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**Official Report
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(Hansard)**

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**Journal
des débats
(Hansard)**

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**Standing Committee on
Finance and Economic Affairs**

Plan for Care
and Opportunity Act
(Budget Measures), 2018

3rd Session
41st Parliament

Thursday 26 April 2018

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

Loi de 2018 pour un plan axé
sur le mieux-être et l'avenir
(mesures budgétaires)

3^e session
41^e législature

Jeudi 26 avril 2018

Chair: Ann Hoggarth
Clerk: Eric Rennie

Présidente : Ann Hoggarth
Greffier : Eric Rennie

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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 26 April 2018

Jeudi 26 avril 2018

The committee met at 0900 in room 151.

**PLAN FOR CARE
AND OPPORTUNITY ACT
(BUDGET MEASURES), 2018
LOI DE 2018 POUR UN PLAN AXÉ
SUR LE MIEUX-ÊTRE ET L'AVENIR
(MESURES BUDGÉTAIRES)**

Consideration of the following bill:

Bill 31, An Act to implement Budget measures and to enact and amend various statutes / Projet de loi 31, Loi visant à mettre en oeuvre les mesures budgétaires et à édicter et à modifier diverses lois.

The Chair (Ms. Ann Hoggarth): Good morning. We are meeting here today for public hearings on Bill 31, An Act to implement Budget measures and to enact and amend various statutes.

Pursuant to the order of the House dated April 23, 2018, each witness will receive up to five minutes for their presentation, followed by up to nine minutes for questioning from committee members, divided equally among the recognized parties.

Are there any questions before we begin?

ONTARIO CO-OPERATIVE ASSOCIATION

The Chair (Ms. Ann Hoggarth): I will call the first witness, and that is the Ontario Co-operative Association. Good morning, Ms. Morgan. If you would state your name for Hansard, your five minutes will begin.

Ms. Erin Morgan: Thank you for the opportunity to speak today. My name is Erin Morgan, and I am the executive director of the Ontario Co-operative Association. We represent and advocate for over 1,500 co-operative enterprises in the province of Ontario, employing 57,000 people and generating \$6 billion for the economy every year. One in every four Ontarians is a member of a co-operative business.

Our organization appreciates the commitment made by government in budget 2018 to review and modernize the 44-year-old Co-operative Corporations Act. We are eager to begin the review process in consultation with Ontario's co-operative businesses; however, our organization has been in consultation with our sector for the last five years.

When we first presented the idea of necessary legislative changes, followed by a full review of the act, to the Ministry of Finance in 2014, it was suggested at that time that we engage our membership and ensure there was full support for the legislative changes. That suggestion led to a full sector consultation led by our organization and funded through a government grant. It revealed two key legislative issues that impede our sector's competitiveness and put us at a disadvantage to other corporations in Ontario.

These legislative changes have the support from all parties and were tabled in private member's Bill 187 by then MPP and now minister Nathalie Des Rosiers in December 2017. These changes are required now and cannot wait until a full review of the act has been completed.

Though the amendment is small, the impact will be significant. We estimate, based on the impact these changes made in other provinces, we will see an additional 10% to 15% annual growth rate in our sector. This growth will create another 5,000 new jobs and \$250 million in revenue each year in Ontario.

Today, the Co-operative Corporations Act currently mandates that 50% of co-operative business must be done with members. This is an arbitrary number that has been eliminated from the legislation in other provinces in Canada because it contradicts the second International Principle of Co-operation—the membership's democratic right to control the business of the co-operative.

In a co-operative, all members have an equal vote. We are asking that the members democratically choose the percentage of business required to be done with members that makes sense for the structure and nature of their organization. Co-operatives operate in a competitive environment with other corporate types not constrained by a business requirement rule. The elimination of the 50% rule will level the playing field for co-operative businesses.

The other change to the legislation required right away, one that cannot wait for a full review of the act, is the requirement for all co-operatives to pay for a full annual audit. Audits are a valuable method of ensuring accountability and transparency. However, the cost and administrative burden of an annual audit can be considerable, especially for smaller co-operatives with low levels of capital, assets or revenue. Members must be enabled to decide for their own co-operatives when the costs of an

annual audit are justified and will enhance good governance. Our sector is asking to eliminate the audit rules for co-operatives and let generally accepted accounting principles apply to co-operatives as they apply to other corporate types.

The wording for the change to the legislation is written in private member's Bill 187. Our organization is asking for an amendment to the budget to include this language so the necessary changes to our legislation can be made now rather than waiting through another lengthy consultation process.

The amendment will have an immediate and positive impact on agricultural, telecommunications and renewable energy co-operatives that have been advocating for legislative change for five years. Beef producer co-operatives will be able to expand their membership and distribute loans to buy cattle to a larger pool of producers if they don't have to pay for an expensive annual audit. Telecommunications co-operatives will have the opportunity to expand their business model and sell their services beyond their current membership base without losing their local, community-based governance model. And existing renewable energy co-operatives will not have to incur the costs of starting a new co-operative in order to take advantage of innovative new energy delivery models.

In closing, I'd like to remind you that by taking action now, we can remove barriers and help co-operatives create 5,000 new jobs over the next year.

The need is urgent. Our sector is changing rapidly. Now is the time to reduce the red tape and support co-operative innovation. Thank you for your time.

The Chair (Ms. Ann Hoggarth): Thank you. We'll begin today's questioning with the official opposition. MPP Clark.

Mr. Steve Clark: I want to welcome you, Erin. Thank you very much for your presentation. As you mentioned, Bill 187 was tabled back in December 2017. As well, we've had lots of opportunity as legislators to sit down with people in the co-op sector. We have a committee that meets pretty regularly. Can you just expand again upon some of the discussions that have taken place between all parties? This is not a new issue. You've brought this up a lot of times when we've met here in the building, and some of the members on this committee this morning have been part of those discussions.

Ms. Erin Morgan: Yes.

Mr. Steve Clark: Can you just elaborate a little bit about the fact that you've probably seen no opposition to Bill 187 throughout your whole conversation? Is that a fair assessment?

Ms. Erin Morgan: That is absolutely fair. Our co-operative caucus is co-chaired with a chair from each of the parties. Minister Des Rosiers is one of the chairs. Percy Hatfield from the NDP—and, for yourselves, Ernie Hardeman has been a long-time chair and supporter of our co-operative caucus.

We have breakfast meetings regularly. We've discussed these changes for a very long time. They know

that we've had consultation with our membership, the co-operative sector at large. They know there's no opposition from the co-operative sector, and there's not opposition from all parties. So we definitely have support.

Mr. Steve Clark: So the request, if I get this correct, is that you want those two sections that pertain to the two points you made this morning separated and proclaimed away from the budget?

Ms. Erin Morgan: Yes. The legislative changes that are detailed in private member's Bill 187: We would like those changes to the legislation.

Mr. Steve Clark: Chair, can I perhaps ask one of our researchers or the Clerk: Is that a fair assessment? I know we've had situations where we've tabled amendments and they've been ruled out of order. Is there a legislative way we can do what the co-op association is asking for?

Interjections.

Mr. Steve Clark: She's asking for two sections to be removed from the budget and proclaimed separately. Is that something within this committee's mandate?

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The Chair (Ms. Ann Hoggarth): We're going to have to look into that. Okay?

Mr. Steve Clark: Okay. If you could get back to me on how we could do that, that would be great. Thank you.

The Chair (Ms. Ann Hoggarth): Okay. Are you finished?

Mr. Steve Clark: Yes.

The Chair (Ms. Ann Hoggarth): Sorry. The third party, please: MPP Vanthof.

Mr. John Vanthof: Thank you, Erin, for representing the co-operative association. I might have a little bit of a conflict of interest to declare, because I'm a proud member of three co-ops and—

Mr. Steve Clark: Oh, I'm a member of one.

Mr. John Vanthof: And Ernie Hardeman's my uncle—that's another problem.

Mr. Steve Clark: That's not a problem. That's at least a benefit.

Mr. John Vanthof: We are fully supportive, and we will do anything we can to try and make this change happen.

I think—and I'd like a comment in a second—a lot of people are unaware of the role that co-ops play, in many cases, in places where other types of business won't get involved. I'll give you an example from our local area. We had a cheese factory called Thornloe Cheese. Parmalat pulled out, and the local farmers got together and we convinced a co-op to purchase that cheese factory. If we hadn't had access to that co-operative movement, we would have lost that business.

In many cases now, we're looking at doing the same thing with grocery stores, because the co-operative model—actually, the co-operative model began in rural Ontario because we needed services that the normal private business model just wouldn't provide. I think that's why it's grown so well. GROWMARK is a huge co-op—a great service.

Could you comment on how that model is still providing services in areas where other people won't go?

Ms. Erin Morgan: Absolutely. One area where the model works really well is in renewable energy, where the community in a lot of cases is much more invested in the need for renewable energy for that community than big businesses would be. So the individual community members are investing in renewable energy projects for their communities. The challenge we're having right now is that the government offered a program, the microFIT program, which was a bit in conflict, because you can't supply energy directly to a person; you have to supply it to the grid, and then the community benefits in aggregate.

Now there's a new opportunity—we started all these co-operatives. We got an exception to the rule that allowed co-operatives to supply energy; the renewable energy co-ops got an exemption from the 50% rule. So now they can provide energy to people who are not members. But now the rules are changing and the net-metering opportunity has it so that you can actually supply renewable energy directly to an individual. But because they got this exemption to the 50% rule, we're being told that they have to start a new co-operative, now that they can meet the 50% rule. It's all very complicated—

The Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government now, please. MPP Colle.

Mr. Mike Colle: Thank you, Erin. Just a couple of questions: You've already had five years of consultation with the co-op membership, right? Have you talked about the 50% rule with them? Have you talked about the annual audit with the membership?

Ms. Erin Morgan: Definitely, yes. We have a large number of members in Ontario. Five years ago, when we did the consultation, we were able to receive responses to a survey from 72% of the co-operatives in Ontario. We compiled the data in a white paper that was shared with the Ministry of Finance. It showed that in sectors where the 50% rule actually comes into play, it doesn't in housing co-ops because people live in housing co-ops; therefore, they have to be members. So if you eliminate housing co-ops, there was huge support—overwhelming support—for the elimination of the 50% rule.

Mr. Mike Colle: So you've shared this with finance already?

Ms. Erin Morgan: Yes, we've shared all that information—

Mr. Mike Colle: Okay. Sorry. I just want to get a couple of things on the record here.

Also, other provincial jurisdictions: Do they have that threshold, the 50% rule, and the annual audit rule in other provinces?

Ms. Erin Morgan: The only other jurisdiction that has the 50% rule is Quebec. However, they have exemptions in different sectors to allow innovation and growth for different sectors, like agriculture, so that they don't have to apply. They aren't rigid.

Mr. Mike Colle: As you know, sometimes when you tell people, "We're going to remove the audit requirement," they think, "That's protection for the members, to have the audit requirement." How do you answer that?

Ms. Erin Morgan: Well, there are generally accepted accounting principles that impact all businesses in Ontario, that all businesses have to follow. We're just asking for those same audit requirements.

