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**Official Report
of Debates
(Hansard)**

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des débats
(Hansard)**

F-2

**Standing Committee on
Finance and Economic Affairs**

Making Ontario Open for Business
Act, 2018

1st Session
42nd Parliament

Thursday 15 November 2018

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

Loi de 2018 pour un Ontario
ouvert aux affaires

1^{re} session
42^e législature

Jeudi 15 novembre 2018

Chair: Stephen Crawford
Clerk: Timothy Bryan

Président : Stephen Crawford
Greffier : Timothy Bryan

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LEGISLATIVE ASSEMBLY OF ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

Thursday 15 November 2018

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

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

Jeudi 15 novembre 2018

The committee met at 0900 in room 151.

MAKING ONTARIO OPEN FOR BUSINESS
ACT, 2018

LOI DE 2018 POUR UN ONTARIO OUVERT
AUX AFFAIRES

Consideration of the following bill:

Bill 47, An Act to amend the Employment Standards Act, 2000, the Labour Relations Act, 1995 and the Ontario College of Trades and Apprenticeship Act, 2009 and make complementary amendments to other Acts / Projet de loi 47, Loi modifiant la Loi de 2000 sur les normes d'emploi, la Loi de 1995 sur les relations de travail et la Loi de 2009 sur l'Ordre des métiers de l'Ontario et l'apprentissage et apportant des modifications complémentaires à d'autres lois.

The Chair (Mr. Stephen Crawford): Good morning, everybody. We're meeting this morning for public hearings on Bill 47, An Act to amend the Employment Standards Act, 2000, the Labour Relations Act, 1995 and the Ontario College of Trades and Apprenticeship Act, 2009 and make complementary amendments to other Acts.

Before we begin, I would like to make a statement about written submissions. Due to the number of written submissions we have received, for the purpose of expediency, the Clerk will email electronic copies of the submissions to all committee members and will print one set of documents for each recognized party. Do the members agree to proceed this way? Okay; excellent.

Each witness will receive up to five minutes for their presentations, followed by 10 minutes for questioning from the committee, divided equally amongst the recognized parties. Given that we have quite a few witnesses here and we have limited time, I do request that everyone stick to their time. I will give a one-minute warning so that you'll know you have one minute left, both for the questioners and the witnesses.

We'll start off this morning—yes?

Ms. Catherine Fife: Thank you very much, Chair, for recognizing me. Given the fact that we do have 113 people who did apply to come before this committee, I wonder if I can seek unanimous consent to sit till midnight to arrange for additional voices to be heard on Bill 47.

The Chair (Mr. Stephen Crawford): Unfortunately, it was ordered by the House that we sit till 6 o'clock.

Ms. Catherine Fife: Thank you.

ONTARIO FEDERATION OF LABOUR

The Chair (Mr. Stephen Crawford): Let's proceed. We'll start with the Ontario Federation of Labour. If each of the witnesses could state your name for the record, please.

Mr. Chris Buckley: Thank you for inviting me here today to speak on Bill 47. My name is Chris Buckley and I'm the president of the Ontario Federation of Labour. With me is our director of research and education, Thevaki.

The Ontario Federation of Labour is a champion of workers' rights, whether the workers are in a union or not. We're here today because this government still has a chance to do the right thing and help workers across Ontario by withdrawing Bill 47.

Bill 47 eliminates the upcoming \$15-an-hour minimum wage, a \$1-per-hour raise for workers. Under Bill 47, that raise won't come for years. This means that minimum wage workers will be employed full time and still living in poverty. The Ford government must withdraw Bill 47 and eliminate exemptions to the minimum wage.

Bill 47 reduces the 10 days of job-protected personal emergency leave to eight unpaid days, and it imposes harsh restrictions on the number of days that can be used for family responsibilities, illness and mourning. It also removes the right to two paid sick days and allows employers to require a medical note, a practice that cuts into the time needed for workers to recover from illness and jams up doctors' offices across the province. Withdraw Bill 47 and increase paid sick days to seven per year.

Bill 47 eliminates equal-pay-for-equal-work standards. Under the Ford government, some part-time, temporary, seasonal, casual and temp agency workers will be paid less than their counterparts simply because of their employment status. The government should withdraw Bill 47, provide greater enforcement and remove loopholes.

