units themselves that agree to amalgamate, and the consent of the employer would be unnecessary.

Mr. Mikael Eklund: The proposed changes in Bill 148 right now say that it can happen for a new bargaining unit. If we were to organize a new group of academic staff, which would be in our interest—we probably wouldn't organize anybody else—then within 30 or 60 days, we could make an application to the labour board for them to consolidate the units. The first step, according to the proposed bill, is that they would then ask the two groups to see if they can work it out amicably in whatever way, and if that doesn't work, they could make a ruling on it. We would present our case to them.

Mr. John Yakabuski: Under the proposed bill, then, there is a way for you to amalgamate.

Mr. Mikael Eklund: No. It restricts it to only new bargaining units. These are two existing bargaining units.

Mr. John Yakabuski: But you could establish a new bargaining unit. The two of you could establish a new bargaining unit.

Mr. Mikael Eklund: If we were to organize a third bargaining unit, then that third bargaining unit could then make an application to the labour board to join into one of the other two—

Mr. John Yakabuski: So what exactly are you asking for, then: just to be allowed to join as the two you are?

Mr. Mikael Eklund: Exactly, yes: to have a possibility or mechanism to make an application to the labour board and give them—again, we might be able to work it out ourselves. To date, we have not been able to. I think this is common in other places as well—but to get the labour board involved.

Mr. John Yakabuski: I do understand now. Are you going to then furnish the committee with a suggested amendment that would actually accomplish that?

Mr. Mikael Eklund: I would certainly be happy to do so, yes.

Mr. John Yakabuski: Because I'd suggest you'd be better at writing it than me. It would be helpful if you were to provide the committee with a suggested amendment that would cover the legal requirement that would allow that to happen.

1520

Mr. Mikael Eklund: Thank you. I would love to do so.

Mr. John Yakabuski: That is, for the main part, your main issue for joining us today, then?

Are there any other issues with the bill that you wanted to—

Mr. Mikael Eklund: There's another small piece in the proposal for 15.1, and that is, again—the way it's worded right now; I'm going by memory—to restrict it to relatively new sectors in the economy. My understanding of the way it's written—it means right now that it wouldn't actually apply to the university sector because we're otherwise well established. UOIT is—

Mr. John Yakabuski: It's very new.

Mr. Mikael Eklund: It's very new, but if you look at other—

Mr. John Yakabuski: You haven't been around quite as long as U of T or anything like that.

Mr. Mikael Eklund: Right. Not quite.

Mr. John Yakabuski: Just one letter is different: UOIT.

Mr. Mikael Eklund: People often confuse us, yes.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you for being here today.

I understand what you want to do. I came out of the health care sector, and in the early years our part-time and full-time bargaining units were generally separate, and through voluntary agreements we merged those into one.

What I don't understand is, why is the employer so against this? Is it because if there's a strike, they'll have a backup? If the tenured voted to go on strike during negotiations, then they'd have the other group available to work—

Mr. Mikael Eklund: I think that's one of the typical ways that some employers try to keep the employees separate, so that they cannot bargain completely collectively.

Ms. Cindy Forster: So you have a tenured group and then you have full-time lecturers as well.

Mr. Mikael Eklund: Correct.

Ms. Cindy Forster: Are you teaching the same courses?

Mr. Mikael Eklund: Generally speaking, yes.

Ms. Cindy Forster: Is it just because they got organized at different times that this happened?

Mr. Mikael Eklund: Effectively, yes.

I joined UOIT the year before the faculty association was formed. The university was still very new, two or three years old. They had a set of policies that they had made up because they needed policies—and I think they did the best they could to do those—but that included a

lot of teaching categories that were just what they seemed to be; they needed people because they were new and had students coming in, and they needed somebody to teach this course and that course, so they developed these policies that were maybe not that well thought through.

When we formed the faculty association, it was easy to identify the tenured track faculty, because that was a clear group of people. But when the teaching faculty, as we now call them, were organizing, it was more difficult to identify who they were because there were several different categories in the whole process of signing cards and things like that, making sure you had the right one.

Again, that was also a much weaker group. It's recognized that the tenured stream is valuable to the university. It was not so well recognized that the teaching faculty at the time was as valuable to the institution. They weren't treated equitably; they're still not. It's an on-going bargaining issue for the association: to provide some equity for that group. It started off as a weaker group with less respect of the administration and the university in general, and that's the way we've seen things going.

Ms. Cindy Forster: They've continued to be undervalued.

Somebody suggested that you could organize a third group. But is there a non-union group to be organized? Is there a part-time group of—

Mr. Mikael Eklund: Yes. There's a small group of people who are considered full-time, but they're on short contracts: one year, a full year, two years. PSAC has at UOIT what are known as sessional instructors, who are course by course—they might do one, two, three or four courses per year, signing contracts every four months.

There is this other small group at UOIT, which we call academic associates, who are given a one- or two-year contract, but they are then having to renew those every year or every two years. They're still unorganized.

Ms. Cindy Forster: They're non-union.

Mr. Mikael Eklund: Correct.

Ms. Cindy Forster: It would, once again, be a bit of an onerous process to do that. Would that even get you to the board if you're excluded?

Mr. Mikael Eklund: My reading is, probably not, at this point, because it's specific to new sectors.

Ms. Cindy Forster: Thank you. I now understand it completely. Please feel free to put forward an amendment, and we'll see what we can do.

Mr. Mikael Eklund: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll now move to the government. MPP Milczyn?

Mr. Peter Z. Milczyn: Thank you for coming this afternoon. You know, one of the values of this process, of the public hearings, is that we do in fact hear new and unique issues come up through the course of the hearing. It's not just everybody coming out to speak their views on the minimum wage or on something else. Nobody else has raised this particular issue.

I'm certainly no expert in these matters. You mentioned 15.1—I have the bill here. I pulled it out. I'm

starting to read. I don't see the aspect related to a new industry in there that you raised. But it doesn't matter whether I see it or not, that's your concern. We need to address it.

Just to echo Mr. Yakabuski's point, none of us are experts in this. If you could be very clear in exactly the amendment that you would be seeking and if you could provide that to us in writing, that would be extremely helpful. I'll commit to making sure that Ministry of Labour staff take a look at it and review it.

Mr. Mikael Eklund: Thank you.

Mr. Peter Z. Milczyn: Generally, on Bill 148, though, do you have any views on what is here in terms of increases to the minimum wage, changes to the scheduling, provision of paid leave days and some of the other aspects of the bill?

Mr. Mikael Eklund: I certainly do have some opinions on many of those things in the way they directly affect the members of my faculty association. We do have collective agreements for both bargaining units, and we're not affected by the vacation days or anything like that. I'm not sure it would be so appropriate for me to discuss my views on those.

Mr. Peter Z. Milczyn: Okay. All right. Well, thank you very much for coming and sharing with us this particular issue. It will be reviewed carefully for you.

Mr. Mikael Eklund: Thank you very much. If I can just—you made one very brief comment that it's a new and unique situation. That's one thing that we at the faculty association would like—to make our university less new and unique and more mainstream. So, thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission, it needs to be to the Clerk by 5:30 p.m. on Friday, July 21.

Mr. Mikael Eklund: Thank you. I'll absolutely do that.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

NORTHERN CABLES INC.

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call on Northern Cables Inc. for your presentation, please. Do you have a submission?

Mr. Todd Stafford: No, but I can—

The Vice-Chair (Ms. Ann Hoggarth): If you would state your name for the record, then your five minutes will begin.

Mr. Todd Stafford: All right. My name is Todd Stafford. I'm the president of Northern Cables in Brockville, Ontario.

Primarily, my comments are lots of opinion on the bill.

Northern Cables started in 1996 after a large factory in our town closed. Shelley, myself and a few others started Northern Cables in 1996, and we've created over 200 jobs in our community since then. We have factories that run 24/7. They work 12-hour rotating shifts, the same as

DuPont, Procter and Gamble, 3M and many other big industrial employers in our town. We are unionized. Our base pay is around \$50,000 with benefits, with no layoffs. It has been over 18 years since we've had a layoff. Our core product is commercial industrial building wire. It's not lucrative, but it's industry. We use raw materials made in Canada and the US, nothing from offshore.

I went through the news release, and I can talk to each of the points, but in general, the biggest concerns we have were that many of the things that we've bargained for through our collective agreements over the last 20 years are now becoming minimum standards, which kind of takes away—we will see pressure going forward in terms of bargaining.

The other flaw, which has existed in a few other legislations, is that our employees work 12-hour shifts; they work seven days every two weeks. Any time, in the legislation, they reference a number of days, they assume that everybody works five days a week. So 10 personal emergency days is two weeks for the average person, but it's three weeks for an employer who has 12-hour shift employees. That's a 50% extra burden on anything where you name days. That kind of catches us off guard.

1530

In general, the minimum wage adjustment doesn't really affect us. We're a unionized manufacturing employer. Our wages are above that. We do have some clerical jobs that are in that range right now, and we'll obviously have pressure to increase the wages beyond, because of how fast the minimum wage is planned to ramp up, which for us would probably be the death knell of a live person answering the phone. We would then be joining the robot society. We've been pretty proud to have our customers call and get a live person.

Equal pay for temporary-help employees: We do use temporary-help employees on a temp-to-perm model. We don't have temporary employees in our factory doing permanent jobs. We probably have 50 employees who started as temporary employees and now have full-time jobs. To be paid equal pay as somebody doing the same work is kind of a discredit to somebody who may have one or two years' experience in a factory, to come in on day one and be paid the same. Now, I may not be interpreting the news release entirely correctly; that's just the way I'm reading it.

There's a scheduling provision that grants employees the right to request a schedule change. Again, not understanding the full implications of that, our concern is that after three months, everybody is going to ask not to work night shifts, which would be the death blow for our continuous operation.

There's another scheduling provision that grants employees the right to refuse shifts if there's less than four days' notice. For us, with rush orders, remakes and customer service, that would affect us. It wouldn't put us out of business, but it would definitely affect us.

There's another scheduling provision in the legislation that creates a 48-hour window where shifts cannot be

cancelled without a financial penalty. Again, we've had situations where the hydro lines in front of our factory have fallen to the ground, and we've had to shut the plant down on no notice. Anybody who was there that day, we paid them three hours. We have call-in provisions in our collective agreement. But the 48-hour window becomes just another cost out of our pocket for things that may be beyond our control.

The three weeks of paid vacation after five years: Again, that is in our collective agreement. That is what we have already, but that is a bargained benefit that we bargained for with our employees, and now it becomes a minimum standard.

The public holiday pay provision: Again, working 12-hour shifts, based on the language now to what's proposed, it would be a 50% increase in our costs for statutory holidays. That's fairly significant.

The personal emergency leave provision: We have more than 50 employees, so we're affected by the current personal emergency leave. Our experience is that it is pretty heavily abused. The language is pretty soft in terms of what you can use as a personal emergency day. We have to do a lot of education with our employees in terms of personal emergency days—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Your time is up. We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Welcome. Do you want to finish your presentation, and then we can ask questions?

Mr. Todd Stafford: No. Those were the most significant points.

Ms. Cindy Forster: You talked about the scheduling provisions. It sounds like with these changes, maybe some of the ESA changes would actually supersede what you've got in your collective agreements, because your scheduling isn't set out clearly at this point in the collective agreement?