Mr. Mike Colle: Do small businesses have to have an annual audit?

Ms. Erin Morgan: They do not have to have an annual audit under a certain threshold of size. That's what we're asking for.

Mr. Mike Colle: But co-ops do.

Ms. Erin Morgan: Currently, co-ops of all sizes—every single co-op has to have an audit.

Mr. Mike Colle: Okay. I totally support these changes and the private member's bill, and I'll try to convince my colleagues to make this change.

Ms. Erin Morgan: Thank you so much.

The Chair (Ms. Ann Hoggarth): Thank you very much for your presentation, Ms. Morgan. If you have a further written submission, it needs to be to the Clerk by 6 o'clock tonight.

Ms. Erin Morgan: You already have it. Thank you.

LIUNA LOCAL 183

The Chair (Ms. Ann Hoggarth): I'll call our next presenter, LIUNA Local 183. The questioning will begin with the third party. If you could please identify yourselves for the purposes of Hansard, your five minutes will begin.

Mr. Sean McFarling: Thank you. My name is Sean McFarling. I'm general counsel for the Labourers' International Union of North America Ontario Provincial District Council. With me today is Mr. Jack Oliveira. He's the business manager of the Ontario Provincial District Council and Local 183. We're here to speak on behalf of Local 183 as well as for the province as a whole.

We're here today to raise our concerns and, quite frankly, our objections to schedule 14 of Bill 31. This schedule has been designed to implement recommendations that came out of the Burkett report, as advised by Mike Mitchell. The primary concern we have is that the legislation proposed will void a significant provincial agreement we have. Our members who are performing carpentry in the ICI formwork sector will no longer be protected by a collective agreement. That is obviously a huge concern to our organization and our members.

I'm going to do in five minutes what took several rounds of consultation and several hundreds of pages of submissions. I want to try and get to the point as quickly as possible.

LIUNA and the operating engineers in the 1970s organized employers engaged in residential and ICI formwork. Since that time, we've been very successful in organizing this sector of the construction industry. We were so successful in the 1970s that when the government decided to implement the ICI designation system, they determined that this formwork agreement would be

an exception to that system, and our agreement was rendered lawful in the ICI sector.

The Carpenters have raised concerns several times over the previous decades about this, essentially saying that it's not fair that Labourers, LIUNA, is able to represent carpenters. But we went out and organized and we were successful.

In 2016, the carpenters' union and some employers wrote to the Minister of Labour and claimed that our agreement was having a detrimental effect on the ICI system. No evidence or particulars were given to explain what that detrimental effect was. In fact, throughout this entire process, I have yet to have been given an explanation of what the detrimental effect is. If you read Mr. Burkett's report, he concluded that there was potential friction between the locals.

I make this akin to trying to resolve a dispute between your children—siblings fighting about something. It's not the role of the Legislature, in my respectful view, to resolve labour relations disputes between parties. That's the role of the Ontario Labour Relations Board.

When you read the Burkett report, he says that friction is happening between these two unions—or not even actual friction, but potential friction—and we need to change the act.

He made two recommendations. These two recommendations were both unlawful. In other words, they weren't permissible under the Labour Relations Act. So Michael Mitchell was retained to help the government make these recommendations lawful. Because the recommendations were designed, in part, to strip us of bargaining rights and render our agreement void so that our members wouldn't have the protection of a collective agreement anymore, we refused to participate in the second process.

0920

That's where we're at now. Michael Mitchell has made these recommendations. There are two recommendations: (1) that the carpenters' union be given similar rights to ours in southwestern Ontario; and (2) that our agreement throughout the GTA and a broader central Ontario economic region be rendered null and void in the ICI sector with respect to individuals engaged in carpentry and the ironworkers—the rods that go into concrete.

That is our primary concern. I've got a limited amount of time. I'll say that there are many principled reasons why we didn't think special rules should be created for the Carpenters to allow them to do what we do. We went out and organized on the ground. We organized in the residential sector—something that they were capable of doing but did not. We are going to organize in the ICI sector as well, which was something that we were allowed to do because of our historical practice.

At this point in the game, we are prepared to accept that this government wants to do something for the carpenters' union. We've proposed this to the Premier: that the Carpenters be allowed to represent labourers performing formwork in the ICI sector—not just in

southwestern Ontario, but throughout the entire province—

The Chair (Ms. Ann Hoggarth): Thank you. MPP Vanthof.

Mr. John Vanthof: You have more to say, so I'd like to—

Mr. Sean McFarling: I do, just the final point, because the most important part is what we want. We're prepared to give the Carpenters the same right that we have. Leave our agreement alone. There is no reason to pass legislation that will take a collective agreement that has been in place for over 40 years and make it inoperable with respect to a group of employees we've been representing.

It's designed to prevent people from coming from southwestern Ontario to Toronto. Successful businesses would be prevented from coming here. Our workers won't have protection. This is obviously a concern to us, and it should be a concern to this committee.

I'll answer any questions you have.

Mr. John Vanthof: Thanks for coming. For myself, not coming from a union background, it's a complicated issue.

Mr. Sean McFarling: Very.

Mr. John Vanthof: When I read the section, why is it picking certain areas and not others? Is it to prevent people from moving back and forth?

Mr. Sean McFarling: It's not clear to me, first of all, why it's being done this way. On the one hand, there was an argument that the provincial ICI system should be maintained. You would think that we have a provincial alternative; if anything else, you're going to offer another provincial alternative so you keep things provincial in scope and not regional.

On the premise of protecting a provincial system of bargaining, we've got a recommendation that effectively makes it regional, right? Northeastern, northwestern and southwestern Ontario for LIUNA; southwestern Ontario for the Carpenters. It's a very confusing proposition. We would say that if there are exemptions, make them provincial for everybody.

But the reason appears to be—Burkett says, “Well, there are successful employers”—we've bargained agreements that have made our employers successful and our members successful—“who are now coming into the GTA, and the carpenters' union doesn't like that.” That's no basis to pass legislation. We understand that they don't want to compete, but we have to compete with non-union employers coming into this region. We have to compete with other unions that aren't under the provincial designation system: the Christian Labour Association of Canada, CLAC, for example. These are all unions or non-union employers that we're competing with.

The fact that we've got some employers who have been successful because of their bargaining relationship with us has resulted in a legislative proposal that will prevent them from coming—it's not just the GTA; we're talking about a region. It's not clear in the act, because it's the manner in which the minister is going to use his discretion—

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Sean McFarling: —to amend our designation. It's a region from Kitchener-Waterloo, Collingwood, Barrie, Toronto, Oshawa, and Kingston. It's a vast part of the province that they're going to render the collective inoperative in.

Mr. John Vanthof: Thank you.

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

Mr. Yvan Baker: Thanks very much for coming. The first question that I want to ask is—you talked about Mr. Burkett and his report—what are your thoughts on the decision to have Mr. Burkett pull this report together?

Mr. Sean McFarling: Well, Burkett was asked to identify problems. That's what we aimed our submissions at. We did participate in that process. I want that to be clear. We said, "There is no problem." We saw the other side and, again, I've characterized this as a feeling of, "It's just not fair," but it's not particularized in any meaningful way.

Burkett was to identify next steps, and we figured, "Well, if there is a problem, then we'll talk about what that problem is and how we should solve it." Instead, he made recommendations. We implored the government: "These recommendations are severely flawed, and we want you to do another consultation so we can review this." Not the Ministry of Labour staff, but the Premier's staff said to me, "We are not going to review the reviewer." Had we known and had an opportunity to meet with Burkett in person and he said, "Here's what I'm thinking of doing," we would have pointed out all of our concerns.

We had a chance to make submissions, but we never had a chance to address the recommendations Burkett made. The reason for that is because Mitchell wasn't allowed to address the recommendations; Mitchell was required to implement the recommendations. That's the concern we have with the process.

Mr. Yvan Baker: I understand.

MPP Martins would like to—

The Chair (Ms. Ann Hoggarth): MPP Martins.

Mrs. Cristina Martins: Thank you, both of you, for being here today.

I just have one quick question. You mentioned, "If the government were to do this," or "This is what would make us happier. This is what we would like to see"—if I could just have you, once again, repeat exactly how we can perhaps achieve that.

Mr. Sean McFarling: The compromise?

Mrs. Cristina Martins: Mm-hmm.

Mr. Sean McFarling: MPP Taras Natyshak is going to propose an amendment later today, I believe—because I didn't want to spend my time trying to walk through a piece of legislation—that would effectively amend the act in a way that the Minister of Labour would have the discretion to give the carpenters' union what we have province-wide, an exclusion for certain types of work, and allow them to represent and compete with us to represent carpenters and labourers performing formwork.

That amendment would also repeal all the parts proposed that strip us of our bargaining rights. Clearly, that's the most important part to us: that you don't void our collective agreement in legislation. That proposal, I believe, is being made this afternoon.

Mrs. Cristina Martins: Thank you.

The Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission—

Mr. Steve Clark: How about me?

The Chair (Ms. Ann Hoggarth): Oh, I'm sorry. Imagine me forgetting you, Mr. Clark.

To the official opposition: MPP Clark.

Mr. Steve Clark: Thank you very much, Chair.

Thank you, gentlemen, for your presentation. I also want to acknowledge that we have a dignitary in our midst: Minister Sousa is here. I'm glad that he's here to take part in your presentation. He missed the start of the presentation, so I thought I'd give you the opportunity to talk again about the Burkett recommendations and your feelings that they were both unlawful. So I just wanted you to reiterate that to the committee.

Mr. Sean McFarling: Mr. Burkett made recommendations that weren't permissible under the Labour Relations Act. Both the things he suggested to do, the minister didn't have the discretion to do that, and the act had to be amended in order to allow it. So when I say Burkett's recommendations were unlawful, that's what I mean by that.

This is the problem in addressing the consultation process. Had he said, "LIUNA, here's what I'm thinking of proposing," we would have been able to (a) point out all those problems; and (b) say, "You haven't articulated what the actual problem is you're trying to solve."

You're going to see amendments to this schedule from the government that are going to provide this—without hyperbole—Byzantine process to enable the Carpenters to do something in southwestern Ontario. If you're going to do something, you might as well make it provincial in scope, as I said. It's that flawed process that concerned us, and we wished that we had an opportunity to meet with him.

I contrast it with what the government did very well. Changing Workplaces: broad consultation; written submissions. I met with Mitchell and Murray for two hours. We talked about different ideas. The Ontario College of Trades reforms: broad consultations; met with everybody, heard from everybody, and then did it a second time.

This one has been railroaded through, and we're not being heard. Our concerns are not being addressed. Minister Sousa has heard that from me many times.

Mr. Steve Clark: That's fine, thanks.

The Chair (Ms. Ann Hoggarth): You're done? Okay.

This time, thank you very much for your presentation. If you have a further written submission, you can get it to the Clerk by 6 o'clock tonight.

Mr. Sean McFarling: Thank you very much. We appreciate your time.

The Chair (Ms. Andrea Horwath): No problem.