Bill 47 cancels most fairer schedule protections. This means that some workers will be forced to depend on low-wage, insecure jobs where scheduling is at the whim of the employer. Withdraw Bill 47 and provide workers with sufficient notice of their shifts.

I will now outline the needed amendments on the Labour Relations Act. I want to remind everyone that it is every worker's constitutional right to organize, to join a

union, to engage in meaningful collective bargaining, and to strike. It is very important to protect these rights.

Bill 47 eliminates all rights related to accessing workplace information. That means that when workers are trying to identify and communicate with members of a potential bargaining unit, they won't have access to workplace information like people's names or email addresses. Withdraw Bill 47 and provide greater access to workplace information.

If and when workers are identified in an organizing drive, they're also forced to vote twice to show that they want to join a union. Employers hold the balance of power. They often harass their employees and engage in unfair labour practices to influence the second vote. That's why we need card-based certification. Bill 47 eliminates card check in three sectors. Withdraw Bill 47 and extend card-based certification to all sectors.

Bill 47 eliminates remedial certification. This means that if employers engage in unfair labour practices, the labour board can order a new vote, the results of which are undermined by the employer's intimidation. If Bill 47 passes, some workers' constitutional rights to join a union will be undermined by the unlawful actions of employers. Withdraw Bill 47.

Bill 47 empowers the labour board to change the structure of bargaining units within a single employer. This allows the board to determine which union will be the bargaining agent of the new units and change any applicable collective agreement. This means that the board can undermine workers' rights to choose their own union. Withdraw Bill 47.

When employees have decided to join a union, they must quickly reach a first contract with their employer. The first collective agreement sets the foundation for workers' bargained rights, but employers can delay the first contract bargaining, leading to labour disputes. Withdraw Bill 47 and provide automatic access to first-contract arbitration.

Right now, unionized contract workers, with the exception of those in building services, often lose both their collective agreement—

The Chair (Mr. Stephen Crawford): One minute left.

Mr. Chris Buckley: —and their bargaining rights if the service contract covering the worksite changes hands. This is the case even if the new contract provider hires the same employees to perform the same work in the same location. Withdraw Bill 47 and extend successor rights to all contracted services.

Bill 47 reinstates the six-month restriction on the right for employees to return to work. The law should not, in any way, undermine workers who are fighting for decent work by exercising their constitutional right to withdraw their labour. Withdraw Bill 47.

These changes are essential to make a meaningful difference in the lives of workers. The OFL strongly expects that the government will withdraw Bill 47. Do not ignore years of consultation. Together, let's raise the bar for decent work.

If you need further information, please read our submission that we provided.

The Chair (Mr. Stephen Crawford): Thank you very much. We'll start the questioning now. We'll start with the opposition members. You have five minutes. Who would like to speak? Mr. West, please go ahead.

Mr. Jamie West: Good morning, Chris.

Mr. Chris Buckley: Good morning, Jamie.

Mr. Jamie West: The speed reading—I apologize for that. I know that, prior to this, the consultations were up to two years, so five minutes is not entirely enough time to expand on this.

Mr. Chris Buckley: No. Neither is five hours, but it is what it is.

Mr. Jamie West: On the Labour Relations Act: I'm just wondering if you could expand on access to workplace information and why that's important in organizing.

Mr. Chris Buckley: It's extremely important for everyone who's here today, because you know what? Organizing drives are not easy, but it's a great tool for workers to have good collective agreements, decent working conditions, decent wages and benefits. Far too often, employers intimidate workers.

Prior to becoming the president of the Ontario Federation of Labour, I was a local union president in Oshawa for 27 years. I can remember one employer called Logistics In Motion, which is a huge food warehouse, employing approximately 1,800 workers today. When we tried to organize that workplace, it was extremely difficult, to the point where there was a great deal of intimidation. There was a great deal of management folks going out on the shop floor, telling people they were making a mistake. In fact, they had everybody come into their cafeteria on several days and show them a video as to why unions were bad for workplaces. That's just one of many, many examples that I've experienced in my 30-year career, but there are hundreds more across the province.

Going the way we're asking for makes it fair for both sides.