Mr. Todd Stafford: Oh, no, the scheduling is clearly set out. It's when we have to make a change of schedule. We don't have time limits in our collective agreement.

Ms. Cindy Forster: I see.

Mr. Todd Stafford: We have a call-in provision if we call somebody in on their day off that's in there. But with this now, having to change somebody from the Tuesday rotation to the Wednesday rotation, the number of days' notice that is in here is new. It just came out of left field at us.

Ms. Cindy Forster: Right. And you're opposed to the same classifications of workers coming in on day one—if you had, I don't know, a qualified welder, you've hired him and he's coming in to work with two or three other welders who have been there two or three years, you're opposed to him making the same pay as the guys you had? Wouldn't that be covered in your collective agreement in any event?

Mr. Todd Stafford: The issue is primarily production workers. We self-train. We have a tremendous training burden for employees when they start in our bargaining unit. There's a start pay. When we start a temporary help person, we start them at \$2 less.

Ms. Cindy Forster: Oh, so you're talking about temporary.

Mr. Todd Stafford: Yes. The wording was that temporary workers would come in at the same pay as the existing worker.

Ms. Cindy Forster: Right. You don't think that the temporary people coming in necessarily would have the skill to attract that same pay?

Mr. Todd Stafford: Our pay scale is a start, and then the first increase is at six months. Everything they learn in six months is unique to Northern Cables. At six months, they're worth much more to the company than they are on day one. To bring in a temporary help worker on day one and pay them the same as somebody who has been there for five months or six months—

Ms. Cindy Forster: A lot of the people who have presented from the business side have talked about this trickle-up effect. Is your entire workforce unionized?

Mr. Todd Stafford: Yes.

Ms. Cindy Forster: Including your office?

Mr. Todd Stafford: No, not administration. Just production.

Ms. Cindy Forster: Not your office; just the plant piece. Do you think there's going to be a trickle-up effect to your unionized workers wanting—

Mr. Todd Stafford: Well, things like vacation, paid leave days, any of those things that now would become minimum—if that's in our collective agreement now, the next time we go into collective bargaining, they're going to say, "We're at the minimum," as opposed to exceeding—and we want to exceed. We're not a minimum wage employer per se. But the legislation is accelerating it. Things that we bargained for now become granted.

Ms. Cindy Forster: Right. I think, though, that the proposal only applies if you've been with the same employer for five years. Now, you said that in your company, you've got some longevity of employees.

Mr. Todd Stafford: Our collective agreement is for two weeks from years one to five, and after five—just like the exact wording. At five years, you get three weeks, and at 13 years, you get four weeks. We have a progression. But now the legislation says that at five years, you get three weeks.

Ms. Cindy Forster: If you're with the same employer. That is not common, actually, with the way that the work world has changed in this province, with precarious and temporary work, right?

Do you have anything else that you want to add?

Mr. Todd Stafford: I would make one comment. It was in my notes. When we started, we were the employees; we didn't have employees. You have to have the employment standards poster posted on the wall in the factory. I have every one of those posters, every time there's a new revision, stapled over top of itself. For the last five or six revisions, it was "your rights and responsibilities as an employee," which is great. Well, the last version that came out has completely removed the word "responsibilities." Employees have no responsibilities for what the posted posters say. It's strictly rights,

which is hard. As an employer trying to grow and keep people, we think it should be equal. Employees have a right to help keep us competitive as much as we have an obligation to pay them well.

Ms. Cindy Forster: Like the Occupational Health and Safety Act, where both sides actually have responsibilities and obligations.

Mr. Todd Stafford: Yes.

Ms. Cindy Forster: Okay. Thank you for your presentation.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government now. MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you for coming in today.

It's always fascinating to hear these stories where maybe a bigger multinational company shuts down an operation, and the local people step in and restart it. I mean, that's great; that's wonderful. That's the true spirit of entrepreneurship. So I congratulate you for that.

I was listening really carefully to your presentation and to some of the back-and-forth questions with MPP Forster. I just want to draw your attention to what might be some misconceptions on your part.

For example, on the scheduling issue, written into the bill is an exception category. The scheduling provisions do not apply if there was a fire, if there was a power failure, if there was a storm or some other event. Actually, I mean, we might be looking at a few other criteria like severe weather.

Mr. Todd Stafford: That would help. The snow day scenario is one that comes up.

Mr. Peter Z. Milczyn: That would be a storm. But you said the power lines were down, so that's obviously a power failure. So there's already an exception written in. We were mindful of that.

Also, I want to draw to your attention that, generally speaking, a lot of what is in this bill—it states that where there is a collective agreement, the provisions of the collective agreement prevail. In a lot of instances, it sounds like your collective agreements might actually be more generous than whatever is in the bill.

Mr. Todd Stafford: They are, but this brings things in some areas up to what our agreement is.

1540

Mr. Peter Z. Milczyn: Yes. The other thing that you mentioned is this issue of a temporary worker. The real intent of that provision is to deal with the companies who bring in temporary workers on a near-permanent basis, to avoid paying them benefits and avoid treating them as full-time employees. It's for the employers who are trying to abuse the system a little bit.

But in here, there are provisions that say there are exceptions for seniority, for merit systems, for piece-work, and also if somebody's skills aren't up to the same level as another worker's. Clearly, what you're saying is you might take six months to train somebody to your particular processes and standards. To me, it would seem clear that they don't necessarily have those skills in your workplace.

There's a process whereby, at every point, you can deny an employee's request for a change in a schedule, or for an increase in pay because they feel they're not being paid appropriately. That's built in.

Generally, the intent of Bill 148 is to try and raise the living standards of the most vulnerable workers. Your employees don't sound like vulnerable workers. Do you see a benefit to your community, though, if we try to raise the living standards of a lot of people in your community?

Mr. Todd Stafford: The only concern I have, I guess, would be the speed of it. I have teenaged children, and they have to work. Increasing the minimum wage is not something we're opposed to, but I guess the angle of the ramp is pretty steep.

I know local businesses in our community that—I'm here talking as an employer that it doesn't really directly affect, but I know there are definitely people in the community that it affects. The cost of living: They put the interest rates up, so costs are going to go up, right?

In general, we don't oppose it.

Mr. Peter Z. Milczyn: Thank you for coming in and, most importantly, thank you for being what really sounds like an exemplary employer.

Mr. Todd Stafford: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the official opposition. MPP Clark.

Mr. Steve Clark: I want to thank you, Todd and Shelley, for coming today.

I just want to respond back to Mr. Milczyn. Northern Cables is an exemplary employer in Brockville. They've done a tremendous amount of work. Out of ashes of the old Phillips Cables plant, we had a core group of local people who started Northern Cables, and it's a real local success story. I'm glad that you're here, and I'm glad that you're engaging with all three parties on this bill.

The one thing about Northern Cables that has always impressed me is the amount of investment that you've made into your plant—and now plants—and the fact that you have expanded continuously, certainly since I was elected MPP in 2010. I know that recently, the Recorder and Times talked about the increase in employment.

One of the things that the members might forget about is that, in my riding, given the close proximity to the United States, there is tremendous pressure from some of the American municipalities, to try to entice our industries to move to the US for cheaper power, cheaper wages. I think there's a letter that gets sent to every industry in my industrial park pretty much on a monthly basis.

I'm glad you also talked about hydro distribution. There seems to be a misnomer by some members of the government that the distribution system is in good repair, yet many of the employers in my riding have complained to me over the last five years about the amount of power outages, the amount of lines that have been down in Brockville, Johnstown and Gananoque. I'm glad you mentioned that.

But I would like you to specifically talk about competitiveness, and some of the concerns that some manu-

facturers have in Brockville, especially now that we're going to be losing 480 jobs at Procter and Gamble in the next couple of years. Could you speak to the issue of competitiveness?

Mr. Todd Stafford: I guess the best example would be—out of my office window I see a Home Depot, right across the street. If I go to Home Depot, the armoured cable—which we make—that they sell in Home Depot is made in the southern US. The company that made it had a plant in Stouffville and closed it, and moved all of the production to Georgia. They are one of our largest, most aggressive competitors, many times selling things at below our cost. It's not a very lucrative product.

It is very competitive. We are contacted regularly in terms of economic development from southern US states. Fortunately, Shelley and I like living in eastern Ontario. We're not that eager to go to South Carolina to work, or somewhere else.

Mr. Steve Clark: God bless you.

Mr. Todd Stafford: But definitely in terms of our shareholders, it would be more lucrative, but there is some nationalism, there is some desire there that we can make a go of it. I think our operators are better. I've toured factories in the southern US. I think we have a better-skilled workforce. We do our own training in-house. We hire two or three graduate engineers every year. We have a large technical staff. That's part of our technical advantage.

Mr. Steve Clark: And you mentioned earlier, in conversation with Ms. Forster, your commitment to training and the fact that you'll take someone and spend a significant amount of money on training and getting them to be a full-time member of your plant. I'd like the members to understand just how much money you invest in your employees. It's quite significant, is it not?

Mr. Todd Stafford: Just internally, the training we use, we have some positions which take four to five months before they can be left on their own independently, and that usually is not a starting job. With some jobs you might be able to do it safely in a week and productively in two weeks; that's an entry-level job where we might try somebody in a temporary-help-type role. Then, machine-operating jobs take two to six weeks before you can be left alone, so there's that cost. We also do a lot of external training: bring trainers in to the factory, a lot of health and safety training. Again, with the universities and colleges, we do training as well.

Mr. Steve Clark: Now, are there any other concerns? We don't hear from many manufacturers at the table today, so it's important for me to give you the opportunity to talk about other folks in the manufacturing sector. What have they said to you? What do we need to do as legislators?

Mr. Todd Stafford: I belong to a couple of manufacturing networking groups, and the most common—

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you would like to submit a written submission, it needs to be to the Clerk before 5:30 on Friday, July 21.

Mr. Todd Stafford: Thank you.

FIGHT FOR \$15 AND FAIRNESS KINGSTON

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter is Fight for \$15 and Fairness Kingston: Jeremy Milloy. If you would state your name for the record, and your time will begin.

Mr. Jeremy Milloy: My name is Jeremy Milloy. I am here representing Fight for \$15 and Fairness Kingston, and also speaking from my perspective as a labour historian. I'm currently a SSHRC post-doctoral fellow at Trent University in Peterborough, studying the history of the North American workplace. As a labour historian, this is the most important Ontario labour legislation of my lifetime, so I'm glad we're having these hearings. This has the potential to have an enormous impact, both in terms of social equality and in terms of the Ontario economy.

I'm going to try to give the longer view on some of these issues as a historian. The trend in the western economies over the last 30 to 40 years has been of ever-growing inequality, which has corrosive economic, health and socio-political consequences, as we're seeing in our society today, in phenomena as varied as the rise of the extreme right or the opioid crisis. With that in mind, the provincial government's steps to remedy some of this inequality and invigorate a labour code that has failed to keep up with changing workplaces is commendable.

The rise in the minimum wage, in particular, promises to deliver greater prosperity for many Ontarians, although I would urge the government to fund research into actually measuring the impact on low-wage workers and their families, not just on productivity and employment. However, observers on the right and the left—and here's where I make a valiant and doomed attempt to bring everyone around the table together, considering some of the table is not even here—would agree that government intervention can only accomplish so much. You, no doubt, have been hearing concerns as you travel the province about effective enforcement, and I echo those concerns.