0930

CARPENTERS UNION LOCAL 494
AND LOCAL 1946

The Chair (Ms. Ann Hoggarth): Our next presenter will be the Carpenters Union Local 494 and Local 1946. Good morning. When you get settled, if you could identify yourself for the purposes of Hansard, and then your five minutes will begin.

Mr. Stephen Chedas: Absolutely. Good morning. My name is Stephen Chedas. I'm a lawyer for the carpenters' union and I am here speaking on behalf of Local 494 and Local 1946 of the carpenters' union. I'm flanked by Tomi Hulkkonen, who is the local coordinator of Local 494, and James Hueston to my left. He is the local coordinator for Local 1946.

Local 494 is the carpenters' union constituent local based in Windsor, and Local 1946 is the carpenters' union constituent local based in London. Combined, these two locals represent approximately 1,200 men and women and a wide range of skilled trades, including carpentry, drywall, concrete formwork and a long list of other construction-related work.

Thank you to the Chair and members for allowing us to participate in the committee hearing today, as schedule 14 of Bill 31 will, if passed, have a direct impact on our members working in and out of Local 494's and Local 1946's geographic areas.

As the committee is aware, schedule 14 of Bill 31 implements the recommendations of Kevin Burkett, an independent investigator who was asked to review the formwork exemption and provide recommendations to the government. Mr. Hulkkonen and Mr. Hueston could be here for days telling you about the details of the problems and the unfairness that the formwork exemption has created in their locals' areas in particular; but in our view, and given the very limited amount of time that we have before the committee today, we will just say that Mr. Burkett really captured the essence of the problem in his report.

In particular, Mr. Burkett's report spoke about how the Labourers union and especially its London-based Local 1059 and Windsor-based Local 625 were improperly using the formwork exemption outside of its original purpose and intent, thereby gaining a competitive advantage over other trade unions working under the ICI scheme of bargaining in the province. He noted, in southwestern Ontario in particular, how contractors bound to all employee formwork agreements were now utilizing their collective agreements, which contained lower rates and generally inferior terms and conditions relative to the provincial ICI agreements, to gain unfair competitive advantage and effectively undercut other contractors who were only bound to and applying ICI collective agreements across the province.

Finally, he noted how that misuse of the formwork exemption was now beginning to spread eastward into

other areas of the province and also into the GTA. This, Mr. Burkett found, was causing instability and unfairness in the province and was unravelling the stability and the level playing field that was created back in 1978 with the advent of provincial bargaining in the province.

I remind the committee that during this entire period, from 1978 onwards, the Carpenters as well as all the other trade unions in the province, except for the Labourers union, have been subject to and required to function under the regular mandated system of single-trade ICI bargaining.

So what did Mr. Burkett recommend? The carpenters' union had asked that the formwork exemption be eliminated in its totality. In our submissions, we argued that the formwork exemption had lost its original intent and purpose, and the Labourers Union more recent misuse of the exemption was all the reason to abolish it. But Mr. Burkett did not go as far as we wanted. Rather, he recommended that the formwork exemption be eliminated in the GTA and surrounding areas. He also recommended that the carpenters' union be given an identical exemption in southwestern Ontario. To use his words in his report, he said that that would put the Carpenters and the Labourers on an "equal legal footing" in regard to formwork in southwestern Ontario.

Speaking to you on behalf of the carpenters' union locals which will be directly affected by this recommended mirror exemption that is being put into action under schedule 14 of Bill 31, we agree with Mr. Burkett's findings and we accept that recommendation. Although we didn't get everything that we asked for, we think that this strikes a fair balance and it will help level the playing field, not only for our union but for all those contractors competing across the province, and finally restore some fairness in southwestern Ontario.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Stephen Chedas: So for all these very important reasons, we would strongly encourage you to all support the bill and proclaim it immediately.

Thank you very much for your time.

The Chair (Ms. Ann Hoggarth): This round of questioning will start with the government. MPP Baker.

Mr. Yvan Baker: Thanks very much for coming in today.

We just heard from LIUNA on this. I admit that I'm not an expert in this area.

LIUNA proposed a solution in response to the question by my colleague MPP Martins. Can you tell us your views on what they've just proposed and why you agree or disagree, or to what extent you agree or disagree with that?

Mr. Stephen Chedas: Sure. This is a complex labour relations issue, and Mr. Burkett does a very good job of going over the entire history of the issue, so I would commend that report to you, to just view the context of the situation.

But the introduction and advent of provincial bargaining in 1978 was what restored stability into the construction industry. That mandated single-trade bargaining for

all the construction unions based on their craft. What LIUNA is proposing now would essentially bring instability back into the system, because it's not only the carpenters' union that would be affected by that; it would be all unions.

In fact, if we're going to open up the designation orders and just allow everybody to represent different crafts all over the province, that would be the exact same. We would be going back 40 years to what provincial ICI bargaining fixed, quite frankly, in the ICI sector. We don't agree that that would be an effective solution. In fact, it would be introducing a chaotic situation into the construction industry. That's exactly what Mr. Burkett is trying to stop, and that's exactly why he recommended that the formwork exemption be abolished in certain areas of the province.

Mr. Yvan Baker: Can I just ask you to drill down on that a little bit for me? You talked about how it would cause instability. Help me understand, and my colleagues here who may not fully understand. Why would there be instability?

Mr. Stephen Chedas: Okay. All ICI construction unions in the province—carpenters, ironworkers, operating engineers etc.—are allowed to only represent their craft in the ICI sector. The formwork exemption was an exception to that rule that came into place in 1978, and that exception was for a specific place for a specific time. That paradigm no longer exists.

Mr. Burkett went over that in his report. What he found was essentially that that exemption was being misused in areas of the province it was never intended to apply to in the first place, and he saw that issue starting to move into the GTA and other regions. What he did was that he wanted to end that, because that was causing instability. To open up all the designations and essentially say that everybody can represent anybody in the ICI sector is going backwards 40 years and introducing the instability—

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

Mr. Steve Clark: Thank you for your presentation. You were here for LIUNA's presentation, I take it.

Mr. Stephen Chedas: I was.

Mr. Steve Clark: They had mentioned what they felt was a compromise, and I'd be very interested to hear your comments on their suggestion. Granted, I know you've stated what your preference is, but I'd like to hear from you on that point.

Mr. Stephen Chedas: On the compromise that they've suggested? Mr. Burkett, again, went into detail about how stability in the construction industry was created by single-trade bargaining. What they suggested is to go back and create an all-trade ability for unions—again, it wouldn't be only the carpenters' union, because if you're going to open up the designation in that manner, it would have to be to all unions—to essentially represent all employees in the ICI sector. That is the complete opposite of why the ICI bargaining scheme was introduced in the first place. Mr. Burkett talks a lot about how that created stability in the construction industry.

We think that by introducing or accepting that compromise, we would be introducing a chaotic state or instability back into the construction industry. That's not something that we're here to do, and that's definitely not something that Mr. Burkett wanted when he was designing these recommendations for the government.

Mr. Steve Clark: The two locals that you're representing today are London and Windsor.

Mr. Stephen Chedas: That's right.

Mr. Steve Clark: So if that suggestion from LIUNA was presented, would that cause the same instability in those two areas?

Mr. Stephen Chedas: Well, what Mr. Burkett said specifically for southwestern Ontario was to provide a mirror exemption for those two locals. That was essentially his way of, in his words, providing a level playing field for the two locals to represent all employees in formwork and concrete unions for that region only. Essentially it's one area in which that situation will occur, and it's one that he recommended be implemented.

0940

The Chair (Ms. Ann Hoggarth): We move to the third party. Mr. Vanthof.

Mr. John Vanthof: Thank you for coming.

My question is going to be along the same vein. I just want to clarify. What's going to be presented by my colleague: In your opinion, do you believe that that's going to throw the single designation open across the province for all trades?

Mr. Stephen Chedas: If we are going to essentially open up the designation orders, as has been suggested, yes, I do. It wouldn't just be about the carpenters' union. I want to make it very clear that Burkett's report was not singular in its look at the construction industry. He was looking at it as a whole, and he talked about ICI bargaining as a whole—not just about the carpenters' union. My friend mentioned it: The friction between the carpenters' union and the Labourers is the more prominent issue of course, but it certainly isn't the only issue.

When we're talking about having all employee units across the province, that I think is antithetical to the idea of single-trade ICI bargaining in the first place.

Mr. John Vanthof: In the presentation from LIUNA, they indicated that they weren't happy with the way the process rolled out. They believe they weren't adequately consulted in the process of consultation. What is your view of the process?

Mr. Stephen Chedas: Mr. Burkett was a neutrally appointed investigator. He consulted with all of the stakeholders. He accepted submissions from all of the stakeholders and then he wrote his report. He is also a person who was involved in the original 1991 peace treaty, so he is very familiar with the history and context of the entire situation.

I'm not sure, when my friend says that they weren't properly consulted, that that stands true. In fact, I think all parties were properly consulted and were able to put their submissions forward to Mr. Burkett.

Mr. John Vanthof: Was it your view that Burkett, while he was compiling his report, was going to come up with recommendations, or simply identify issues?

Mr. Stephen Chedas: As I understand, it was part of his mandate to provide recommendations to the government.

Mr. John Vanthof: Thank you.

The Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you would like to give a written submission, it needs to be to the Clerk by 6 p.m. tonight.

Mr. Stephen Chedas: Thank you.

ONTARIO COLLEGE OF TEACHERS

The Chair (Ms. Ann Hoggarth): Our next presenters will be the Ontario College of Teachers. Good morning. I am a proud member. I would like you to please give your names for the benefit of Hansard, and then your three minutes will begin.

Ms. Angela De Palma: Angela De Palma, chair of council.

Mr. Michael Salvatori: Michael Salvatori, CEO and registrar of the college.

The Chair (Ms. Ann Hoggarth): Go ahead.

Ms. Angela De Palma: Good morning. My name is Angela De Palma and I am the chair of council of the Ontario College of Teachers. With me today is our chief executive officer and registrar, Michael Salvatori.

As the regulator for the teaching profession, the Ontario College of Teachers is grateful for the changes in legislation proposed in Bill 31. We think it can be improved with certain amendments.

The college licenses more than 243,000 teachers to work in Ontario's publicly funded schools. It sets the standards for the profession and enforces Ontario law to protect some of society's most vulnerable members—children and youth.

With respect to the proposed legislation, we agree that the definition of sexual abuse in the Ontario College of Teachers Act should be strengthened.

We agree that suspension or revocation should be mandatory for people who sexually abuse students.

We agree that the college should be able to suspend someone immediately pending a disciplinary hearing that would lead to mandatory suspension or revocation in the relevant circumstances.

The college agrees that victims of sexual abuse should be entitled to therapy and counselling. We're anxious to work with ministry representatives to clarify how the funds would be distributed and costs recovered.

The college is thankful for the authority to allow our investigation committee to order a member to undergo a medical assessment so we can be sure a matter is referred to and heard by the appropriate committee.

These are powerful statements to students and parents, and we strongly support them.