The Chair (Mr. Stephen Crawford): Ms. Fife?

Ms. Catherine Fife: Thank you, Chris.

Thevaki, I wonder if you could also speak to the pulling back, the stealing, of those two paid sick days, because I know that the OFL has done some extensive research on the negative impact of stress in the workplace on the health care system.

Ms. Thevaki Thevaratnam: For sure. Bill 148 provided workers with two paid sick days. Imagine the fact that you have to go to work sick. Not only are you unable to perform your work to the fullest capacity, you also risk getting your co-workers sick. From a business perspective, that doesn't do well for productivity, not to mention a worker's own health.

Now you're required to get a medical note from the doctor's office. As Chris mentioned during his speech, imagine that you are now putting an overburden on the health care system because you're having to have a doctor provide you with a note to tell you that you're sick. You're having to commute in. You're having to sit in a waiting

room, where you are potentially vulnerable to germs and to be getting sicker and to getting other folks sicker when you could be staying at home and resting so that you could return to work as promptly as possible.

Ms. Catherine Fife: So there's no true good economic, financial rationale for pulling back those two sick days, is there?

0910

Mr. Chris Buckley: Catherine, if I could add as well: Most of us have had to go to a walk-in clinic, which are usually jammed on any given day. The doctors and nurses are spread very thin. Far too often, before Bill 148, you would go into an urgent care or a doctor's office, and they're lined up wall to wall. A large number of the people there are there to get a doctor's note, which is a strain on the health care system. They're not sick, but their employer is demanding a note. Also, there's an associated cost—usually \$25 or more—which is unfair to workers, especially low-wage-paid workers.

Ms. Catherine Fife: Thank you, Jamie?

The Chair (Mr. Stephen Crawford): Mr. West.

Mr. Jamie West: Just further on the sick notes: Chris, how many workers does the Federation of Labour represent?

Mr. Chris Buckley: One million, in 54 unions.

Mr. Jamie West: Are you aware of any members who have gone for a doctor's note who were rejected from having a doctor's note? Has the doctor ever said, "I don't believe you were sick"?

Mr. Chris Buckley: I personally haven't experienced that, but there are examples. Again, in my previous occupation, working for a large employer, General Motors—

The Chair (Mr. Stephen Crawford): One minute.

Mr. Chris Buckley: —I've seen the abuses, time and time again.

Mr. Jamie West: Okay. The other question I had—back to the LRA—has to do with card-check certification. My colleagues—my staff are unionized, and I was unionized prior to this—don't seem to understand card check and why the other voting process wouldn't be more democratic. Could you briefly explain?

Mr. Chris Buckley: I want to raise one point: On June 7, there was a major election across the province of Ontario. Ontarians had to vote once. People voted once to elect the government of the day and to elect the MPPs who sit in Queen's Park every day. Why should a worker have to vote twice to make a decision on whether to join a union or not? Where does anybody else have to vote twice?

Thevaki, go ahead.

Ms. Thevaki Thevaratnam: Just to sort of interplay as well—

The Chair (Mr. Stephen Crawford): We're going to have to move now—sorry—to the questioning from the government. We have very limited time. I'll take it to the government side.

Mr. Chris Buckley: You're not going to midnight?

The Chair (Mr. Stephen Crawford): No, not tonight.

Ms. Martow.

Mrs. Gila Martow: Thank you very much for coming in, Mr. Buckley.

Mr. Chris Buckley: Thank you.

Mrs. Gila Martow: We're going to be hearing obviously from a lot of different people and different organizations today. Many represent a lot of employees, a lot of businesses that want to expand, and they support what our government is trying to do to improve the types of jobs we have in the province and also improve the number of jobs in this province.

What do you say to them when they say that we are on the right track, that raising the minimum wage by 21% last year, which we've already done and we're holding onto, is enough for now and to focus on reducing red tape and to create investment and job growth? Do you feel that they are not on the right track by supporting us to do exactly that?

Mr. Chris Buckley: Do you know what? I'm all for creating good-paying, stable, permanent jobs with good pension plans and good benefit packages. That is not reality in the province of Ontario. For over 15 years—nearly 20 years—we have lost hundreds of thousands of good-paying permanent jobs. Those jobs aren't coming back—in excess of 700,000, by the way.