What I want to focus on today is a way to encourage workers themselves to address inequality, instability and enforcement of workplace rights: the extension of more simplified and streamlined procedures that would make it easier for those workers who want to form a union to do so. We have heard from union employers here today who I think have testified more eloquently than I can about the difference a unionized workforce can make in improving labour conditions and a productive relationship between a worker and their employer.

1550

Bill 148 does make some steps in that direction. I think there's room for improvement because right now, collective bargaining and access to a collective voice is not a realistic option for hundreds of thousands of Ontario workers. How might we change this? To begin with, more workers need to be included under minimum wage ESA and LRA legislation. Domestic workers and agricultural workers should no longer be excluded from

the Labour Relations Act. Many of these workers are working through the TFW Program and face serious barriers in accessing and enforcing their rights. It is these types of workers for whom access to unionization and its self-enforcement of rights and standards is so critical.

Bill 148 does, as I said, update employment standards for the changed circumstances of 21st-century workplaces, but the LRA is still kind of working on a mid-20th-century industrial model, which I'm sure you've heard is not the case for most workers now. Given that under current labour law, it's almost impossible for workers in many sectors—like joint employers, on-demand platform type employees—to access a union or any form of workplace bargaining, and also given that the Changing Workplaces Review was tasked with investigating options that would allow these workers access, I'd like to suggest some options to make that a reality.

Sectoral bargaining is worth looking at. However, I recommend taking a less drastic action that would make unionization possible in the franchise sector, which, as I've written in my previous research on unionizing a McDonald's in Squamish, is really difficult. I think it would be really helpful if the LRA had language that suggested to a labour board that the franchises, say, in a specific geographical area should be viewed as the same employer rather than as a series of separate employers each owned by different franchisees.

As far as certification goes, the labour board could accept whatever bargaining unit seemed most appropriate to the labour board, but with the caveat that different franchisees should not, on its face, be a reason to separate a bargaining unit or split workers up. Workers would still have to organize at each unit that they wanted to be unionized, but they could engage in that activity together rather than piece by piece over a long period of time at every different shop or restaurant.

We heard about card-check certification from an earlier speaker. I would suggest that Bill 148 should reintroduce card-check certification to all workers in Ontario, as was the case in most Ontario jurisdictions in the 1970s, for example. This is a simple, meaningful way to make collective bargaining a realistic option for the workers for whom that now is a pipe dream. When BC removed card check and instituted mandatory voting in 1984, union drives went down by 50%. Successful private sector campaigns fell 19%. When they reintroduced it a decade later, card check led to a 19% rise in successful private sector drives.

If you want to empower workers and employers to work these things out together in a democratic fashion, then reintroducing card-check legislation has meaningful potential to do so for all workers, not just the sectors that were introduced in the bill.

Finally, I'm glad to see that Bill 148 expands the use of first-contract arbitration and allows both parties to apply for mediation. I hope there is a provision during the process for the government or mediator to impose a first contract if the employer proves to be intransigent in

negotiating with the workers—perhaps after a year—or perhaps adopting Manitoba's system, where either party can appeal to the labour board to produce a first contract through arbitration that would last for a one-year period, thus giving kind of test period for workers and employers to work through a first contract. The alternative, as we're seeing here in Kingston—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The time is up.

We'll move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you for coming in today. Again, a slightly different perspective than what we're hearing today and elsewhere.

It was interesting. Yesterday we had an economist who did some historical research into the impact of minimum wage increases in Ontario over a number of decades. What his research found was that historically, increases in the minimum wage did not result in a drop in employment and in fact generally showed an increase in economic activity. In your area of historical research, have you found similar results, or have you studied some different aspect of this?

Mr. Jeremy Milloy: I study a wide variety of workplaces. That's not my core focus, but I have educated myself on this issue as part of my work for Fight for \$15 and Fairness. Yet my experience with what's coming out now—obviously, there is debate over the impact of minimum wage increases and there are different things that we're coming out with, but overall, the preponderance of evidence suggests that there is a nominal or positive effect on employment. I think there are very good reasons why that's the case, and I think that's why we saw recently 50 Canadian economists suggesting this is the way to go.

Mr. Peter Z. Milczyn: Have you been following the Changing Workplaces Review as it was being done over a period of about two years?

Mr. Jeremy Milloy: Yes. Actually, I was fortunate enough to be able to testify in front of it a year or two ago, when they were visiting Kingston.

Mr. Peter Z. Milczyn: In terms of your understanding of what was discussed in the Changing Workplaces Review, does Bill 148 generally reflect the types of issues that were raised during that review?

Mr. Jeremy Milloy: That's hard for me to say. It was a big review, and a lot of different people spoke from a lot of perspectives.

What I will say is that I believe that Bill 148 contains provisions that actually address meaningful change, and in that way are far more true to the spirit under which the review was granted than often happens. Sometimes, of course, the joke about reviews or consultation processes is that they're an excuse not to do something and an excuse to talk about something and then maybe make some kind of piecemeal reforms that don't actually make changes.

The Changing Workplaces Review was set up to modernize the Labour Relations Act and to investigate ways in which worker stability, inequality and these

kinds of things could be addressed. I think that it makes some significant steps towards that process, although, as you've heard, there is significant room for improvement.

Mr. Peter Z. Milczyn: Your research was primarily on the issue of unionization and the benefits to employees from that—and it's fortunate that most of our Conservative friends, who are very interested in research, aren't at the table right now to listen to this.

The tack that was taken in terms of the card-based certification was to focus on those sectors where there are the most vulnerable workers, primarily those in disjointed workplaces, so not the ones who all go into a factory or an office building or whatever you might have, but the ones who are at individual work sites, who might be working in individual homes providing personal support—personal support workers and so on.

Would you agree that those most vulnerable workers were most in need of some kind of assistance in being able to organize themselves?

Mr. Jeremy Milloy: I understand the logic. But by that very same logic, it's unclear to me why workers in, for instance, retail or service, who often work in small—15 to 20 employees per store, geographically distributed—didn't have card check extended to them also. Those arguments are good arguments, but I don't see why those arguments don't apply to somebody at a Starbucks or an Old Navy if they do apply to somebody working on a building site with 12 to 15 employees as well.

Mr. Peter Z. Milczyn: The requirement for the provision of employee lists during a certification drive—is that going to be a positive aspect of this bill?

Mr. Jeremy Milloy: I believe so. Yes.

The Vice-Chair (Ms. Ann Hoggarth): We go now to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: I'm going to pass it to Mr. McDonnell in a second.

First of all, thank you for coming. I apologize; I wasn't here for your statement. I was in the bathroom.

I would hope that the Liberals would not take those opportunities to make silly shots about Conservatives not at the table. It's ridiculous. Grow up.

Now I will pass it to Mr. McDonnell.

Mr. Jim McDonnell: Thank you for coming in.

I took offence to that too. Some Liberals are not at the table right now, and we haven't mentioned it either. I think that's common courtesy.

I know when you talk about the card-check certification—and I'll just recount an issue we had when I was in municipal government. We had a couple of instances where people came with petitions, and we received them, only to follow up with another petition against it, with the same names on both.

One time, I got confronted by a parent who was upset in minor hockey—I was president of minor hockey—because we followed through on a petition where everybody had signed for something to do with practice time. My comment was, "You signed the sheet asking for it." He said, "How do you say no to the person who's asking you to sign it?"

The same thing with the petition we had over a water issue—people signed both for and against. The comments were, "How do you say no when somebody's there?" I guess that's the important part with a secret ballot: You have the ability to ignore when somebody is pressuring you to sign. I think that's one of the basic principles that I fall under, because I've seen the problem with—everybody says it doesn't happen, but it happens.

The other issue: We've heard from many small industries and businesses coming in. The vast majority of people who don't work for the public sector work for small and medium-sized business—something well over 80%. But what about the people who will lose their jobs? What's going to happen there? Because there is only so much money. There's competition there. That's the concern we have. Who is going to pick up the slack for these people who are now working today, many of them—I know, personally, people in our office working because they're retired and want a little extra work. But what happens when this is taken away from them because there are less people working?

1600

We have some of the highest percentage of minimum wage employees in the country. That just shows how Ontario, which used to be the opposite scale, has now, over the last 14 years, become the worst province in this country for minimum wage employees. It's because we've seen industry leaving—some of them not because of minimum wage but because of the red tape and regulations this government has brought in.

There was an article just a couple of weeks ago talking about the recovery since 2008. We're the province—we've had the slowest growth in jobs since 2008, many of them on the manufacturing side. Many in manufacturing have increased dramatically, above what they were before; not in Ontario's case. Our jobs are leaving the country or leaving the province. The whole issue of the article was that it was not an issue with the country; it was an issue with the regulations in Ontario. I think this is what we were worried about, that more and more people will become unemployed. Youth unemployment is horrendous.

I have two daughters in the teaching profession, and I have a son that left the province—a professional engineer. If you talk to the professional engineers of Ontario, they'll talk about the high unemployment rate. This used to be a profession that was guaranteed a job in Ontario, and because of the issues we have, they'll either leave the province or they sit back and they're working in a field that is not what they were trained in—they're servers or something that's much less—because they can't get a job because the manufacturers left. That's the issue we're having here. We're wondering, what can our government do to actually encourage growth in manufacturing? Because these are good-paying, unionized jobs, generally.

Mr. Jeremy Milloy: Okay. There was a lot there. With respect to your first point, it's a decent point. You know, sure: If you card-check, it's a one-on-one conversation, although I think a one-on-one conversation is a

good way for people to be educated about starting a union. The secret ballot, as it's presented, is held up as some kind of impartial thing in which there is no intimidation or coercion possible; however, what we see often is the case is employers—

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. We'll move to the third party. MPP Forster.

Ms. Cindy Forster: You can finish answering his question if you like.

Mr. Jeremy Milloy: Can I answer that question? Because it was a long question.

Ms. Cindy Forster: Absolutely. You go right ahead.

Mr. Jeremy Milloy: Thank you.

Employers are able to hold closed-door meetings in which they threaten people they'll lose their job. There was an article researched in 2002—and this was a self-reported survey of employers: 12% admitted that they had used unfair labour practices in a certification drive, and that's just self-reporting. So the current practice is certainly not without its own potential to be distorted. I would argue that this movement towards card-check certification balances the scales in that direction.

With regard to your second question, which I took to be, "What do we do about the economics of Ontario?"—you know, fewer good jobs, people in professional positions experiencing greater insecurity, as the gentleman from UOIT testified—I would argue that this legislation represents an actual meaningful attempt to reckon with the fact that manufacturing jobs are not as numerous as they used to be, and they're not coming back.

I'm from Peterborough. My wife is from Brockville, where MPP Clark is from. We just had another factory leave town that had a good workforce of people who worked hard, and they're going to West Virginia. To me, this legislation is an attempt to say, "Well, this is the labour market we have now. It's one of greater casualization, greater insecurity, fewer jobs for life, and fewer jobs with pensions." This is what all of our schoolchildren are told. The people who are left behind by that still have to work; they still have to earn.