We also think that the list of sexual abuses in our act should be expanded. We can't let people who are caught

in the web of justice easily escape and reoffend. The cost is too great. The life and well-being of a child—any child—is much too important.

Mr. Michael Salvatori: Michael Salvatori. Good morning, and thank you for this opportunity.

We're asking you to consider two specific amendments to the proposed legislation—amendments that could assist in preventing the abuse of students.

Currently, the college can remove a licence to teach upon evidence of an explicit list of acts that constitute sexual abuse. That list is contained in our submission and I won't take the time to repeat it here. What's missing, however, is a variety of behaviours that fall outside the act and would be considered sexually abusive if repeated over time or would lead to sexual abuse. A discipline committee panel currently has discretion in considering appropriate penalties in such cases. Restricting mandatory revocation to acts associated with specific body parts potentially puts students at risk.

The college would also like to see an amendment included in the legislation that ensures the timely sharing of information and which ultimately reduces the length of the disciplinary hearing process. Former Ontario Chief Justice Patrick LeSage recommended this back in 2011.

Right now, employers can face fines of up to \$25,000 if they are found in breach of their obligation to provide information within specific timelines. The fines apply to initial reporting only and not to subsequent requests for information. A simple amendment that extends the possibility of additional fines would change that.

In conclusion, we're pleased with the direction of the proposed legislation. We support the proposed amendments. With minor additions, the bill can better protect students and tighten timelines.

We'd like to thank you for allowing us to present our perspectives. We have college staff at the ready to provide further assistance, if needed, and we'd be pleased to answer any questions or provide further clarification.

The Chair (Ms. Ann Hoggarth): Thank you. We'll go to the official opposition. MPP Clark.

Mr. Steve Clark: Thank you for your presentation.

I notice that the recommendation was endorsed by your council in March. I know the answer, but I'm going to ask you anyway. I'm assuming that you've got widespread support amongst your industry for these changes. I think you're trying, from what I can see and what I can read, to take out some of the possible exemptions that are in there existing. Can you just outline some of the support that you've received prior to coming here today?

Ms. Angela De Palma: Certainly. Yes, council unanimously supported the decisions. It believes strongly in the LeSage recommendations and was dedicated to ensuring that those are responded to in a fulsome manner. We have many committee members or many council members who sit on the discipline, fitness to practise, and investigation committees who have experienced some challenges in reaching a decision about certain cases when there has been missing information, for example, about medical assessments.

Mr. Steve Clark: And in terms of the three parties, have you reached out prior to today and put these recommendations in front of the minister and in front of the critics?

Mr. Michael Salvatori: I don't believe that we have presented them broadly, but certainly with our own contacts at the Ministry of Education, with ministry staff—they're certainly aware and attend our council meetings and so are aware of our movement. As the chair has indicated, we're just looking for broader language, based on our experience, that would ensure the capacity to keep students safe.

Mr. Steve Clark: Well, thank you for coming. I'm very pleased with your recommendations. Thank you.

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

Mr. John Vanthof: Thank you both for coming and for providing what seem very reasonable recommendations.

In my time I've been here—could you foresee any reason why—would there be any opposition anywhere to adding these? They make so much sense. I don't see why we just wouldn't do it.

Mr. Michael Salvatori: That's certainly our view, and I think, when we consider the most egregious cases of sexual abuse, that everyone would agree that broadening language to include things that haven't been anticipated in the current language is a sound move, and we hope that that will be the view.

Mr. John Vanthof: Okay. We're in support.

Mr. Michael Salvatori: Thank you.

The Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Dong.

Mr. Han Dong: Good morning. Thank you for the presentation and for coming to Queen's Park.

Can you explain to the committee how this bill is going to offer additional protection to students in our system?

0950

Ms. Angela De Palma: Currently, it's at the discretion of a panel of the discipline, fitness to practise or investigation committee to determine whether there would be a revocation, for example, depending on the information that comes forward. The members of those committees are trained every three years. There's a rotation of those members every three years, so there is some risk of inconsistency if it's not in legislation.

Mr. Han Dong: I'm a parent to two young kids, so this is very important to me. But thinking on the other side: Is there any process to ensure fairness in investigating and adjudicating complaints against teachers?

Mr. Michael Salvatori: Absolutely. The college's investigations and hearing process is predicated on fairness on both sides. There are opportunities for the member at all junctures to have legal counsel to provide information and, during the hearing process, to provide a defence of the allegations.

Ms. Angela De Palma: In fact, part of the interest in these amendments is fairness, because the more informa-

tion that's shared about each case, the more a committee can reach an appropriate decision.

Mr. Han Dong: Thank you, Chair.

The 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 6 o'clock tonight.

Mr. Michael Salvatori: Thank you.

Ms. Angela De Palma: Thank you.

CANADIAN CANCER SOCIETY

The Chair (Ms. Ann Hoggarth): Our next presenter: the Canadian Cancer Society. Good morning. When you get settled, if you could give your names for the purpose of Hansard and you may begin your three-minute presentation.

Ms. Kelly Gorman: Good morning. My name is Kelly Gorman. I am the senior manager of public issues at the Canadian Cancer Society. Here with me today is Rob Cunningham, lawyer and senior policy analyst. Thank you for the opportunity to speak on Bill 31.

Every day in Ontario, approximately 221 people will hear the words, "You have cancer," and 81 will die of the disease. With nearly one in two Canadians expected to develop cancer in their lifetime, we must take action. We all have a role to play in the fight against cancer.

We are pleased to see measures in the 2018 budget that will help cancer patients, including expanding community-based palliative care, greater support for caregivers, and investments in home care and compassionate care communities.

Access to take-home cancer drugs remains a concern. The expansion of OHIP+ will help seniors, but a gap remains for people between the ages of 25 and 64. With many cancer drugs now being taken at home, we need to ensure that patients get the drugs they need regardless of age. We urge the government to close this gap.

While great strides have been made, tobacco products remain the leading cause of preventable disease and death, causing about 30% of all cancer deaths. We applaud the tobacco tax increase in the budget and the increase scheduled for 2019. Increasing tobacco taxes is the most effective strategy in reducing tobacco use, especially among youth, who have less disposable income.

We also support measures in the budget to address unregulated tobacco. Rob will now speak to those measures.

Mr. Rob Cunningham: I would like to reiterate the very significant impact that tobacco tax increases have to reduce smoking. This is recognized by the World Bank, by the World Health Organization, by a vast number of studies worldwide, by successive governments in Ontario, by provincial governments across Canada and by the federal government.

The tobacco tax increases that Ontario has made in this budget and prior budgets deserve applause as part of a broader strategy that includes important measures, such as a ban on flavoured tobacco, restrictions on smoking on

patios and certain other outdoor areas, regulation of e-cigarettes, and cessation initiatives, among others.

You have our brief. If you turn to page 3, you have a graph that shows provincial and territorial tobacco tax rates in Canada at the present time. As shown in this graph, even with the tobacco tax increase in the budget, Ontario will still have the second-lowest tobacco tax rate among provinces and territories.

This graph also shows that contraband in Canada is not caused by higher tax rates. In western Canada, tobacco taxes are far higher than in Ontario and Quebec, yet contraband volumes are much lower in the west than in Ontario and Quebec.

The Canadian Cancer Society supports the measures in Bill 31 to further control untaxed tobacco in Ontario. In this regard, we urge that all committee members support the enhanced enforcement provisions in schedule 35 of the bill, which are measures amending the Tobacco Tax Act.

In recent successive years, the Ontario government has implemented a series of measures to curb untaxed tobacco in Ontario. These measures, including the measures in Bill 31, are to be commended and supported. The recent new provisions to control distribution of raw materials, namely leaf tobacco and the filter material known as acetate tow, are especially important.

If I can invite members to turn to page 4 of our brief, here you see graphs provided by British American Tobacco and Philip Morris International, showing that contraband volumes in Canada have decreased, including in Ontario. That's positive, but that's something that the tobacco industry has long avoided mentioning. They talk about contraband a lot, but they don't mention that it's much lower than it used to be.

Additional potential measures for future implementation that would be complementary to the measures in Bill 31 regarding untaxed tobacco are outlined in our brief. One of these potential measures can be highlighted; namely, a refund system for tobacco products intended for tax-exempt sale on reserves.

Because at present cigarettes are shipped to reserves at a price exempt of Ontario taxes, the current system facilitates cigarettes being sold illegally on-reserve to people who are not First Nations, or diverted for illegal sale off-reserve. If the cigarettes were shipped to reserves at a price that included an amount equal to Ontario taxes, this incentive for illegality would be eliminated. Eligible First Nation consumers would still purchase a product exempt from Ontario tax, but on-reserve retailers would apply to the Ontario government for a refund. A refund system is already in place in seven other provinces and territories with success, and is in place in Ontario for gasoline under the Gasoline Tax Act.

Ontario has made significant progress under the Smoke-Free Ontario Strategy to reduce smoking among both adults and youth. This is extremely positive for public health. We thank the Ontario government, and we appreciate the support from all parties. We look forward to continued progress.

The Chair (Ms. Ann Hoggarth): Right on time. Thank you.

We'll go to the third party. MPP Vanthof.

Mr. John Vanthof: Thank you very much for coming and for all the work you do, because cancer is a scourge, and anything we can do to lessen it for people—for the issue on cigarettes: Where I'm from, I'm surrounded by First Nations, on the border with Quebec. When I go to schools and see people smoking, I ask where they got them. Contraband cigarettes are a huge issue in parts of this province.

Your proposal regarding the tax rebate, I'll call it: Is there any idea why that hasn't been looked at in Ontario? Who would be very opposed to that?

Mr. Rob Cunningham: Well, I don't have a great answer to that. I think we have successful implementation in other provinces. New York state implemented something similar in 2001, after not having it for many years. I think the fact that we haven't had it in place in Ontario is probably a factor, but I think we've seen success in other provinces and it would provide encouragement. I think this would be the single most important thing that could be done in Ontario to reduce illicit sales, including in your riding.

Mr. John Vanthof: Quebec has a different system of trying to curb the illicit tobacco trade. Could you comment on that? Correct me if I'm wrong, but they seem to rebate to the police force. Basically they get more money based on the results of curbing the trade.

Mr. Rob Cunningham: Quebec has a number of measures, one of which is that law enforcement authorities are able to collect and keep fines that result from their enforcement actions. That does provide an incentive and resources to local police. That's something that could be done in Ontario.

Quebec also has a refund system in place, and I think that that has made an absolutely huge difference. Products shipped to reserves in Quebec—and there's a very big one close to Montreal, Kahnawake—have to start off with Quebec taxes paid, and only after there's proof of legitimate sales in reasonable quantities can the on-reserve retailers get a refund. There's still contraband and there's still illegal manufacturing, but it has made a huge difference.

Mr. John Vanthof: Just on the ground, anecdotally—I'm hesitant to say this, but it doesn't look like we're really serious on the ground, because access to contraband tobacco is unfettered.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. John Vanthof: Thank you.