When the previous government announced the contents of Bill 148, which included the minimum wage going to \$14 an hour, the Ontario Chamber of Commerce that day went on national television and said, "This would be catastrophic to the province of Ontario." Well, folks, the sky did not fall. There was some minimal job loss. There was some pushback from businesses. But since the minimum wage increased, in excess of 80,000 jobs have been created in this province.

If the government of the day has a plan that is going to create hundreds of thousands of good-paying, permanent, full-time jobs, I'm all in. But the reality of the fact is that, in today's climate in Ontario and for a long, long time, the jobs that are available are precarious in nature. They're temporary jobs. You're working for a contract agency—

Mrs. Gila Martow: I just want to summarize what you've just said, which is that, for the last 15 years, which was exactly the mandate of the Liberal government—

Mr. Chris Buckley: Or longer, I said.

Mrs. Gila Martow: —we lost in excess of 700,000 jobs. This last August—I want it on the record—we lost about 80,000 part-time jobs. I want to pass it on to my colleagues to question.

Ms. Thevaki Thevaratnam: Actually, can we answer your question?

Mrs. Gila Martow: No, sorry. My colleagues are going to have—that wasn't a question; it was just a statement to summarize. My colleagues are going to ask a question.

Ms. Thevaki Thevaratnam: No, I want to correct the record, because what Chris was speaking to was the fact that we have created, since the increase to a \$14 minimum wage, in excess of 80,000—in fact, 83,000—new jobs in the province of Ontario. That is what we're looking at—

not the Liberal record, but since the minimum wage has increased to \$14.

If businesses in this province have to go on the backs of workers and pay them poverty wages so that they can't pay their bills, eat food or pay rent, then that's not a good business model. I think we can all agree on that.

Mrs. Gila Martow: What we're discussing today is, we're holding onto that 21% to \$14 an hour—

Mr. Chris Buckley: You're disrespecting 1.7 million workers.

Mrs. Gila Martow: We're not rolling that back. What we're discussing today is how to improve investment and job growth in the province of Ontario.

I'm going to pass it to my colleague David Piccini.

The Chair (Mr. Stephen Crawford): Mr. Piccini.

Mr. David Piccini: Good morning. Thank you both for taking the time to come this morning. We appreciate it.

Just to build on the minimum wage job creation and job loss, we saw a 32% increase, virtually over the span of a year. From the CFIB and the Ontario Chamber of Commerce, there are a number of well-documented cases of reducing hiring, cutting employee work hours and charging higher prices. This was the result of overnight massive increases. What do you say to those employers and those job creators that want to hire? Who's to take on that 32% increase? Do you think it's solely up to employers to absorb that?

The Chair (Mr. Stephen Crawford): One minute.

Mr. Chris Buckley: What do you say to the 1.7 million workers in the province of Ontario who finally got an increase in their minimum wage last January to \$14 an hour who were told that they were going to get a wage increase to \$15 an hour?

Mr. David Piccini: My question was just on who's going to absorb it. We all agree that it should have gone up with inflation and that the previous government was wrong to have not increased that. My question is: Who's to absorb the 32% increase?

Mr. Chris Buckley: I would say that the businesses can change their business model, and I would say that they can collectively work with all the stakeholders to make sure that this is a success. My concern is those workers who are going to be left in poverty who will not get an increase. Let's talk about—

Mr. David Piccini: Sorry, just to—

Mr. Chris Buckley: Was it catastrophic when the minimum wage was increased? The sky didn't fall.

Mr. David Piccini: In my riding, 95%-plus are small businesses that employ between one and four or five employees.

Mr. Chris Buckley: How many closed in your riding?

Mr. David Piccini: A number of them—

Mr. Chris Buckley: How many closed in your riding?

Mr. David Piccini: A number have closed, and a number have—

The Chair (Mr. Stephen Crawford): Thank you. The time is up now, unfortunately. I know we'd like more time here, but we have to move on.

Thank you for your time.

Mr. Chris Buckley: Thank you for your opportunity.

ONTARIO CHAMBER OF COMMERCE

The Chair (Mr. Stephen Crawford): We'll move on to the Ontario Chamber of Commerce, which is up next, please. If you could please state your name for the record. You'll have five minutes.