I've heard, "What if businesses don't make it? What if businesses don't make it?" That's a legitimate concern. But the other concern is, for the past 25 years in this province or longer, there have been millions of ordinary people that don't make it. They don't make it, and it's reflected in our child poverty rates; it's reflected in addiction; it's reflected in all kinds of social inequality and poverty. I would suggest it's past time to make an adjustment back in that direction, so that the jobs that we do have here in Ontario are jobs that people can live with if they work, and thus maybe make a bit of money, put that money back into the community and create some new jobs that are not dependent on manufacturing—because the people who make \$15 an hour are going to spend it. They're going to spend it in Brockville. They're going to spend it in Peterborough. They're going to spend it in Kingston. I think that will allow some economic productivity to take place.

Sorry to cut into your time.

Ms. Cindy Forster: No problem. We're happy to have you here today, Jeremy.

You raised the issue of card check. In my review with my staff of the about 200 submissions that came in during the first phase of the Changing Workplaces Review and again in the second phase of consultation, that was the number one ask for labour groups, for labour councils, for workers of every stripe, whether they were minimum wage workers, temporary workers or people making \$20, \$30 or \$40 an hour and wanting to raise the bar in our communities. I don't understand why the government isn't applying it across the board when it is the number one ask. To exclude other vulnerable workers over a couple of sectors of vulnerable workers who they've decided need protection more than the rest is very problematic.

This morning I tried to raise an issue, but I ran out of time: A young woman, 25 years old, fourth year of college, working as a nanny this summer to try to make enough money to go back to college next year, lifts a two-and-a-half-year-old child, pinches a nerve in her back, has to have emergency back surgery. She doesn't qualify for unemployment benefits. She doesn't qualify for WSIB coverage. She has no income replacement in any way. And yet, there's nothing in this bill to deal with domestic workers or agricultural workers.

Mr. Jeremy Milloy: It's enormously important that we make things fairer for all workers, especially, as you say, those workers who are most vulnerable. It is a tricky definition here—why some workers in, say, construction but not in farm work are designated as such. So I definitely agree with any kind of amelioration of this bill to bring more workers under the protections of the LRA and ESA. The rights and responsibilities of those bills would be, I think, very welcome.

Ms. Cindy Forster: Do you have any comment on the government continuing to have tiered wages as opposed to an across-the-board \$15 minimum wage?

Mr. Jeremy Milloy: I would recommend removing the tiered-wage exemption and pay \$15 for people who work.

Ms. Cindy Forster: With respect to first-contract arbitration, I think what workers in this province—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Thank you very much for your presentation. If you would like to give us a written submission, it needs to be to the Clerk of the Committee by 5:30 on Friday, July 21.

Mr. Jeremy Milloy: Great. Thank you for your time, everyone.

MS. TARA KAINER

The Vice-Chair (Ms. Ann Hoggarth): I now call on Tara Kainer.

Please give your name for the record, and your five minutes will start.

Ms. Tara Kainer: My name is Tara Kainer. I work for the social justice office of the Sisters of Providence of St. Vincent de Paul.

I'm allergic to something in this room, so I hope I can get through this.

Thank you to the Ministry of Labour for scheduling these consultations.

Not being a member of any union, I'll restrict my remarks to proposed changes to the Employment Standards Act.

In my job with the social justice office of the Sisters of Providence, I advocate with many others to raise the income floor for both workers and non-workers alike. I regularly meet people who cannot cover the essential costs of daily living and instead find themselves in the impossible position of having to choose between rent and child care, hydro and healthy food, clothing, transportation and all the other basic necessities. That takes a toll on their physical and mental health, undermining the well-being of all of us.

I commend your government, consequently, for its commitment to lift the minimum wage to \$14 an hour on January 1, 2018, and raise it another dollar on January 1 of the following year. That increase narrows the gap between the minimum wage and a living wage, so while it is still not enough to enable people to live comfortably—a progressive basic income, accompanied by other strong social supports, is needed for that to happen—the increase will mean that minimum wage workers with full-time hours will finally find themselves being paid enough to bring them above the poverty line. More money in the pockets of ordinary citizens will support local business and stimulate the economy.

1610

Many of the recommendations in Michael Mitchell and John Murray's report address inequities and gaps within the current legislation. Equal pay for equal work for employees, whether they are full-time, part-time, casual or temporary; three hours of pay for on-call workers; and the extension to all Ontario workplaces of two paid emergency leave days out of 10 are all welcome improvements.

Moving away from a complaints-based system towards new enforcement strategies to ensure that employers comply with rules protecting their employees is another significant and positive step forward. But some particulars still need to change if all non-unionized workers are going to be treated justly and fairly. Two paid personal emergency leave days, for instance, are not enough. Low-income workers cannot afford to take time off without pay. If they come down with the flu, a common communicable disease, they will need to stay home for up to seven days to get well and not infect others. At minimum, Bill 148 should allocate seven paid personal emergency leave days rather than two.

Temporary employees remaining attached to the temp agency rather than the client-employer is also problematic. That arrangement enables employers to download their responsibilities for minimum standards onto subcontractors, workers or the temp agency itself. There are also no limits on the number of temp workers a client-employer can have or a minimum period of time beyond

which a temp worker must be hired by the client-employer. Those limits need to be put into place.

I'm puzzled most, though, by the failure of the report to address termination without cause. I fully expected that Ontario's review of labour legislation would address this issue to make sure that in the future no Ontario employees could be unjustly dismissed from their jobs. It's far from being a rare occurrence. Indeed, the majority of terminations of employment in Ontario, a Toronto employment lawyer has written, are without cause.

To be suddenly deprived of paid work damages your sense of self-worth and undermines your identity. Losing the income essential to keeping a roof over your head and food on the table is devastating; to be fired without a reason is even more so. Losing your job can be demoralizing, humiliating and debilitating. It raises the odds you'll get sick. Research into the social determinants of health indicates that it can lead to the risk of developing serious health problems such as heart disease, stroke, diabetes and depression. In some cases, the odds of getting sick after being fired are as high as 80%, according to Harvard school of public health researchers.

Failing to address such an important issue is particularly puzzling, given the Supreme Court of Canada's decision in *Wilson v. Atomic Energy of Canada Ltd.* About a year ago, the court restored the decision of a Canada Labour Code adjudicator who had ruled that non-unionized employees under federal jurisdiction cannot be dismissed from their employment without just cause. Commenting on the case, one lawyer stated that the Supreme Court bench decision restored likely the most significant employment right for non-unionized employees in any jurisdiction in Canada.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Your time is up. We move to the official opposition: MPP McDonell.

Mr. Jim McDonell: Thank you for coming out today. We've heard the amount of capital that's available for employment and the stress it will put on business, and the ability to target the people who need the help versus the households that may have substantial income but are back working for whatever reason. We see the resources and the government's ability to look after—whether it be the various programs that we have today. Would you see it maybe being more advantageous to really institute programs that would help the people who need the help that you see every day?

Ms. Tara Kainer: We need both. There is social assistance available. Many people on social assistance, perhaps as high as 70% of them, work. So they need decent wages. We need very strong social programs and we also need living wages for people.

Mr. Jim McDonell: What I'm saying, though, is that we need strong programs to help the people who are in need, who you're talking about. By throwing everybody into the mix, it reduces our ability to really help the people you would see who are in need of help.

By targeting 100% of the people when only a small minority actually need help, over the overall workforce,

are we really getting the bang for the buck that allows us to help the people, help their families, help the children who maybe can't get the education they want or the health care they need?

Ms. Tara Kainer: The inequity in this country is astounding, given that we're one of the richest nations in the world. This country can fully afford to pay employees a decent wage and also provide social programs for those people who are unable to work.

Mr. Jim McDonell: I just wonder, when you look at competition—you're talking about a goal here, but we're seeing our employers leaving. That's a problem, because it's through private employment that we generate the taxes we need to cover these programs.

If we target the people in need through government programs, are we not better to provide for the people who are actually needing the service, versus trying to get to an employer-based program that may just hasten the exodus from this province and reduce the number of people who are being helped?

I look at small-town Ontario. If you go back 20 years ago, there were lots of small businesses and very few people who didn't have a job. That's not the case today.

If you talk to some of the people who are still in business, they're having a hard time. Just in my short time back in my village of Williamstown, we lost our hardware store, we lost a couple of grocery stores. People are going to the large centres now, because the little guys just can't make a go of it. If we keep that trend, we'll just have more and more people out of work.

Ms. Tara Kainer: No, I think you're misplacing the responsibility of that happening. It is not because employees need more money to survive that businesses are going out of business and leaving the country. That's a function of a much larger dynamic that's going on globally.

Mr. Jim McDonell: Well, I know in the case of, say, the hardware store, it had been in place for 30 or 40 years. They just couldn't make a go of it—

Ms. Tara Kainer: But I don't think that's a function of the wages that people need to live on. Maybe Home Depot moved into the neighbourhood; I don't know. There are large corporations that are swallowing up smaller businesses—

Mr. Jim McDonell: That predates the big box stores moving into town.

The point is, we're forcing a smaller number of large employers that probably pay fairly well—but we're losing the vast majority of our employment opportunities. Look at youth employment—

Ms. Tara Kainer: I actually don't agree with that point. I heard Jeremy say that when people make better wages, they have more money in their pocket. They spend that money locally. They're not taking it offshore somewhere and leaving the country with it. Businesses have more business, and that stimulates the economy generally.

Mr. Jim McDonell: But we've heard from lots of employers that there will be less people making the new minimum wage—

Ms. Tara Kainer: Again, I don't buy that argument.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Tara, for being here today. We're seeing more and more in our communities—it used to be that churches and religious affiliates did some work within their own church for their parishioners. But I am seeing more and more in my own community—and we hear on a fairly regular basis from ISARC—that churches now have their own food banks.

I know that some of the churches in my community have weekly lunches and dinners for the entire community, not just their parishioners. They contribute to transportation in the cities and towns to get people to a lunch or a dinner every day, so that they have at least one hot meal. Some of them even have clothing banks and personal hygiene drives. I see churches at the grocery stores, when I go, actually asking the shoppers at the store to bring out some items. I know that isn't just happening in Niagara, where we've had a little increase in the unemployment rate in the last job stats.

1620

Churches, who have an ever declining number of parishioners and who survive on donations, are now having to use those donations for the greater community and taking on some of the role of government and some of the role of community services programs because there are not enough programs or funding to go around to meet the needs. I mean, you said yourself today that 70% of people who are on Ontario Works or ODSP are actually working.

Ms. Tara Kainer: Doing some kind of work.

Ms. Cindy Forster: Doing some kind of work, right? And we've seen the United Way, as well, who deliver fantastic programming, unable to actually raise 50% of what they were able to raise five and 10 years ago.

I want you to know that the NDP certainly support a straight-across-the-board minimum wage increase, and I'm glad that you're here to kind of talk as an individual, because it's good to actually hear the perspective.

If there's anything else you'd like to add in my couple of minutes that I've left you, feel free.

Ms. Tara Kainer: Okay, thank you. I just want to make the point that, yes, faith communities have done and continue to do a lot of work. The organization that I work for, the Sisters of Providence of St. Vincent de Paul, about 15 years ago made a conscious decision to move away from charity towards justice. What they want to see are governments setting programs in place that don't depend on the whims of people making decisions about whether somebody gets something or not, so long-term solutions that are across the board for everyone. That's what we work towards.