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

Mrs. Cristina Martins: Good morning. Thank you very much for being here today, and thank you for the great work that you do in ensuring that Canadians are choosing healthier lifestyles and advocating for that. You being here today is obviously a reflection of that.

1000

You spoke a little bit about that, but perhaps I just want you to expand a little bit more. I have a relative of a

family member who is actually a tobacco enforcement officer in the Durham region, as a matter of fact, and often praises what we have done, as a government, to curb more people from picking up that bad habit.

The Smoke-Free Ontario Act, 2017, schedule 3 in Bill 174, was passed this past December, as you know. The act further protects Ontarians from the harmful effects of tobacco use and helps more people quit smoking and ensures young people do not get addicted to tobacco products.

Can you perhaps share how this particular piece of legislation will help to protect people against the risk of cancer?

Mr. Rob Cunningham: We strongly supported that bill, and we thank the government for bringing it forward. It has measures with respect to protection from second-hand smoke and extending smoke-free areas further. It reiterates that e-cigarettes cannot be used in these areas. E-cigarettes are still not banned, but they needed to be properly regulated. They cannot be sold to minors. That legislation also ensures that cannabis will not be able to be smoked—because there is an issue with respect to second-hand smoke—wherever smoking is banned. There is a whole series of measures that complement previous measures.

Ms. Kelly Gorman: Yes, we were very much in support. The volunteers that we work with across the province were extremely pleased to see that legislation passed and had made submissions to the consultation. We were, as Rob said, extremely supportive of that legislation.

Mrs. Cristina Martins: Bill 31 now provides additional supports to combat the underground economy, and you touched a little bit about that. Specifically for tobacco, how do you think these changes will help reduce the risks of cancer? Just briefly.

Mr. Rob Cunningham: We know that higher tobacco taxes and prices reduce smoking. Contraband undermines the benefits to the public health and public revenue benefits of higher taxes. If we have these measures, including that there is greater authority for enforcement officials, including for surveillance, it will help reduce contraband which in turn will help reduce smoking and maintain the higher tobacco taxes and their benefits.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mrs. Cristina Martins: Thank you very much.

Mr. Han Dong: Can I just ask a quick question?

The Chair (Ms. Ann Hoggarth): MPP Han.

Mr. Han Dong: Just quickly, what's your view on vaping?

Mr. Rob Cunningham: E-cigarettes are less harmful than regular cigarettes. Health Canada is bringing forward legislation to make them legal—they're actually illegal right now, in terms of e-cigarettes with nicotine—as a less harmful alternative for smokers. At the same time, kids should not be using them. They need to be properly regulated in terms of their marketing and where they can be used.

What the Ontario government has done with—

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

Mr. Rob Cunningham: It's well done.

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

Mr. Steve Clark: Thanks very much for your presentation. Mr. Vanthof did bring up a very valid point about the way that Quebec deals with their law enforcement and contraband tobacco. I think there are many members in this House, many members like myself, who live close to the border and have access because of the 401 and the 416. There is a lot of contraband being run along the 401, and giving our police the opportunity to have those same tools that they have in Quebec, I think, would help.

You're absolutely right. There is still contraband tobacco in Quebec. But I think they have been able to give those police the tools that they need to help curb it.

However, I'm not going to ask you a question about that. You mentioned right at the very start something that is very near and dear to Jeff Yurek, our health critic, and that's take-home cancer drugs. I'd like you to take a few moments, before we adjourn this morning, to talk about the importance of why that needs to be addressed.

Ms. Kelly Gorman: Thank you. Yes, MPP Jeff Yurek has been a supporter, as has the other health critic for the NDP. And we've had positive discussions with the minister's office and the Minister of Health, as well.

We know that a lot of the new cancer drugs that are coming out are taken at home, which is great because people won't have to travel. They will be in their home receiving their medication. But a lot of them are also combination drugs, so you may have an IV, but you also take it at home.

The system in Ontario right now is very convoluted. Often, people who require take-home drugs have to figure out how to pay for it, out of their own pockets sometimes, or they have to fill out all these forms. We've just really said that this shouldn't be the case. When you get your diagnosis, you should be able to take your prescription and get it filled, no matter where you take it, whether it's at a hospital or at home. The western provinces have been able to do this. We think that this can happen in Ontario.

We supported the implementation of OHIP+ for youth, but there's this gap of people. A lot of the cancers occur in people over 50, and sometimes they're struggling and they decide not to take their medication because of the financial cost to them.

There are also issues around adherence and understanding how to take your medication when it's taken at home. So partly, it's the financial part of it, but it's also that education piece and making sure the pharmacists who are dispensing these medications have the proper training.

Cancer Care Ontario convened a task force that we're a part of and is looking at this issue around the pharmacy piece and delivery of take-home cancer medications. But this is a really important issue as we know that one in two Canadians is going to be diagnosed with cancer in their lifetime, and we really need to ensure that they can have access to the medications they need.

Mr. Steve Clark: I agree 100%. Thanks.

The Chair (Ms. Ann Hoggarth): Thank you very much. If you have a further written submission, it needs to be to the Clerk by 6 o'clock tonight.

Ms. Kelly Gorman: Thank you.

The Chair (Ms. Ann Hoggarth): I'd just like to tell you, thank you for all that you do. I'm an 18-year survivor.

At this point, we will recess until 2 o'clock in this room.

The committee recessed from 1005 to 1400.

The Chair (Ms. Ann Hoggarth): Good afternoon. We're here today for public hearings on Bill 31, An Act to implement budget measures and to enact and amend various statutes.

Pursuant to the order of the House dated April 23, 2018, each witness will receive up to five minutes for their presentation, followed by up to nine minutes for questions from the committee members, divided equally among the recognized parties.

I'd just like you to know that the 2:45 presentation has been cancelled.

Are there any questions before we begin? Okay.

EPILEPSY ONTARIO

The Chair (Ms. Ann Hoggarth): I will call our first witness, and it will be Epilepsy Ontario. Good afternoon, sir. If you could give your name for the purposes of Hansard, and then your five minutes will begin.

Mr. Drew Woodley: Certainly. My name is Drew Woodley. I am the director of government relations with Epilepsy Ontario.

The Chair (Ms. Ann Hoggarth): Go ahead.

Mr. Drew Woodley: In the lead-up to this year's budget, representatives from Ontario's community epilepsy agencies met with several MPPs from all parties, including some of the members here, to talk about the need to fund epilepsy education and support programs. One of the pieces of advice we received was to appear before this committee, so I would like to thank the committee for the opportunity to speak today. In those conversations with members and in our pre-budget submission, Epilepsy Ontario highlighted the need for dedicated funding for epilepsy education and support programs through Ontario's community epilepsy agencies.

Over 90,000 people in Ontario live with epilepsy, meaning it is more common than autism, Parkinson's, MS, and cerebral palsy combined. While medications, surgery and other treatments can be effective at controlling seizures for some people, many people with epilepsy live with uncontrolled seizures. The impact of living with seizures can touch every part of a person's and their family's life. Rates of mental health issues and unemployment are higher amongst people living with epilepsy. Stigmatization and loss of independence are common, particularly amongst individuals who do not have complete seizure control.

Across Ontario, there are 13 community epilepsy agencies providing the support that people living with seizures need. They deliver longer, more in-depth epilepsy education than medical practitioners, with more flexibility for support outside a clinical environment.

The medical community recognizes the important role that community epilepsy agencies play. Critical Care Services Ontario's epilepsy implementation task force was established to maximize value from the system of epilepsy care in Ontario. The task force recognized that epilepsy requires a continuity of care from family physicians through to specialists, surgeons and hospitals, and includes Ontario's community epilepsy agencies.

Critical Care Services Ontario's provincial guidelines for regional epilepsy surgery centres state that "because patients with medically refractory epilepsy almost always suffer from a number of psychosocial comorbidities, social work evaluations, a neuropsychological assessment and liaison with community epilepsy agencies for support and advocacy are also required." Community epilepsy agency programs provide meaningful support to people living with epilepsy and provide value to our health care system.

Some 60% of people living with epilepsy make unnecessary emergency room visits. Most seizures are simply not medical emergencies. Epilepsy Southwestern Ontario's Clinic to Community education program participants were asked why they had made unnecessary emergency room visits; 60% said because of fear, and 33% said because they needed reassurance. After completing the program, 86% of participants felt more confident about when a seizure is a medical emergency and when it is not. Education programs like this reduce these unnecessary emergency visits and reduce the pressure on overburdened hospitals.

Community epilepsy agency programs empower clients to manage their own health. Self-management education is effective at reducing seizure frequency and fear, and improving epilepsy knowledge to address side effects, improve medication adherence, and decrease the risks of not following medication plans. These programs help people to live well in the community by improving success in school and the workplace and addressing mental health issues, which are 71% more likely in people living with epilepsy.

Despite their important care role, Ontario's community epilepsy agencies provide these services without core government funding. This leaves these fundamental services in a precarious situation. Sadly, this situation has not changed with the announcement of this year's budget.

Alzheimer's, autism and concussion education and support programs all received dedicated funding in this budget. I am certain that these programs will make a meaningful difference in the lives of those affected by these conditions and bring value to the health care system, just as I am certain that epilepsy programs would have had a similar impact, had they been funded.

I would strongly recommend that funding for these types of programs, which include patient education and

support through community agencies, be expanded to include epilepsy. Funding these programs through Ontario's community epilepsy agencies would allow for the sustainability and expansion of existing community programs and the extension of support into underserved areas of the province, better enabling the 90,000 people with epilepsy to live well and providing benefit to the health care system.

The Chair (Ms. Ann Hoggarth): Thank you very much.

This round of questioning will begin with the government. MPP Baker.

Mr. Yvan Baker: Hi. Thanks very much for coming in today.

Mr. Drew Woodley: Thank you.

Mr. Yvan Baker: Can you just talk a little bit about the funding that you're advocating for?

Let me take a step back. I know that the Ministry of Health has provided funding for a number of programs in support of treating epilepsy; for example, the operation of 23 additional epilepsy-monitoring-unit beds across the province and things like that. I won't go through the list—but those sorts of things. How would this funding that you're talking about be different than that, and what benefits would it yield?

Mr. Drew Woodley: Sure. Two points: The funding of those additional care beds and additional surgery beds came out of the recommendations that I mentioned from the epilepsy care guidelines. Part of those recommendations involved creating positions that would liaise with community epilepsy agencies. That was essentially the only part of that recommendation that wasn't funded. All of the hospital spaces were and the surgery supports were, but the community piece wasn't.

The reality is that people live with epilepsy outside of the hospital environment. They live in the community. They will see a neurologist. They will potentially have surgery. But the day-to-day living with epilepsy is what the community epilepsy agencies support.

Another piece would be epilepsy education. Again, as part of the guidelines, there is a checklist of information that is supposed to be covered when someone is newly diagnosed with epilepsy. It takes about an hour and half to get through that checklist. Neurologists aren't going to spend 90 minutes going through that checklist, nor do they need to. This is a role that health educators and community educators can fill and is, in fact, what community epilepsy agencies are already doing. This is about care outside of the clinical environment, in the community.