Ms. Michelle Eaton: Thank you, everyone, for having me here today. My name is Michelle Eaton. I'm the vice-president of communications and government relations at the Ontario Chamber of Commerce. I'm pleased to speak to you all on behalf of our 60,000 members across the province that are located in 135 communities.

Bill 47 is a welcome step towards strengthening business competitiveness and ensuring that Ontario is open for business. Our province currently is being critically undermined. Excessive red tape and high levels of provincial debt pose serious threats to investment, job creation and growth in Ontario. The labour reforms introduced by Bill 47 are fundamental for us to build a stronger province.

I would like to first applaud the government of Ontario for taking swift action with a near-full repeal of Bill 148. It is important that labour reforms are both reasonable for employers and fair to workers. Our position has been clear from the beginning: Bill 148 was too much, too fast. Businesses across the province were further challenged this year with new regulatory and cost burdens imposed by Bill 148, hampering their ability to create jobs.

We heard from our members that Bill 148 created significant unintended yet predictable consequences for their businesses. I just want to share a few stories that we heard from our members with the committee today.

A city welding business in Sudbury wrote to us, saying, "The unintended consequences of these rising operational and management costs to our employees associated with Bill 148 are loss of health and dental benefits, loss of private pension plan and loss of paid uniforms."

A construction service provider from that same region said, "Should the change that is scheduled for January 1, 2019, pertaining to scheduling changes come about, I will be absolutely paralyzed in my ability to backfill shifts that are left empty by workers taking paid emergency leave. I have significant challenges in meeting my clients' needs and the terms of my contracts because of the daily labour shortages. This has coupled with the chronic shortages of workers in the region, and put me in a critical position."

These are just a couple of the stories that we heard from businesses across the province.

0920

The compounding reforms introduced by Bill 148 forced employers across Ontario to decrease staff hours, halt capital investment and increase their reliance on automation, all in an effort to stay afloat. We support those sections of the bill that remain intact, such as the \$14 minimum wage and the sexual violence leave provisions. Tying future increases of the minimum wage to a calculation based on the rate of inflation restores consistency,

reliability and predictability for both employers and workers.

The partial repeal of the scheduling provisions means that employers will also be able to adequately staff their operations and provide consistent, high-quality customer service. Government policy that makes it difficult to grow and hire is not good for the economy or for workers. Bill 47 restores fairness to both employers and workers, as well as reducing significant financial and administrative burden felt by businesses across the province.

Some 77% of our members state that access to talent is critical to their competitiveness. We have long advocated for the Ontario government to modernize the apprenticeship application system to promote the skilled trades as a viable career option for young people and to revise the journey-person-to-apprenticeship ratio framework. Bill 47 also took important steps to modernize Ontario's apprenticeship system. Lowering the journey-person-to-apprentice ratio to 1 to 1 means it will be easier for employers to hire apprentices. This will bring more tradespeople—

The Chair (Mr. Stephen Crawford): One minute.

Ms. Michelle Eaton: —into our workforce and help them to mitigate the very serious skills shortages present in our labour market. This will be especially valuable for small and rural communities where it has been even more difficult for employers to find sufficient journeypersons to take on additional apprentices.

One of our members in northern Ontario who owns a small residential construction company wrote us saying, "Since starting to enrol staff in the apprenticeship program, I have discovered the unrealistic ratios for journeypersons to apprentices in the carpentry trade. Under current ratios my company can only produce two journeypersons in the next eight years. The current ratios are greatly discouraging to me as an employer, and to my staff who are trying to develop their skills to become journeypersons."

The Ontario College of Trades has long proved to be ineffective in attracting and training tradespeople. Dissolving the college and uploading its responsibilities to the Ministry of Labour means the province can focus on developing a stronger, more competitive workforce.

We support the implementation of balanced policies that make it easier to invest, start and grow business in Ontario, as well as create an economy that connects workers to jobs.

The Chair (Mr. Stephen Crawford): Thank you, Ms. Eaton. We'll now start with questions from the government side. Mr. Parsa?

Mr. Michael Parsa: Thank you, Ms. Eaton. Thank you very much for coming. A couple of statements for you—questions, actually. The OCC represents about 60,000 local trades in about 135 communities in Ontario; is that correct?