Ms. Cindy Forster: So we need to lift everybody up.

Ms. Tara Kainer: Yes, absolutely.

Ms. Cindy Forster: Right. Thank you very much for being here.

Ms. Tara Kainer: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We move to the government. MPP Martins.

Mrs. Cristina Martins: Thank you, Tara, for being here today and for presenting. I know we've heard a lot of rhetoric this afternoon with regard to businesses moving out of Ontario. I sat in on a committee very similar to this—perhaps in the winter, January or February—and had the Canadian Manufacturers and Exporters present. It's quoted; it's in Hansard. I don't have the exact quote in front of me at this point, but they actually spoke about this rhetoric, this business of companies moving out of the province, as a myth, and that there were definitely other factors, as you alluded to in your deputation, that would affect or have companies—huge corporations or small businesses—decide to move. I just wanted to point out that you are correct that there are often other factors that come into play.

We also heard from my colleague across the way who said that we need to target people in need. I think he was alluding to the fact that perhaps we should be increasing social assistance programs. I would think that we would want, as a society, as a province, as a nation, to actually get people off social assistance and not be dependent on the government. Do you agree that increasing minimum wage and implementing many of the proposals that we have in this bill would, indeed, lift everyone and help get people off social assistance?

Ms. Tara Kainer: There will always be some people who cannot work. There are different reasons for that, but there will always be that segment of the population.

The government of Ontario is conducting a pilot project for basic income. To me, that would be the most reasonable solution. It would take people off the social assistance system, which is punitive and oppressive and doesn't give people nearly enough to live on, and I think that's a positive move.

In the meantime, though, I would urge the Ontario government to raise social assistance rates, because those people are the worst off of anyone in society. People working full-time on minimum wage right now don't get above the poverty line, but people who are on social assistance are sometimes 80% or 90% below the poverty line.

Mrs. Cristina Martins: So increasing minimum wage would also help in terms of lifting everyone up just a little bit more.

Ms. Tara Kainer: Yes. I think if there's a basic income in place, we need very strong minimum and living wages in place.

Mrs. Cristina Martins: Thank you very much. I'll pass it over to my colleague.

Ms. Tara Kainer: Okay, thank you.

Mr. Peter Z. Milczyn: Thank you for coming in today. Actually, in my riding, a number of communities of faith have been at the forefront of championing these types of initiatives, so thank you for the work you're doing.

I want to follow up on what my colleague just said. To suggest that the government should be targeting those in

greatest need—should it not be the expectation that if you're working, you should be able to afford your groceries and your rent, and you're not actually the ones who should need food banks and those types of supports, and then government can concentrate on those who are in the most dire circumstances?

Ms. Tara Kainer: Yes, I think it's a very reasonable assumption that if you're working full-time, you have enough money to survive comfortably. That's not the case right now.

As I said earlier, I would like to see governments move away from the provincial social assistance system, which is very problematic. People on there are hugely stigmatized, and they don't get nearly enough money to live on. They're not supported in the ways that they need to be supported.

Mr. Peter Z. Milczyn: I just want to ask you about the inaccurate statement that all of this industry is leaving Ontario. There might be some, but there are also quite a few that are growing and expanding. But to follow that argument, what if we decided as a province that we wanted to compete with Alabama and had a \$7 minimum federal wage, or whatever it is in the US? Would that be good for Ontario, if we cut the minimum wage?

Ms. Tara Kainer: No, of course not. I believe I heard the Premier say that she has moved to the \$15-an-hour minimum wage because many cities in the United States have already done so. In order to be competitive beyond our borders, we need to have a strong wage.

Mr. Peter Z. Milczyn: So trying to employ more people at \$7 or \$8 an hour wouldn't be the solution for Ontario?

Ms. Tara Kainer: No, it wouldn't. They wouldn't have enough to live on; they wouldn't be able to survive. That creates a whole host of problems again.

Mr. Peter Z. Milczyn: Thank you.

Ms. Tara Kainer: You're welcome.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. Just a reminder that the deadline to send in a written submission to the Clerk is 5:30 on Friday, July 21. Thank you.

Ms. Tara Kainer: Thank you for your time.

QUEEN'S UNIVERSITY FACULTY ASSOCIATION

The Vice-Chair (Ms. Ann Hoggarth): I call the Queen's University Faculty Association, please. Please state your name for the official record, and then your five minutes will begin.

Mr. Jordan Morelli: Good afternoon. My name is Jordan Morelli. I thank this committee for this opportunity to comment on Bill 148. I would also like to express my appreciation for the many improvements that this bill will provide.

I'm an adjunct professor at Queen's University, and I am here on behalf of the Queen's University Faculty Association, QUFA.

QUFA represents over 1,200 faculty, librarians and archivists. It includes both contract academic staff,

commonly known as adjunct faculty, and tenured and tenure-track faculty.

I moved with my family to Kingston in the fall of 2003 to take up a two-year contract, teaching in the department of physics as an adjunct. My position, while precarious, at least had the benefit of having a fixed two-year term, rather than being only for four months, a standard academic semester or term, which is quite typical of term adjunct appointments.

At Queen's University, less than half of all courses or, alternatively, less than half of all undergraduate students, are being taught by full-time tenure-stream faculty at any time. Roughly one in three courses are being taught by adjuncts, with half of those being taught by the highly precarious term adjuncts employed on a precarious per-course basis.

Queen's University, like most Ontario universities, generally conforms to a 40-40-20 workload model. That is, on the balance, over a career for a tenure-stream faculty member, 40% of their time is dedicated to research, 40% to teaching and 20% to service.

According to the Canadian Association of University Teachers, CAUT, the average salary of a full-time faculty at the rank of assistant professor—the lowest of the professorial ranks—in 2013-14 was just over \$125,000 at Queen's University. Thus, assuming the standard teaching load of four half-courses per year, on average, full-time faculty at Queen's University are paid just over \$12,500 on a per-course basis, whereas the current collective agreement between Queen's University and QUFA provides a base stipend for term adjuncts in 2016-17 at just under \$8,000. That's two thirds of what the tenure-stream faculty are getting.

1630

While the expectations of university teaching done by adjunct faculty and tenure-stream faculty are the same, their compensation is not. Adjunct faculty are not being compensated on an equal basis—two thirds, as was just illustrated. All workers, including part-time and contract workers, should receive equal pay for work of equal value and equal access to benefits.

Minimum standards that require equal pay for work of equal value, regardless of a worker's classification, could help adjunct faculty, especially term adjuncts working on a per-course basis, to obtain fair compensation.

As it currently stands, Bill 148 provides workers with some measure of protection against discrimination on the basis of employment status. The definition of employment status in schedule 1 of this bill includes a difference in the term of their employment, including differences in permanent, temporary, seasonal or casual status. This definition captures the differences between contract faculty, adjuncts, and their full-time tenure-stream counterparts.

As it is currently written, Bill 148, section 42.1 of the Employment Standards Act, under the section on difference in employment status, would provide guaranteed equal pay for work of equal value, provided that among other things, employees perform substantially the same

kind of work in the same establishment, subject to a number of exceptions, including:

“(c) a system that measures earnings by quantity or quality of production; or

“(d) any other factor other than sex or employment status.”

I have two concerns with this. First, the language, substantially the same in 42.1(1)(a), has been interpreted narrowly in the past, enabling employers to manipulate minor job duties in order to maintain unequal pay. This language incentivizes employers to establish or maintain minor differences between jobs performed by different genders or by people of different employment status in order to maintain pay differences.

Second, the language “any other factor” in the exceptions is far too broad of an exemption. This raises serious concerns about this part of the legislation's effectiveness. This is a loophole that must be closed or it will defeat the right to equal pay for equal work that this legislation seeks to enshrine. Therefore, I make two recommendations:

(1) Replace the language of “substantially the same” with “similar.” This would help to prevent minor differences being used to justify unequal pay. The legislation should speak to “similar” work, as it would avoid the narrow focus associated with “same duties.”

(2) Limit cases of exemptions to where there are objective differences such as seniority or a merit system. The exemptions for piecework in (c) and any other factor in (d) should both be removed entirely from Bill 148. These two exemptions—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We will open with the third party. MPP Forster.

Ms. Cindy Forster: Thank you for being here. If you'd like to finish, go ahead.

Mr. Jordan Morelli: Thank you, MPP Forster.

These two exemptions, if they remain, would serve to undermine the intent behind the value of equal pay for equal work that Bill 148 seeks to enshrine.

Finally, it is important to recognize that in its current form, Bill 148 sets a dangerous precedent by allowing collective agreements to violate minimum standards. Bill 148 should repeal provisions under the sections on equal pay for equal work and on scheduling that allow existing collective agreements to prevail, even if they violate the proposed amendments to the Employment Standards Act.

No party, including unions, should be able to contract out of the basic provisions of the Employment Standards Act. The principle of mandatory compliance with minimum standards is fundamental to ensuring that all workers can access basic protections in the workplace. Unionized workers, like non-unionized workers, should be able to access the minimum protections afforded under the Employment Standards Act and not be forced to work under conditions deemed to be lower than minimum, even if those conditions are set out in their collective agreements.

Thank you for your consideration of my remarks, and thank you for the extra time.

Ms. Cindy Forster: No problem. So if I'm understanding this right—and we have heard from a number of your colleagues at other universities—at your particular university, the tenured and the adjuncts are in the bargaining unit, and temporaries are not?

Mr. Jordan Morelli: Temporaries are. They are also adjuncts. We have two classes of adjuncts.

Ms. Cindy Forster: Okay. And so the full-time adjuncts are actually making two thirds of what the tenured make?

Mr. Jordan Morelli: The term adjuncts who are the most precarious, those that we would refer to as sessional adjuncts, are the ones making two thirds.

Ms. Cindy Forster: Right.

Mr. Jordan Morelli: Using these numbers, at around \$8,000 per course, if you have a PhD and you're trying to cobble together a living for your family, maybe teaching the same number of courses as a full-time tenure-stream faculty, at most you would make \$32,000. That's just not right.

Ms. Cindy Forster: I have a nephew who is in that kind of situation, and he's hard-pressed, working three places, to make \$40,000 a year. So it is a tough go.

If these changes were made, then universities would be covered by this equal work for equal pay in these situations?

Mr. Jordan Morelli: I believe so, if these exemptions were modified in such a way that these so-called weasel words that employers or whoever can use in contract language to get out of it—"performing substantially the same" needs to be changed to "similar."

Then the exemption, especially the one in (d), which says "any other factor," is just too vague to be useful. Anything can be "any other factor." It either needs to be clarified and narrowed substantially, what that exemption means, or it's just such a big door that anything can walk through it.

Ms. Cindy Forster: Right. The employer could use any reason to prevent that from happening.

Mr. Jordan Morelli: They could say you're an adjunct. Those are the grounds to it. They could say if you wear a blue shirt, you teach only first years, or whatever.

Ms. Cindy Forster: Right. At your particular university, how many of the profs are tenured versus the adjunct and the contract?

Mr. Jordan Morelli: Off the top of my head, roughly about 80% are tenure stream and 20% are adjunct stream. But the teaching load is nearly 50-50. Full-time tenure-stream faculty are teaching less than half of all the courses.