Mr. Yvan Baker: Okay. Thank you very much.

The Chair (Ms. Ann Hoggarth): We'll move to the official opposition. Mr. Barrett.

Mr. Toby Barrett: Thanks for the information. People with epilepsy or families looking after someone—a child: Is everybody documented? Are they documented through Epilepsy Ontario, or does every hospital or doctor know who might be suffering from this?

Mr. Drew Woodley: If they're properly diagnosed—there is no comprehensive database, to my knowledge, of people living with epilepsy. The best estimates are, like I said, about 90,000 people. Epilepsy Ontario and, collectively, the community epilepsy agencies don't have a record of everyone who is diagnosed because one of the challenges that we face is actually getting the medical community to refer patients or advise patients of our existence for that community support. As I say, one of the recommendations that came out of the guidelines is that that needs to be incorporated into the model of practice for physicians all across the province.

Mr. Toby Barrett: Is there much use for a bracelet or something like that, say, if something happens on the sidewalk?

Mr. Drew Woodley: Sure. There is. As I say, one of the things that most people don't understand about epilepsy is that most seizures are not medical emergencies. If someone—

Mr. Toby Barrett: Sorry, you said—

Mr. Drew Woodley: They're not medical emergencies. If you have a seizure, most of the time it will last three to five minutes. There may be a few more minutes of disorientation following the seizure. But people do not need to go to the hospital, in most cases.

If someone had a bracelet and a community member recognized that that was the case, that this is a seizure and this person has epilepsy—if there are no other extenuating factors, that person would not need to go to the hospital. But that goes back to education. It's community agencies doing public education around that, but more importantly, they're working with patients and they're working with families. In many cases, we will work with schools and workplaces to provide that education for the people who are most likely to be around someone when they have a seizure.

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Mr. Toby Barrett: Has there been much progress of late with respect to medication to control? Anything new in that?

Mr. Drew Woodley: About 70% of people are reasonably well controlled with medication. The challenge is that number hasn't really gone up. Where medication has changed is trying to reduce the side effects that go along with taking medication.

Mr. Toby Barrett: Okay. I just wonder, in the schools—

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Toby Barrett: Say with a very young child who has a seizure, is the school up to speed for someone to administer a tranquilizer-type drug?

Mr. Drew Woodley: In most cases, it's not necessary. The person would simply recover from the seizure. As part of a care plan for a person, if an emergency medication is required, it is something that we've been working on with schools, and we are currently working with the Ministry of Education as part of—

Mr. Toby Barrett: So there are still barriers?

Mr. Drew Woodley: Yes, and knowledge is the single biggest one.

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

Mr. John Vanthof: Thank you very much for coming and for bringing attention to this issue.

I can understand that education is a very important part of this. I had an experience last weekend. I was at a large community event. There were about 500 people in the room at tables, and at the table next to me, someone had a seizure. The people around that person knew—you could tell it was family members and they knew—and they actually were telling people, “Don't dial 911.” Right? It was quite an experience.

I have a friend who has epilepsy too, so I have experienced people having seizures before, but if you haven't seen it before, it can be jarring. I can see that that community education is very important because a lot of people had never seen a seizure before in that room, and it was a very interesting experience. I can see that community education is really important.

Without core funding, how are the community outreach houses funded now?

Mr. Drew Woodley: With very creative fundraising. For those of you who know the Toronto area, you may have heard of the Toronto International BuskerFest. Epilepsy Toronto actually organizes that event as a fundraiser for its agency. Some receive United Way funding, but that has diminished in recent years. It's almost exclusively through fundraising and grants.

Mr. John Vanthof: In areas with lower population, it's very likely that they have no service at all.

Mr. Drew Woodley: That's correct. There are large parts of Ontario that do not have a community epilepsy agency. In some of them, it's volunteer-led. They do not have core staff.

Mr. John Vanthof: Okay. So without core funding, it's safe to say that your funding is precarious, right?

Mr. Drew Woodley: Yes, absolutely.

Mr. John Vanthof: The level of service you provide depends on the fundraising season.

Mr. Drew Woodley: That's exactly it, which leaves agencies in a very precarious—it's the right word—position.

Mr. John Vanthof: Could you compare the number of people in Ontario who have epilepsy compared to some of the other—

Mr. Drew Woodley: Sure. Alzheimer's is a good one. Epilepsy is about two thirds the number of people as have Alzheimer's in Ontario. By way of comparison, prior to this budget, the Alzheimer's First Link Program, I think, had about 60 community educators funded through it.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Drew Woodley: This budget added about 46 to that program, which would mean, just proportionately, Epilepsy Canada should be getting about 60 or so. As part of our budget submission, we asked for funds that would equate to about 40 across the province.

Mr. John Vanthof: Thank you very much for coming.

The Chair (Ms. Ann Hoggarth): Thank you very much, Mr. Woodley, for your presentation. If you have a written submission, it needs to be to the Clerk by 6 o'clock tonight.

LIUNA LOCAL 1059

The Chair (Ms. Ann Hoggarth): Our next presenter will be LIUNA Local 1059. Good afternoon, gentlemen. When you get yourselves seated, if you would identify yourselves for the purposes of Hansard, and you may begin your five-minute presentation.

Mr. Brian MacDonald: My name is Brian MacDonald. I'm the counsel for the London and District Concrete Forming Contractors Association, which is a trade group in London composed of former contractors.

Mr. Jim MacKinnon: And I'm Jim MacKinnon. I'm the elected business manager of Local 1059 with LIUNA, predominantly in southwestern Ontario, centred out of London, Ontario. I'm pleased to be able to talk to you here today about our issue.

I'll start by saying that our remarks will be limited to schedule 14 in the bill. I would like to give you a little bit of background on some facts, and I'd like to take you through what the consequences are of this proposed legislation, if it goes through, to the people who are employed right now, the workers who are in the industry, and how it affects them and their lives. We're not here to talk about trading candies between two unions or the wording of collective agreements. I'm here to talk to you about what the effect on the ground is going to be to a person who is employed today under a collective agreement that the legislation talks about voiding.

For 40 years, and in the London area for at least the last 36 years, in my experience, a number of workers in the formwork industry—they're called forming crews; in all honesty, most of them are carpenters; let's call them that instead of “form setters”; it's likely clearer for you—which constitute the majority of the crews. That's the majority of the work that's done; that's the majority of the composition. For 36 years, a number of those crews working for different contractors decided to be unionized and be represented by a union. They picked LIUNA. They didn't pick another union. There were other unions that were interested in them but, quite frankly, they made a choice. For that period of time—and at this point, I work for and am employed by 650 people with faces, names and families who work under that collective agreement out of the London area. They have, for 40 years, worked for companies on a crew—sometimes four people; sometimes 25—that, under this collective agreement, have moved between residential jobs and ICI jobs within southwestern Ontario and also into the Cambridge-Kitchener-Waterloo-Hamilton-Brantford-Toronto area, which, under the proposed legislation, you call the greater GTA area. That has been going on historically. In the morning they could be on a residential job and in the

afternoon they could be on a commercial job doing a Tim Hortons franchise foundation, which is about the same size. It's about two days' work. So, on a regular basis, they're going in and out of this broader GTA area doing the same type of work in every job that they're on.

Thousands of workers have decided to be covered under this collective agreement since it has been in place. A number of workers have taken government-recognized apprenticeship courses to be able to have the skills to work under it. On a regular basis, it's about 50-50 that these crews move between ICI jobs and residential jobs, whether it's in or out of the broader GTA area.

The other fact that has happened since 1978, when different unions were designated with different work and the Labourers were given the right to represent workers under this formwork agreement across the province—the legal agreement—there have been six non-designated unions that have popped up that the Labour Relations Act has recognized as being able to represent all trades on ICI jobs across the province. So this is a new phenomenon as well that was not there in 1978.

What's the effect? I know some people say that it's levelling the playing field. The effect of this legislation is that, in two weeks' time, you could have people working under a collective agreement who have worked under it for years—they signed cards to organize those companies under the Labour Relations Act. They put their lives, families and their jobs at risk and picked a union and a collective agreement, ultimately, that they've been working under.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Jim MacKinnon: With a stroke of a pen, this is going to be gone in two weeks.

Mr. Brian MacDonald: I'll be very brief. From the employers' perspective, schedule 14 threatens two key things that employers value under the formwork agreement. One is stability and one is mobility.

The formwork agreement has created stable relations for decades in southwestern Ontario and beyond, has avoided costly jurisdictional disputes and costly raids, and has allowed the industry to flourish.

From a mobility perspective, the formwork agreement allows contractors based in London to go anywhere in the province and do ICI work.

The Chair (Ms. Ann Hoggarth): Thank you. The official opposition: MPP Barrett.

Mr. Toby Barrett: Thanks for the presentation. I know that LIUNA testified this morning as well. Another MPP was here at that time. I'm just wading through this.

1420

We have government for a reason. We have these different commissions and boards, the labour relations board and groups like this, that deal with this. I don't know whether the people around this table have the experience or the expertise. I used to work in construction, but I never got involved in this kind of detail.

My question, if I could turn it back to you: At this stage, what's the ideal role of a government to resolve this? Construction season is upon us. I don't think either

union needs this right now, in my view. But how would government help—or through the board—to resolve this and go back to a normal situation?

Mr. Brian MacDonald: From the employer's perspective, the government should leave this alone. Employers are very happy with the status quo, particularly out in southwestern Ontario, and see no need for this. There's no pressing concern or overwhelming problem that this solves. In fact, it creates many, many more issues that employers will have to spend time and money on dealing with, which affects costs, raises prices and is not good for anybody.

Mr. Toby Barrett: For the individual worker, does it matter that much which union they're in? They're doing the same work.

Mr. Jim MacKinnon: The difference here is that you're deciding for them, instead of themselves, on who represents them, and you're deciding—

Mr. Toby Barrett: Yes. I'm in opposition, by the way.

Mr. Jim MacKinnon: I understand.

You're also saying to them, "After 40 years, what you've had, what you've done, what you've put on the line is worthless." It means that you can have people working, potentially, non-union in the morning, then union in the afternoon, and maybe with a different union if they decide to be represented by the carpenters' union, who can represent them in the ICI now, or they could go to CLAC or one of the other six non-designated unions. They could represent them too.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Jim MacKinnon: You can have pension and welfare contributions going to different organizations. It would be a mess.

Mr. Toby Barrett: Okay.

The Chair (Ms. Ann Hoggarth): You're finished, MPP Barrett?

Mr. Toby Barrett: Oh, I'm sorry. I thought you just wrapped it up.

The Chair (Ms. Ann Hoggarth): No, I said, "Thirty seconds." It's okay.

Mr. Toby Barrett: Do you want any final shots in 30 seconds?

Mr. Jim MacKinnon: We would prefer that you just left things alone. We don't see any pressing need, and we've seen no proof of any pressing need.

What the Burkett recommendations are—he obviously, in the majority of the province, didn't see any problems, because he left the Labourers formwork agreement in place. In the greater GTA, he thinks that there may be something that might happen in the future. In southwestern Ontario, he said to the carpenters' union, who now represent carpenters in the ICI sector, "Now you have an opportunity to have a second agreement," and we have no problem with that.

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

Mr. John Vanthof: Thank you very much for presenting. I was here this morning for LIUNA's and the

Carpenters' presentations. In each presentation, there were issues brought forward. One that wasn't brought forward—could you just explain: Since the agreement that was in the 1970s, there are now six unions that can sign regardless of trade?

Mr. Jim MacKinnon: Yes. In 1978, pretty much all the unions that were involved in construction in the ICI sector were given designations. Since then, you've had a number of them—BUC, CLAC, BACU, CUSW, CUPE, which has been around; CCWU and Brick 1—who have now all got status to represent any trade in the ICI sector. That doesn't seem to be an issue right now under this legislation; it's just this agreement that has been around for 40 years.

Mr. John Vanthof: You mentioned quite a bit in your presentation the mobility between the ICI and residential. Under this proposal, is this threatened now?

Mr. Jim MacKinnon: Absolutely.

Mr. John Vanthof: Okay. Could you expand on that, please?

Mr. Jim MacKinnon: First of all, you've got some employees and some workers who aren't going to have a union in two weeks for a certain type of work they do. They've got to figure out a way to stay non-union and not be able to contribute to their pension and welfare plan. They have no job security and potentially have no job, because there are then no rules for anything. Then, if they decide to get into another industry, another union—whether, in fact, they can move between two unions. Right now, in southwestern Ontario, in our area, our members aren't allowed to be members of both the carpenters' union and the Labourers, so they would have to make a choice—one or the other.

Mr. John Vanthof: So if I just could—

Mr. Brian MacDonald: If I could add to that—

Mr. John Vanthof: Of course, of course.

Mr. Brian MacDonald: Mobility between the ICI and other sectors would be impacted outside of southwestern Ontario because there would be no more formwork agreement covering the ICI sector, but the formwork agreement would still exist, for example, for the residential sector. So you could have the same 10 guys working for a formwork company, and they could do a house basement under the formwork agreement, but they couldn't pour a Tim Hortons under that agreement because of these changes. They would have to be in different trade crews—carpenters, labourers, iron workers, operating engineers—all doing separate work, with no overlap or jurisdictional dispute.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Brian MacDonald: So that mobility would greatly impact employers who can do all of that and do do all of that.

Mr. John Vanthof: Okay. Thank you very much.

The Chair (Ms. Ann Hoggarth): We will move to the government. MPP Martins.

Mrs. Cristina Martins: Thank you very much for being here today and taking the time to come up from London to Toronto to represent your 650 members. You

bring a little bit of a human touch to it when you talk about the families and livelihoods that your members put on the line each and every day.

I'm the member for Davenport, so I represent thousands of members from the Labourers and from the carpenters' union. Many of them, I understand, belong to both unions and they're able to work and function quite well, being members of both unions.

My question here today, from what I understand from the Burkett report, is that the Labourers in my riding—you're here fighting for your 650 members and I'm here looking after my members, my constituents. As I understand from the Burkett report, the Labourers in my riding who work under ICI agreements are paid more per hour than those elsewhere working under the formwork agreement.

The changes proposed in this legislation: Will they ensure that my constituents, the Labourers who are unionized and doing ICI formwork jobs in my riding, are paid the higher ICI rates?

Mr. Jim MacKinnon: I am not sure how the legislation is going to apply to that. I know that under the provincial formwork agreement, in many places in the province, those rates are higher than the dual-trade ICI Labourers and Carpenters in both. So it could be different all over the province.

Mrs. Cristina Martins: Would they be making less money, my constituents, under the new proposal?

Mr. Jim MacKinnon: Not necessarily, no. The issue is going to be the union of choice that they have to represent them, the fluidness moving between sectors, having one pension and benefit plan and insurance plan so they don't have two that are basically inoperable, and taking away the choice that workers have made on one side. On the other, there are no workers affected; it's a potential.

Mr. Brian MacDonald: If I could add to that, if they're already working under the ICI agreement, which it sounds like your constituents are, they wouldn't be impacted by this. The only workers and employers impacted will be those working under the formwork agreement and bound to the formwork agreement. So ICI bargaining rights that already exist—

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Brian MacDonald: —wouldn't change, except for those who are under the formwork agreement.

Mrs. Cristina Martins: Thank you.

The 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 6 p.m. tonight.

CARPENTERS' DISTRICT COUNCIL OF ONTARIO

The Chair (Ms. Ann Hoggarth): Our next presenters will be the Carpenters' District Council of Ontario.

Mr. John Moszynski: I'll take my jacket off, if I may.

The Chair (Ms. Ann Hoggarth): You are perfectly welcome to do that. Once you get seated and settled, if

you could identify yourself for the purposes of Hansard; then your five-minute presentation will begin.

Mr. John Moszynski: Thank you very much, Madam Chair. My name is John Moszynski. I am senior general counsel to the Carpenters' District Council of Ontario. On my right hand is Mike Yorke, who is the president of Local 27 of the carpenters' union and also the president of the Carpenters' District Council of Ontario.

We are here, obviously, to speak in favour of schedule 14 to Bill 31. We have a very different perspective than the prior presenters do, and I'm going to have to give you a little bit of history, if I may.

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In 1976, the construction industry was essentially in a state of chaos. Every trade union was free to negotiate collective agreements that covered whoever they chose. So the electricians could have an agreement that covered plumbers and the plumbers could have an agreement that covered electricians. What this led to was constant competition among the trades and, frankly, a widespread use of cheaper collective agreements, because that's how one trade could get work that it might not appear to be entitled to.

In 1976, as a result of a report commissioned by the Legislature, some fundamental decisions were made. One was—and perhaps the most important—that each construction union could only negotiate a single agreement applicable to the ICI sector for its trade. This was very important because it levelled the field. There would only be one agreement for electricians, one agreement for sheet metal workers and one agreement for carpenters.

At the very last moment before that agreement was proclaimed, for frankly political reasons, the government of the day decided to make an exception. There would be one set of rules for all the construction unions except for the Labourers. They got special treatment. They were permitted to have two agreements covering ICI formwork, one with the general contractors and one with the formwork specialty contractors. Those formwork specialty contractors worked on a multi-trade basis.

The Carpenters objected. There were innumerable jurisdictional disputes. The matters were dealt with at the board for years. Finally, the government of that day said, "We're going to appoint Mr. Burkett. He knows this area, and we're going to see what he can do."

Mr. Burkett got the parties together and they negotiated a peace treaty. That peace treaty said, "Labourers, you can have your all-employee agreements in the residential sector." The Labourers agreed and the Carpenters agreed that all of the ICI formwork would be done by members of the carpenters' union.

That agreement was in effect for approximately eight years, until the Labourers gave notice and terminated that agreement.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. John Moszynski: What happened after that is, of course, that Mr. Burkett was appointed. Mr. Burkett engaged in an extensive study, consulted with the parties and made some very principled recommendations to deal

with the problem. Because it wasn't being used in the GTA, the exemption should be wiped out in the GTA. With respect to southwestern Ontario—

The Chair (Ms. Ann Hoggarth): Thank you, sir. We'll move to the third party. MPP Vanthof.

Mr. John Vanthof: I don't think you were quite finished, so you could use some of my time to do that.

Mr. John Moszynski: I thank you for that, sir.

What you've got to understand is that if two agreements are permitted to cover one kind of work and a single trade, you've got a recipe for chaos, instability and, frankly, the jungle. What you're talking about is destabilizing the entire industry, especially if the Labourers are continuing to use this formwork agreement to the advantage of their contractors, while there is a second group of contractors who pay higher rates, who pay the better terms and conditions, and who are just not able to get work because there is a legislatively sanctioned inferior agreement that they can take advantage of.

That's the fundamental problem that Mr. Burkett determined created unfairness and, frankly, an unfairness that really threatened the entire stability of the unionized construction industry in the ICI sector. That's why we applaud the government for having the courage to look at this issue, for commissioning an independent expert to take a look at it, for consulting broadly and then putting a proposal forward which is reflected in the legislation.

It doesn't solve all of the problems; what it does do, at a minimum, is preserve the stability in the GTA and give the Carpenters a fair chance to compete on the ground in southwestern Ontario. That, frankly, is simply what should be done as a matter of fairness and making sure that stability endures in the construction industry.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. John Vanthof: I've learned a lot about this issue, sitting here today. You said that there was an informal peace treaty between—

Mr. John Moszynski: That's correct, yes. That was an agreement. The Carpenters gave up certain work in the residential sector—framing and roofing, among other things. The Labourers agreed to back off of the ICI work. What happened then—and you must appreciate this—is that many of the contractors—

The Chair (Ms. Ann Hoggarth): Sorry; time is up.

We're going to move to the government. MPP Martins.

Mrs. Cristina Martins: Thank you to both of you for being here. I'm not going to be very creative this afternoon, but I also want to thank you for taking the time to be here. As an MPP that represents, as I said earlier, thousands of both Labourers and Carpenters members, this is something that's very important to me. I'm here fighting for my constituents, as you are fighting for your members.

I'm going to ask you exactly the same question that I asked LIUNA just a little while ago, and I'm going to repeat it: From what I understand from the Burkett report, Labourers in my riding of Davenport who work

under ICI agreements are paid more per hour than those elsewhere working in the formwork agreement. The changes proposed in this legislation ensure that Labourers—my constituents—who are unionized doing ICI formwork jobs in my riding are paid the higher ICI rates.

Mr. John Moszynski: Absolutely, it will do that because although the formwork agreement has not been a huge problem, it still is consistently applied by the Labourers to situations where, frankly, they think they can get away with it. In those circumstances, it's actually not members of Local 506 who are entitled to the higher ICI rates who get the work; it's members of Local 183 who are employed under the lower rates in the formwork agreement, work the longer hours and get the lesser contributions.

So, absolutely, Ms. Martins, you're completely on the right track. That is how it is going to work.

Mr. Mike Yorke: John, I might add to that as well—

The Chair (Ms. Ann Hoggarth): Could you identify yourself, sir?

Mr. Mike Yorke: It's Mike Yorke with the carpenters' union, president of Local 27 and president of the Carpenters' District Council of Ontario.

From the perspective of an individual formwork contractor, they're quite comfortable to work with those lower wages and the longer hours. However, how that impacts on the unionized general contractor sector is very difficult, because they are losing work, in the sense of being non-competitive. They can't be competitive with cutting the wages and working longer hours. I'm continually being approached—

The Chair (Ms. Ann Hoggarth): Thirty seconds.

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Mr. Mike Yorke: —by contractors on the unionized side looking for amendments, looking for concessions that we can make with them, to have them be more competitive.

The formwork agreement really works to the advantage of the non-union general contractors in the context of the construction industry. Our relationship is with both the subtrade and with the general contractor. So you might hear later today from folks from the general contracting side about how this impacts on them as well.

The construction industry is really a partnership, and we have many partners in this industry.