Ms. Cindy Forster: So that's really not very fair—

Mr. Jordan Morelli: It's not fair at all.

Ms. Cindy Forster:—considering this is supposed to be a fair workplaces bill.

Mr. Jordan Morelli: Right. The people doing this teaching are all professors, professionals. Myself, I'm an adjunct. I'm a professional engineer. I have a PhD, just like my colleagues next door to me. I win teaching

awards. It's not fair that my salary is potentially two thirds of the salary of the person in the office next to me.

The numbers at Queen's are actually fair good in terms of equity between genders, but there are more women who are in the precarious adjunct positions than there are in the tenure-stream positions, by about 10%.

Ms. Cindy Forster: Okay. Thank you for your presentation.

Mr. Jordan Morelli: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Professor Morelli, thank you for coming today. I really appreciate your presentation.

This is the fourth day of hearings, and I believe that pretty well each day, we've had at least one presentation along the same lines. We've heard, and I think the committee grasps, the issue that you're raising that's particular to the post-secondary sector.

I was just wondering: You've raised the issue of "substantially the same" versus "similar." You believe that this legally would have an impact in terms of how it would be interpreted. Do you have some legal opinion or some case law or something that you could refer to? I'm not an expert in these things. You say that's the case. Fine. To me, as a layperson, I don't quite get the difference between "substantially the same" and "similar." It sounds similar to me.

Mr. Jordan Morelli: With respect to the law, I also am a layperson, and I rely on larger organizations. This particular fact, in terms of the historical use—I've heard other presenters make mention of this today, so it's not just me and it's not just the Ontario Confederation of University Faculty Associations, OCUFA, who are presenting this information.

There have been examples in the past. I don't have specific ones to give you, but if you would like, I could make an effort to find those.

Mr. Peter Z. Milczyn: I don't want to interrupt you; you can finish your point. I would just say that if you could provide that in writing to the committee—because then it forms part of the official record and we have that—that would be very helpful, if you do have some kind of legal precedent or legal opinion that you could refer us to.

1640

Mr. Jordan Morelli: Sure. I'll do my best to find some examples of that and communicate them to the committee.

From a lay perspective, my understanding, though, is simply that the word "similar" is slightly more open, whereas in the past, "perform substantially the same kind of work" has been used to allow too many exceptions. For example, in the case of a post-secondary institution, maybe you're performing the teaching in a classroom that has a certain type of seating configuration. That would allow them to distinguish from somebody who's teaching in a different configuration. Or if you have the ability to have TAs, teaching assistants, that might

distinguish your conditions. It was just being used too loosely in the past to narrow the focus.

I'll do my best to find some case law or precedents about that.

Mr. Peter Z. Milczyn: Some of the other provisions in Bill 148 around scheduling, around paid leave days and protection for workers if they use some unpaid leave days, around protection for workers from temp agencies—do you have any opinions on those provisions in the bill? Do you support them?

Mr. Jordan Morelli: I do have opinions on them. I would, in answering, say that I would not be answering as a representative of my faculty association. But I'm also a member of the Kingston and District Labour Council and a friend of labour in general, and I think that those are generally good moves. They're not issues that particularly affect faculty members, because of the nature of our work, but they do affect the staff we work with.

We're only as good, in a society, as the least among us, the worst done by. So this bill, as I see it, is all about raising the floor and making sure that everybody is moved up to a point where we have a path to a living wage for everybody who's working, and fairness for workers.

To be able to know ahead of time that you're working Tuesday night or Friday night—people like me, who are single parents, have to make child care arrangements. You can't give me a split shift of three hours and expect me to be able to come to it when I have to arrange child care for five hours in order to be there.

It's just basic fairness that has to be imposed on the employer, which I don't think makes it impossible to do business or is going to chase business from Ontario. It makes it a place where people from the rest of the world are going to want to come to work. We have immigration because we have a workforce shortage. We need workers, and offering fair wages and fair working conditions is going to attract good people here, the kind of people we want in Ontario.

So I think this is, for the most part, moving in the right direction. I think there's some room for—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

We'll move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Professor Morelli, for your presentation today.

We did have three presentations—we had one yesterday that I suspect would have been similar to yours, but they were unable to make their prescribed time, so we didn't hear one in Ottawa. But we did hear it in Thunder Bay and North Bay.

Queen's, at 80% tenured, is much higher than the others that we heard from. I was quite shocked by the number who are not tenured—the adjunct professors. The percentage was quite high in other universities.

Mr. Jordan Morelli: If I may clarify, because I don't want to be unclear: There are different ways of counting those people. If you just count individuals, to the best of

my recollection, about 20% are adjunct, but they teach so much of the course load—

Mr. John Yakabuski: I understand. But even in the other universities, numerically, by person, it was higher.

I had four siblings of mine get their degrees at Queen's. I never attended. I'm sure they wouldn't have had me.

This was something that I never anticipated when I came to this committee—that this would be a presentation that we'd hear. But we're hearing it. I haven't seen the list for tomorrow, but I suspect we're going to hear people from the University of Windsor. Next week, we'll hear from Western in London and Wilfrid Laurier or Waterloo or whatever in Kitchener and McMaster in Hamilton and so on and so forth.

I understand your concerns. Where would we have been 35 years ago with these numbers of tenured versus adjunct? I know that might be a hard question, because you weren't there. Is it getting worse or is it stagnant? Is it static and level, or is the situation becoming worse?

Mr. Jordan Morelli: I would say it's fairly stable but degrading. Things like student-to-faculty ratios are getting worse. In Ontario, while there hasn't been a formal hiring freeze in universities, there has been a de facto hiring freeze. The rate of replacement of faculty members has been very low as people retire and move on and so on.

The sector as a whole is in a state of declining morale, I would say, although, I think, finally—and maybe it's because we're approaching an election cycle—there seems to be some hope coming again.

Mr. John Yakabuski: My next question, because I think it's one we all have to ask ourselves—and I apologize for not knowing more about this issue, but it's not one that was ever presented to me in the past.

Let's just say, for the sake of argument, that all across Ontario this was equalized, so that contract or adjunct professors, or however we tend to term them, were brought on an equal scale with tenured professors, based on an equitable arrangement or formula. What would this mean to the cost of operations in the university sector across the province, or would you even have an idea of what that number would be? Because, substantially, they're funded by government.

Mr. Jordan Morelli: On the face of it, you'd be looking at an increase of about one third to apply to one half of the teaching, right? So you're looking at a third of a half is a sixth—a sixth of an increase in salary mass of faculty. But that's not really the end of it and where it goes.

But I think before we even look at that question, we have to look at the bigger issue. If the argument is, "It costs us too much to be able to pay people fairly, so we can't do it"—that's the argument for slavery, right? We can't go in that direction.

Mr. John Yakabuski: No, I'm not looking for the argument; I'm looking for the numbers. Because whoever makes this decision is going to have to face the reality of what the cost of a university education is going

to be, whether it's government funding or an increased burden on the students or whatever the case may be. But if that decision was made to support what you're asking for today—and I recognize the issue of fairness; I'm a person who believes in fairness—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. John Yakabuski: I guess we're out of time; I apologize. But thank you very much for your presentation.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have any further written submissions, you can have them to the Clerk by 5:30 on Friday, July 21.

Mr. Jordan Morelli: Thank you, all, for your time and your questions.

GREATER KINGSTON CHAMBER OF COMMERCE

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call the Greater Kingston Chamber of Commerce. Please state your name for the official record, and your five minutes will start.

Mr. Martin Sherris: Good afternoon. My name is Martin Sherris. I'm the CEO of the Greater Kingston Chamber of Commerce. The Greater Kingston Chamber of Commerce is pleased to be part of these discussions and presentations so we can share our thoughts.

A little bit of background briefly: We represent over 850 member businesses, which in turn employ approximately 19,000 people in the greater Kingston area. Our organization is primarily made up of small to medium enterprises and a few large businesses.

We have understood for some time that the special advisory report on the Changing Workplaces Review would contain recommended legislative changes that will have a very real impact on our businesses, our member employers, employees and on the Ontario economy as a whole.

The potential reforms are coming at a time when costs for consumers and the cost of doing business are high. We're moving forward, but there remain vulnerability and unintended setbacks that can only add to a loss of business confidence. We're already aware of the ongoing cumulative burden of electricity prices, cap-and-trade and other increased business costs to our community.

We urge you to keep in mind the importance of maintaining a fair and balanced labour relations and employment standards system that is rooted in evidence-based decision-making and doesn't unfairly penalize business.

1650

In particular, and as we have been discussing, we are very concerned about a few issues. The fast track of the minimum wage to \$15—not the \$15 itself, perhaps—is going to have a significant impact on our business owners where their labour costs, many times, account for approximately one third of their operating costs. Many of our members have told us recently that young workers

will be particularly vulnerable at entry-level positions. Moreover, only three years ago, the Premier's own minimum wage panel found, through research of Canadian examples, that every time you increase the minimum wage by 10% it has a reverse impact of lowering youth employment between 4% and 6%. What will a 30% increase look like?

Another element of the legislation also needs to be addressed, and that is the proposal of providing three hours of pay to any employee whose shift is cancelled within 48 hours. This simply doesn't work in a hospitality environment. Kingston relies very heavily on tourism as an economic generator, of which hospitality is significant. Their business levels can fluctuate frequently and often without notice. They need the ability to change schedules accordingly. We have spoken to members who have managed a number of unionized hotels, and those contracts did not have this kind of language we are now seeing proposed, as they recognize the need of flexibility also.

As is typical in the hospitality business, their employees are a cross-section of students, second-income earners, single parents, primary breadwinners, and also represent a range of ethnic backgrounds. Quite often the hospitality sector offers the first job for a student or a new immigrant to our community and country.

Ask any hotel manager: Labour costs represent slightly over 50% of their overall operating cost. Combined with their expenses, their margins are extremely thin, even non-existent, during certain periods of the year. In fact, according to the local tourism group Kingston Accommodation Partners, the likely outcome of these increased costs will be that the front desk positions will have to become more automated, reducing shifts and eliminating some positions in an attempt to mitigate these losses.

Other labour relations provisions that generally reduce the transparency and fairness of the system include first-contract arbitration, sectoral bargaining and union organizers' access to employee lists.

We understand there is an urgency to move the process forward following almost two years of consultation. To demonstrate true fairness and compassion for workers, we must ensure that Ontario has a strong economy to help create jobs and increase economic growth. That is why we're urging the Premier not to rush these reforms and to consider the economic impacts.

Potential economic impacts will be revealed as a result of the provincial Keep Ontario Working coalition. They are going to be providing thorough and comprehensive assessments. This will be completed and available to all for review in August of this year.

Finally, we need to stress this: The employer community is doing its part to create better jobs and working conditions in the province as it is without any further interruption or changes. Budget 2017, as noted by the Ontario Chamber of Commerce report, points out that 98% of all new jobs created since the recession have been full-time, and 78% have been at above-average

wage for their respective industries. Why would we want to try to slow that down?

That completes my remarks. I'm happy to entertain any questions that you may have at this time, and I look forward to the discussion. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Milczyn?

Mr. Peter Z. Milczyn: Thank you, Mr. Sherris, for coming in today and sharing your views with us. A couple of things that you said kind of leave me scratching my head. You talk about the increased cost for consumers. Generally, we've had a very low inflation period for a protracted period of time now, and actually deflation in some things. Gasoline costs were actually much lower. Now we've had hydro costs come down. With some aspects of food the prices have actually gone down. It's actually a period of time when consumers have some advantage.

I appreciate and I understand some of the concerns being raised by small business about the impact of minimum wage. We've listened very carefully over the last few days, and we'll continue to do so, especially around the hospitality sector. We get that. But when we hear that there are so many people in precarious employment and so many people struggling to get by with part-time jobs and multiple part-time jobs, are the local economies not negatively impacted by that reality for significant portions of our population?

Mr. Martin Sherris: The first part of what you said, the consumer price: I'm going by recent activity, what my members have told me. Again, the chamber doesn't work in anything but providing information to its members and getting information back. It's what I've been told, with the increases that are coming and already in place due to the pending legislation change. I've been told not to mention these businesses, but at least four have come forward and have put the prices up already in expansion for this. I have had 20-year-olds come to me who are very, very concerned about this because their employer has already told them that they'll be reducing hours and/or laying off about 10% of the force. They have very big concerns about this.

I know that's maybe not answering the last part of your question correctly.

Mr. Peter Z. Milczyn: That's one part of it.

The minimum wage part of it aside, I take it that you have serious concerns about the various other aspects of Bill 148 as well.

Mr. Martin Sherris: We do—not all of them, obviously, because we didn't list all of them. Obviously, we need change. We need better protection for workers. And let's face it, who doesn't deserve \$15 an hour? But how do we afford that? And how do we roll that out to make it affordable?

Mr. Peter Z. Milczyn: You mentioned the Changing Workplaces Review, which had actually been under way for two years. You indicated in your remarks that there seems to be a rush to push it forward.

Again, putting the minimum wage aspect of it aside: With our Employment Standards Act and our Labour

Relations Act not having a thorough review in about 20 years, and having a two-year province-wide process of consultation in reviewing it, do you really think we're rushing into anything with making changes to the ESA and the Labour Relations Act?

Mr. Martin Sherris: We can't find a fact-based review of what the impact of the changes will be financially. That's why the Keep Ontario Working coalition, which is the Ontario chamber along with about 14 other major employer groups, is doing that. They're going out there to get an evidence-based review of what the potential consequences would be. It's certainly not fearmongering, but really, what is the impact of all of this? The biggest surprise was that the \$15 was added to this consultation at the very end of the discussion. For the first—

Mrs. Cristina Martins: No, it wasn't.

Mr. Martin Sherris: That's what the Ontario chamber is telling us. It drew in not till two months ago.

Mr. Peter Z. Milczyn: Just on that, I would say that throughout that consultation, which was focused on the ESA and the Labour Relations Act, there was an underlying theme that there are a lot of Ontarians who are having great difficulty getting by in minimum wage and low-wage jobs. So that was there.

I also wanted to ask you, how is providing access to employee lists in—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition. MPP Hillier.

Mr. Randy Hillier: Thank you, Martin, for your presentation today.

I think one of the things I just want to recognize is that people such as yourself and so many other insightful deputations had the opportunity to be here today because the Legislature brought this committee to Kingston. I think it's important that members of the Legislature hear directly from people in different communities, not just Toronto, and also for people in the community to see how the Legislature works. It's unfortunate that the member for Kingston and the Islands isn't hearing the representation from her constituents here at the committee today, but it is important that—

Mr. Peter Z. Milczyn: Point of order.

1700

The Vice-Chair (Ms. Ann Hoggarth): Yes?

Mr. Peter Z. Milczyn: We do not talk about the absence of members.

Mr. Jim McDonell: Didn't you just talk about it a little while ago?

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Peter Z. Milczyn: She's actually on legislative business somewhere else.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. I just remind all members—

Mr. Randy Hillier: I'll take that under consideration with this.

The Vice-Chair (Ms. Ann Hoggarth): —that we do not discuss the absence of anyone. Thank you.

Mr. Randy Hillier: But part of your presentation is also the aggregate or the cumulative effect of all these

changes, and that reminded me of the time I was in committee when Liam McGuinty was making a presentation on behalf of the chamber to the committee on the cumulative cost. That was, of course, Liam McGuinty, the former Premier's son, talking about the cost—

Interjections.

The Vice-Chair (Ms. Ann Hoggarth): Excuse me. Will you stop for a minute?

Could we please come to order? We need to hear this presenter.

Interjections.

Mr. Randy Hillier: I hope the clock was stopped through those.

The Vice-Chair (Ms. Ann Hoggarth): The decorum needs to improve here, please.

MPP Hillier, would you please—

Mr. Randy Hillier: Thank you, Chair. As I was saying, I was remembering back to the time when Liam McGuinty, the former Premier's son, was at the committee talking about the aggregate burden that was being placed on businesses, and it was the total burden that was forcing businesses out of the province.

We heard today that there's been reference to a large employer in the area, Procter and Gamble, leaving this province—480 jobs. Now, these are not minimum wage jobs that are leaving. It is the cumulative effect of all the costly burdens that this government is placing on our industry. What we see happening is that the better jobs are the ones that are vacating the province first. It's not the minimum wage jobs, necessarily, that are leaving; it is the better jobs.

I just want to ask this question. What is happening in this province is the minimum wage is now being viewed as a standard wage, not something just for youth or entry-level workers or for newcomers into the workforce. But that is what, under this government, we can all expect to aspire to or achieve, where the minimum wage actually acts more like a maximum wage for so many people in this province. Any comments on the cumulative effect of these costs and where the chamber sees this trend line taking us to?

Mr. Martin Sherris: I've been with the chamber for a total of eight years now, and obviously business is against costs, but this is the first time I've seen people not angry but frightened.

Mr. Randy Hillier: Frightened?

Mr. Martin Sherris: Frightened. I take phone calls every day from businesses, and it's no exaggeration, about "What can I do?" I won't get into specifics because that's not fair, but I think it's the ripple effect of one thing on top of another. Yes, I agree with a lot of what you say, as far as we don't see the issue of businesses moving in Kingston. What we do see is the issue that businesses can't afford to scale up. It's a different issue, but it's the same outcome.

Mr. Randy Hillier: The loss of employment opportunities.

I'm glad you made reference to the Premier's own comments about the minimum wage. That was a year

ago. During the Changing Workplaces Review, she mentioned that they were taking the minimum wage out of the discussion, going to depoliticize it and peg it to the inflation rate. That was a sound, solid argument, in my view: depoliticize it, peg it so that we give certainty and predictability to business, and there was no discussion about it in the Changing Workplaces Review—not the changing income review—that happened. Now we see the exact opposite of the arguments that were advanced only a year ago, and we see, I think—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Randy Hillier: —a complete contradiction of the purpose of the chamber.

The Vice-Chair (Ms. Ann Hoggarth): We move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Mr. Sherris, for being here today. The government raised the issue of lower gasoline prices and lower hydro prices. I know from talking to my constituents in my riding around Niagara that even with the 25% reduction, they've seen huge increases in hydro prices over the last four or five years, and the local LDCs and the OPG are all applying for increases that are going to negate any reduction. Can you comment on that with respect to your businesses?

Mr. Martin Sherris: Yes, I've seen that personally and in some other volunteer work I do on the side; I won't mention specifics. It seems that whatever consumption gets reduced, the increase comes back in global adjustments. That was verified by Bruce Power.

I can only comment on what members are telling me, what people are telling me. They're struggling. I can't really put it any other way. They're struggling.

Ms. Cindy Forster: Right. We have heard from a variety of groups here. We've heard from community social services and from public health physicians. We've heard from labour and from business. Certainly, some of the things that we've heard over the last four days are that if we increase the minimum wage, it will reduce health care costs, because people will be able to afford to buy their medications, take medications, get to the dentist and those kinds of things. It will reduce, perhaps, policing and correctional costs, because sometimes people, when they're living in poverty, have to resort to things they wouldn't ordinarily do. We just heard today that it would, hopefully, reduce the reliance on Ontario Works and those discretionary programs, because people will be able to go to work.

Are there other things that you, in your role, have heard from your 850 businesses that government can do to offset some of these costs, perhaps around business taxes or subsidies for youth employment? We did hear from people that although they qualified under the federal government for some of these youth program subsidies, when they got to Ontario, they didn't qualify because of the sector of business that they were in.

Mr. Martin Sherris: I would say, from the businesses that talk to us on a regular basis, not as much as what you've said—but what can the government do? We did say a sudden and fast-tracked minimum wage, if that was

rolled out over a period of time where it could be planned for—that’s the overall comment I’m getting from those who agree that people deserve more. It’s just the all-at-once, where most of it is hitting in five to six months.

Ms. Cindy Forster: Right. But you’ve had no specific requests for any offsets to that?

Mr. Martin Sherris: A couple, on business tax offsets, and our local MPP talked to me about that, and we’re discussing a few things—that kind of thing.

Ms. Cindy Forster: Okay. Thank you so much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have any further written submission, it needs to be to the Clerk of the Committee by 5:30 on Friday, July 21.

Mr. Martin Sherris: Great. Thank you, everyone.

Mr. Peter Z. Milczyn: Madam Chair? I just got an urgent message about a family emergency, so I’m going to step out to make a phone call. I might miss part of the next presentation.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

VILLAGE OF WESTPORT

The Vice-Chair (Ms. Ann Hoggarth): I would like to call on the village of Westport. Good afternoon. If you would please give your name for the record, and your five minutes will start.

Ms. Robin Jones: Thank you very much. Good afternoon, everybody. I am Robin Jones. I am the mayor of the village of Westport, and I am the warden of the united counties of Leeds and Grenville.

I understand I am bookending today with my colleagues. I understand that one of the constituents, Terry Cowan, began the morning, and Neil Kudrinko began the afternoon. There is obviously a ripple of concern throughout the village. You did speak to our two largest employers, hearing both from Mr. Cowan and Mr. Kudrinko.

The concerns that I would like to bring to your attention today are really from the rural ends and from the mayors’ perspective in the united counties. Naturally enough, I’m going to speak from my own community, because I know it the best.

I respect that in many of your communities, you have small municipalities. I’m proud to be the mayor of what we report to be the smallest municipality in the province that provides the services of both water and waste water. Let me tell you how you do that when you have 700 people who are full-time residents, so a small tax base: You do it through volunteerism and people committing to the village.

1710

There are no big box stores. There’s no capital to pull on for small businesses in these villages. It is many mom-and-pop places that have been in business for two, 10, 20, 30 years, and they do it sometimes by chance, sometimes by good planning, but there are no resources for them to pull on.

I’m not here to argue that this is not fair. I’m not here to say that a \$15-an-hour minimum wage isn’t an appro-

priate minimum wage. My own background is I was in policing for my full-time career, and when I retired, I retired as a chief of police of Nishnawbe-Aski police. From either work as a police officer or, as you are well aware, in some of our First Nations communities, I’m well aware of poverty. From our position in Leeds and Grenville and from my own position, it’s not that it’s not the right thing to do. There are people in government who have made that decision.

It does have to do with the lack of ability for planning by the business owners to take this into account. There can be nobody more eloquent than Neil Kudrinko when it comes to numbers. I’m going to tell him when I get home that everybody’s eyes are now uncrossed after listening to Neil’s stats. But I think he probably hit the nail on the head, that we need time to plan.