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

Mr. Toby Barrett: I have to admit, I've worked as a labourer; I've worked as a carpenter. I hadn't seen the Burkett report before. I'm wading through that a little bit.

I might ask you—everything is tape-recorded—can you maybe present a bit of a summary? Are there any other options around this that would make either side happy, other than just what we've got on the table now?

Mr. John Moszynski: Frankly, sir, no. Believe me, our union—most of what was done in the construction industry in the past has been done by consensus. But, frankly, with the two agreements existing, there's no possibility of a consensus emerging.

We had said to Mr. Burkett that the entire exemption should be shut down on a province-wide basis. Mr. Burkett didn't like that idea; he thought that went too far. Because of the numbers in southwestern Ontario, he thought that it would not be appropriate to wipe the designation out there. What he said was, "What I should do and can do, and recommend be done, is that the Carpenters be granted an equivalent exemption."

So in terms of the other submissions you heard today, about how devastating this will be for formworkers down in the London area, that's not correct at all. Their agreement survives in that area. They can't bring those lower rates up to Toronto and undercut all of the general contractors and the formwork speciality contractors who are now bound to the ICI agreements, but they can carry on down in London.

We will be free to organize and go out and attempt to convince those people to come to our union, which is something we have not been able to do. Only they have been allowed to do it.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. John Moszynski: I just want to thank you all very much for listening. I do hope you have the time you need to decide on an appropriate move here. Thank you very much.

The Chair (Ms. Ann Hoggarth): Thank you for your presentation. You have quite a big written submission, but if you have a further one, it needs to be to the Clerk by 6 o'clock tonight.

Mr. John Moszynski: I don't believe we have anything else, Madam Chair. All we've done there is four pages of submissions. We have included the Burkett report. It is much more convincing than I would ever hope to be.

The Chair (Ms. Ann Hoggarth): Thank you so much.

Mr. John Moszynski: Thank you.

FORTIS GROUP

The Chair (Ms. Ann Hoggarth): At this point, we will have our final presentation of the day: Fortis construction. Good afternoon. Once you get settled, if you could identify yourselves for the purposes of Hansard, and you may begin your five-minute presentation.

Mr. Max De Angelis: Good afternoon. My name is Max De Angelis. I am the president of Fortis Group, a Windsor-based general contractor working province-wide, with a secondary office in Vaughan, Ontario.

I'm here to speak today about the inequality and the difficulties as a general contractor competing against companies, both as a general contractor and as an independent formwork contractor, as a result of the Labourers formwork agreement and as a result of the lower wage and inferior terms and conditions of that agreement.

That agreement has given Fortis a tremendous disadvantage in competing province-wide. As we continue to expand throughout southwestern Ontario and further

east of London, we keep on running into this agreement that technically was put in place in the London area and is now spilling over into east of London. This continues to give us an unfair advantage and makes the bidding process very, very difficult and very stacked against competitors who are using the formwork agreement.

As a general contractor, ultimately the subtrades are working for us in ultimate conditions. As a general contractor, we contract electricians, plumbers, carpenters, masons and, obviously, formwork contractors. Technically, that unfair advantage that the formwork contractor has is also an unfair advantage that is passed on to us as a general contractor competing against contractors who are bound by the formwork agreement.

We are aware of the government's appointment of Mr. Burkett's report, and we specifically agree with that report and we believe that exemptions should be removed in order to protect and preserve the ICI bargaining system. The formwork exemption must be removed as a matter of fairness. It's required to promote fair competition throughout the province without a race to the bottom. I say "throughout the province" because this formwork agreement obviously has spilled over more and more, as I see it, in the last few years, specifically outside of the London area.

We want the union representing our members to have a fair and equitable process and to compete fair and square for work opportunities both within southwestern Ontario and east of London as well. I commend the government for tackling this matter and having the courage to address the issue and agree that the only solution to the problem is the passage of Bill 31.

The Chair (Ms. Ann Hoggarth): Thank you, sir. We will go to the government. MPP Baker.

Mr. Yvan Baker: Thanks very much for coming in today. I understand—I think you alluded to this—that you work with both the Carpenters and the Labourers. Am I right?

Mr. Max De Angelis: I'm bound to the province agreement under the Carpenters.

Mr. Yvan Baker: If you could tell me a little bit: What would happen if the formwork agreement came more into the GTA?

Mr. Max De Angelis: If the formwork agreement came more into the GTA? Well, it's happening now. The Labourers formwork agreement is now spilling outside of its intended use—southwestern Ontario, specifically London—which means that the whole premise of that formwork agreement is now spilling over. That unfair advantage as a result of their package is now spilling over into work throughout the province. You have formwork contractors that are now expanding easterly, using the formwork agreement with an unfair wage package, much lower than a package that we are bound to, which makes the general contractors obviously uncompetitive.

The intent, as I see it, of the Burkett report is to maintain and preserve that exemption within that area: southwestern Ontario and London.

Mr. Yvan Baker: Okay. You've heard the presentations preceding yours, I presume, today from both LIUNA and the Carpenters. Could you just share your thoughts on their respective positions?

Mr. Max De Angelis: As a general contractor, I'm not here to dispute or question or fight between the Labourers and the Carpenters. As a general contractor, ultimately these trade and subtrades are working for us as the general contractor. As a general contractor employing hundreds of people—if not thousands of people—on a daily basis, both unionized and non-union, we are at a competitive disadvantage. The more this formwork agreement spills over further outside of the boundaries and further outside of the exemption agreement, the more uncompetitive we are.

That agreement, as I see it and as the Burkett report states, has now expanded outside of its original intent. I think that it's within these last few years that we are starting to experience more and more of the spillover agreement and more and more of the spillover causing an unfair advantage to any company—general contractor or formwork contractor—that is bound by the Carpenters' provincial agreement.

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Tony Fanelli: Good afternoon.

Mr. Yvan Baker: Do you want to add to that?

Mr. Tony Fanelli: Yes, I just want to add some comments. My name is Tony Fanelli. I represent the general contractors here in Ontario, and I work for the Construction Labour Relations Association of Ontario.

One of the things that we have to keep in mind here is that any general contractor, like we see here, who is bound in the ICI sector is bound to the higher rates and conditions, which addresses your concerns, Cristina. The moment that you bring another agreement in, like the formwork agreement, which then starts to compete in the ICI sector, the general contractors do not have the ability to use that.

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

Mr. Toby Barrett: Like I said earlier, there's a lot of information here. I'm trying to sort through it.

On your job sites—these are big commercial buildings that you build. Is that the business you're in—Fortis?

Mr. Max De Angelis: Yes.

Mr. Toby Barrett: And you employ union and non-union. You are bound to the provincial agreement with the Carpenters, so that means that guys who do formwork can't come on to do any of your buildings?

Mr. Max De Angelis: For clarification, Fortis Group has an agreement with the carpenters' union. By "non-union," I'm referring, at times, to electricians or plumbers or mechanical guys. My obligation in my agreement is in the ICI sector with the Carpenters.

Mr. Toby Barrett: And that's just between your company and the union.

Mr. Max De Angelis: Yes.

Mr. Toby Barrett: The government doesn't tell you to do that or anything like that.

Mr. Max De Angelis: No.

Mr. Toby Barrett: I see.

Mr. Max De Angelis: Sorry about that; just for clarification.

Mr. Toby Barrett: And the reason for that is because they provide that everybody shows up at the right time with the right skills, and they organize that side of it for you.

Mr. Max De Angelis: Yes.

Mr. Toby Barrett: Same as the Labourers, I suppose.

I'm just thinking that it might be valuable, for the record—anything further that you want to do to better explain this to the people who read this stuff.

Mr. Max De Angelis: Specifically union versus non-union or specifically carpenters' union versus labourers' union?

Mr. Toby Barrett: I just wondered if there was some way of getting out of this. I know your position, but—

Mr. Max De Angelis: My position is, frankly, that if the agreement is used outside of its intended use, it doesn't work. We are here today because the agreement is being used outside of its bounds. It's being used outside of what the original intent of the agreement was. We can live with Windsor and London. We understand, as the Burkett report states, that's the line in the sand.

However, when we have an agreement that continues to spill east and continues to make companies like ours bound to the carpenters' union agreement uncompetitive, we have a very, very strong situation at hand. Our success and the success of our members and the Carpenters members is our ability to remain competitive throughout Ontario and remain competitive on a fair and equitable playing ground against any other agreement that exists.

Mr. Toby Barrett: Okay. That's all I have.

The Chair (Ms. Ann Hoggarth): Thank you. Third party: MPP Vanthof.

Mr. John Vanthof: If you could just elaborate on what makes you uncompetitive as the agreement spills over: Is that other contractors who aren't bound to the Carpenters? Just simplify that.

Mr. Tony Fanelli: Let me try and explain that. As I said earlier, the general contractors who are bound in the ICI sector to Carpenters and Labourers are essentially not allowed to use the formwork agreement: different terms and conditions; uncompetitive in that sense, because if they attempt to use it, they'll get grieved by the union that doesn't get the work. So it makes them uncompetitive in the market where that agreement proliferates.

Originally, it was supposed to operate only in the London area. It's now starting to be seen in other areas of the province, which makes general contractors who bid for the same work uncompetitive. Do we understand that part of it?

Mr. John Vanthof: Yes. Just for our understanding, the original intent of the agreement—what do you believe was the original intent? If it's not being used the way it should be now—

Mr. Tony Fanelli: Again, this thing has been around since the 1970s. When provincial bargaining came into effect, I wasn't born yet. I guess the point is that that agreement existed. So in an effort to maintain continuity, they allowed the exemption then to exist, to allow that agreement to continue. When the ICI agreements came about with provincial bargaining, that sat there and operated in that particular area. As long as it was in there, everybody knew about it and it was understood, and we lived with it, we worked with it.

However, even at that time, the general contractors in Ontario were opposed to it. In fact, there is documentation that has been submitted by the Construction Labour Relations Association of Ontario to get rid of the exemption, which would then allow for competition across the province.

What has happened is, that agreement has now started to move into other areas of the province, which makes these folks uncompetitive.

Mr. John Vanthof: Okay. In a previous presentation, we heard that there was kind of an unofficial peace treaty. Did you experience that on the contractor side?

The Chair (Ms. Ann Hoggarth): Thirty seconds.

Mr. Max De Angelis: I may be a little bit too young to have experienced that portion of the agreement—unfortunately, I was eight years old in 1978—so, no.

What I'm experiencing today is the uncompetitive advantage that I'm facing outside of the Burkett report. I believe that the Burkett report, as it is written, should be adopted and passed.

Mr. John Vanthof: Thank you.

The Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have a written submission, you need to send it to the Clerk by 6 o'clock tonight.

Thank you to everyone for a successful day. I'd like to remind members that the hard deadline to file amendments to Bill 31 with the Clerk of the Committee is 2 p.m. tomorrow, Friday, April 27.

This committee stands adjourned until 9 a.m. on Thursday, May 3, when we will meet for clause-by-clause consideration of the bill. We are adjourned.

The committee adjourned at 1455.

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