Doing this sort of quick increase will have an impact on the small businesses. It’s circular. We have small businesses that provide the volunteers in the community. In my community, we have certain infrastructure needs, the same as many of these mayors in your communities. We have focused all of our attention and tax base on fixing the infrastructure, while at the same time, the arena is falling apart.

Every Tuesday night, anybody who can swing a hammer, come on to Westport. I will personally buy the pizza. We fix the arena on volunteer time and through donated things. If we lose the businesses, we lose the volunteers. If we lose the volunteers, we lose the villages. We lose the economics.

We lose the opportunity for youth to be employed. We know there have been many studies done by both parties in the government, that we need to keep the youth coming back to rural Ontario. We need to provide them with job opportunities and we need to provide them with a sense of community so that they in fact feel that it is their community and they want to come back to that.

We have anchors in the community. You met a couple of them today. We know that we need to keep our schools. We need to keep our seasonal businesses. We need to keep our grocery stores. The commercial vacancy rates right now in Leeds and Grenville have been fairly level over the last several years, but this will certainly put a huge impact on them.

You face every day from your constituents the challenges of paying for infrastructure in the villages. Well, the unintended consequence of this may well be fewer people employed and more people on social welfare. As you can see, in both the resolution that I’ve provided from the united counties and from my own municipality, we are really looking for consideration to slow this down or to provide some mitigation so that the businesses can get their feet under themselves, work with the government—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mayor Jones.

Ms. Robin Jones: —and not go out of business.

The Vice-Chair (Ms. Ann Hoggarth): We will go to the official opposition. MPP Clark.

Mr. Steve Clark: Thank you, Your Worship. Do you want to finish with your comment?

Ms. Robin Jones: And it will stop them from going bankrupt. Thank you very much for the time.

Mr. Steve Clark: I wanted to make sure you got that in.

Your Worship, I want to thank you for coming. You're absolutely right; I'm glad you actually put the caveat in. Sometimes I've referred to Westport as the smallest municipality in the province, but I don't clarify "with water and waste water." The gentleman to my right was disputing the size, but it just speaks to the fact that we've heard from the two large businesses from your community today.

In your role both as mayor and as warden of our United Counties of Leeds and Grenville, I'd like you to talk about those small rural businesses and what the local mayors have heard from those small and in some cases seasonal businesses that operate in the united counties.

Ms. Robin Jones: Let me talk about the seasonal first, because when you add a year like this year, anybody who has water in their area—a marina or a harbour—you know it's killing us, the revenue that we depend on getting. We're not getting the tourists, so we're already fragile this year.

I didn't want to use the words of the gentleman ahead of me, but I will. I've knocked around this province; I've moved 14 times. I've dealt with all sorts of issues. This is the first time that I'm hearing business people talk about their concerns with fear. They're just not quite sure how they're going to make ends meet. They are hoping that there's a cold, sober thought that the right thing may be \$15 an hour, but can we get there at a slower rate so that we don't impact their ability to keep people employed?

Mr. Steve Clark: I appreciate the fact that—I don't know of another county that actually has passed a formal resolution. I know it's making its rounds. Can you speak to some of your other municipal colleagues? Do you think that this resolution is going to be widely supported amongst Ontario's 444 municipalities?

Ms. Robin Jones: Oh, I think so. I sponsored this resolution, so I've been contacted by many people across the province. I think that that should give the government some confidence that if the people who are adopting this motion—it's not about "It's not the right thing to do." It's about "Let's have a plan, so that we don't put people out of business." Eventually we can level off the minimum wage but not increase the size of our social welfare.

Mr. Steve Clark: Absolutely. The other thing is that part of the resolution is the comprehensive economic impact analysis. Do you have any sense of how quickly that could be done?

Ms. Robin Jones: No. What we have asked for is to have it completed on an immediate and a priority basis. November 1 is looming. It would be as in other things where the government has, I think, listened to the opposition, perhaps listened to the public, and has slowed things down, like school closures and other things.

From not just the rural lens but from being feet-on-the-ground in communities, this would be the appropriate way to deal with it, which is that we will get there, or we offer mitigation to the businesses through business tax offsets or whatever.

Mr. Steve Clark: I want to thank you very much for coming. You've certainly provided tremendous leadership in Leeds and Grenville. I want to thank you and the other mayors for putting your comments on the record.

Ms. Robin Jones: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Madam Mayor, for being here. I know it's a tough job; I've been there in past lives.

I asked a question of the chamber, and I'll ask it of you: What other things can the government do to assist business in your community to offset the minimum wage increase that's proposed, other than delaying implementation or slowing it down?

Ms. Robin Jones: I'm glad you asked that question, because I'd like to link it back to one of Mr. Clark's.

That is the issue. With all of the other suggested amendments as a result of the study, that is the only concern that is really being raised. Maybe if we deal with that, then we'll come back and say, "Well, what about this other thing?" But there needs to be some financial offset for them, because the goal is to keep people employed.

In most of the communities in Leeds and Grenville, we are open 12 months a year. Bless those business owners; they do their best to keep people on paycheques rather than on social welfare.

I'm not sure of all of the administrative ways or all of the offsets, but if this is going ahead on the 1st of November, there needs to be something so that the impact on businesses in rural Ontario and rural Leeds and Grenville is not as significant as what we believe it will be.

Ms. Cindy Forster: Right. And you believe, certainly, that the smaller rural communities will feel a greater impact than large cities will.

Ms. Robin Jones: I wouldn't want to speak to that. I'm a police officer, so I have to clarify. But what I can speak to is that there are no box stores; there is no other large organization to go to for some help. In Leeds and Grenville, most of the businesses are run by an entrepreneur, by people like you and me. That's the challenge.

1720

There's the bank: I know Neil probably spoke about the covenants with banks and that sort of thing, and that's a real concern to people. How do they stop having their loans called, when they can't make payroll and other things?

Ms. Cindy Forster: Thank you for being here.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Baker.

Mr. Yvan Baker: Thank you very much for coming in and for speaking to us. One of the things that I was hoping to ask you about was, your focus has been on the minimum wage. I know Bill 148 contains a number of

amendments that are designed to help workers. For example, there's an increase in paid sick days and personal emergency leave, there's a provision for wage parity—equal pay for equal work—vacation days to a minimum of three weeks after five years at the same employer etc. There are about seven or eight major elements like that.

I've heard you on the minimum wage, but do you have any other thoughts on those other elements at all?

Ms. Robin Jones: Let me ask you this: Was there a standard in place when those were proposed that this is what's happening in other provinces or other places in Europe?

Mr. Yvan Baker: I can't speak for the people who developed it and how they developed it.

My simple question to you is, you've been a strong advocate for the businesses and the people in your community. I respect you for doing that and I've taken your feedback. I just want to make sure that I've heard whether you're supportive, not supportive or neutral on those other elements, just so I have a comprehensive view of your thoughts on the bill, that's all.

Ms. Robin Jones: As I just said to MPP Forster, the main concern in our area is the minimum wage. I have my own personal feelings on equity and fairness—that probably says it all there—but the people in my communities are concerned about the minimum wage. That's the piece that they think is going to make them bankrupt.

Sick leave: As a chief of police negotiating with two different unions, you had to sit across the bargaining table, and equity kind of fell out at the end of the day. That didn't bankrupt a police service. Having to come across with payroll is what the concern is.

Mr. Yvan Baker: Okay. I appreciate that concern and you've voiced that articulately. It sounds like, if I can summarize—and I don't want to put words in your mouth, I genuinely don't, but on the other elements it sounds as though those aren't concerns. The concern is the minimum wage piece and how quickly it's being implemented. Am I summarizing your concerns accurately?

Ms. Robin Jones: You're summarizing the concerns that have been told to me from the businesses in Leeds and Grenville. What I'm trying to say is that's how big the concern is, and if we can manage that—because they're not also bringing them up with the same amount of traction. Yes, I think you're summarizing it right. I just think that when one issue is so big, that's what they're focusing on and that's what we hope the government will hear us on.

Mr. Yvan Baker: You had suggested during your presentation and in a response to the other members that some accommodations need to be made for business to help them deal with this. When you say that, what do you mean? Can you expand on that?

Ms. Robin Jones: I guess there are two case scenarios. Ideally would be to postpone the implementation of this so that they can plan their budgets, just like you and I at home. If you're going to put siding on the house next year, and that takes an additional 5% of what you would normally put in capital back into your place, you budget it. There's been no chance to budget for the November 1 increase—period, full stop.

Mrs. Cristina Martins: January 1.

Ms. Robin Jones: Sorry, yes. But there's still been no opportunity to plan that, so that would be the best.

And if that's not the case, then there are opportunities to offset business taxes. Provide some sort of mitigation so that we all can get to where the government wants to get, which is a \$15 minimum wage over the next period of time, but we can get there through planning.

Mr. Yvan Baker: And just again, I'm just going to keep going on that theme, if I could. I've heard you on the postponement, got that that was your feedback. I heard you on the business taxes as a potential accommodation. Are there any other types of accommodations, in addition to business taxes, that you think would be helpful?

Ms. Robin Jones: I think I'm going to answer it this way, because we're short on time: They need money, so whatever the government administrative way is of softening the blow. That's really what we need, to soften the blow of the increase. I'm not going to tell you your business on how to get that done. But if we want to get to the minimum wage and we want to keep all the businesses hiring people and employing people, then we need to work with them rather than just drop that bullet on them. I had to say "bullet" because—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mayor Jones, for your presentation. If you have any further written submissions, they need to be to the Clerk of the Committee by 5:30 on Friday, July 21.

Ms. Robin Jones: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you to all of the presenters today for your input.

This committee will now adjourn until 9:30 tomorrow morning in Windsor.

The committee adjourned at 1725.

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

Chair / Président

Mr. Peter Z. Milczyn (Etobicoke–Lakeshore L)

Vice-Chair / Vice-Présidente

Ms. Ann Hoggarth (Barrie L)

Mr. Yvan Baker (Etobicoke Centre / Etobicoke-Centre L)

Mr. Toby Barrett (Haldimand–Norfolk PC)

Mr. Han Dong (Trinity–Spadina L)

Mr. Victor Fedeli (Nipissing PC)

Ms. Ann Hoggarth (Barrie L)

Ms. Harinder Malhi (Brampton–Springdale L)

Mrs. Cristina Martins (Davenport L)

Mr. Peter Z. Milczyn (Etobicoke–Lakeshore L)

Mr. John Vanthof (Timiskaming–Cochrane ND)

Substitutions / Membres remplaçants

Mr. Steve Clark (Leeds–Grenville PC)

Mr. Grant Crack (Glengarry–Prescott–Russell L)

Ms. Cindy Forster (Welland ND)

Mr. John Fraser (Ottawa South L)

Mr. Randy Hillier (Lanark–Frontenac–Lennox and Addington PC)

Mr. Jim McDonell (Stormont–Dundas–South Glengarry PC)

Ms. Laurie Scott (Haliburton–Kawartha Lakes–Brock PC)

Mr. Todd Smith (Prince Edward–Hastings PC)

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke PC)

Clerk / Greffier

Mr. Eric Rennie

Staff / Personnel

Ms. Erin Fowler, research officer,
Research Services