Ms. Michelle Eaton: Yes.

Mr. Michael Parsa: You've been an opponent of Bill 47 or outspoken against Bill 148 from the start. Some of the issues that you had referenced were the minimum wage

hike—you called it too fast, too soon for businesses, in particular small businesses—the personal emergency leave, the statutory holiday. All were excessive in Bill 148. My question for you is: If Bill 148 had remained, what are the exact problems that some of the members have brought to you that would cause them problems? In particular small businesses, please.

Ms. Michelle Eaton: Thank you for your question. It was consequences that we're just beginning to realize over the last year, but a lot of our members were bringing concerns about having to make decisions about having to decrease staff hours to compensate for the rise in minimum wage. It was the largest increase by implementation and size of minimum wage that we've seen in North America. You had people who were struggling to decide whether—"Okay, so do I reduce staff hours? Do I reduce people per shift? Do I cut back on my product offerings?" I mean, this is where you saw the most devastating effects on some of our members who are in rural communities where they don't have flexibility. They're relying on people who can come depending on weather, for example, in the tourism industry or in the agriculture industry. It was really forcing businesses to make choices that ultimately would hurt their customer and would hurt their employees.

Our members care very much about their employees. At the end of the day, they want what's best for them. We need legislation that's balanced and fair to everyone. It needs to be reasonable for business and fair to workers.

Mr. Michael Parsa: You mentioned the rural areas that some of the places, particularly small businesses—in Ontario, roughly about 98% of employment was created in Toronto and Ottawa, correct? Some of the pains of these rural areas—and businesses will typically adapt to changes if they could afford it; small businesses, as having been one myself, a multi-generation small business owner. The issue that a lot of them brought up, and you were voicing their concerns, was the fact that it was too soon, too fast. Absorbing more than 20% in payroll overnight is not realistic for small businesses. You pointed out that many—in fact, I've yet to meet a small business owner that doesn't value their employees. Their employees are assets. Every single person knows that. I know that; I've always known that. And they want to do everything they can to protect their assets—if they could afford it, if it's viable, if it's doable—to give them time to grow. That concern was brought up to you.

My second question to you is: If Bill 47 doesn't come in, if we can't pass the bill, can you tell us what would happen if that wasn't the case?

Ms. Michelle Eaton: Hypothetically, if Bill 47 doesn't come in?

Mr. Michael Parsa: Yes.

Ms. Michelle Eaton: Well, you have, then, businesses facing choices about—

Mr. Michael Parsa: Sorry, I want to ask—and I apologize for interrupting for you—you've mentioned that businesses will make changes to adapt, right? If this were not to come in, could we see more job losses? Because right after Bill 148 came in in January, we saw thousands

of job losses; over 60,000. We saw again over 80,000 job losses in August. If we cannot get this right, if we can't pass this bill, again, could we see more job losses—

The Chair (Mr. Stephen Crawford): One minute.

Mr. Michael Parsa: —and, of prime concern, part-time, youth job losses?

Ms. Michelle Eaton: I would say to that that the compounding labour reforms that were previously with Bill 148 put intense pressure on today's businesses, from big to small, and we were just beginning to realize those. When businesses have to start looking at whether they cut staff, or cut staff hours, or cut part-time staff, that means that there will eventually be job losses, and that's not what is going to grow Ontario.

We have a skills crisis right now in Ontario, and I think everyone in this room can agree that growing a strong Ontario means growing a strong skilled workforce. If you look at what's happening right now—40% of jobs are expected to be in the skilled trades in the next decade, and there's only a quarter of today's youth that are thinking about pursuing a career in the skilled trades—

The Chair (Mr. Stephen Crawford): Thank you. I apologize that I have to cut you off, but we do have to move now to the opposition for questions. I'd like to start with Ms. Fife.

Ms. Catherine Fife: Thank you for being here today, Michelle. I do wish the policy folks and the executive director of the chamber could have been here as well because they had a heavy hand in crafting Bill 47. The chamber pushed back against Bill 148. While we can work with the chamber on innovation and research and procurement, on this issue we are not aligned at all.

I have to challenge the chamber, because the chamber raised the red flag on increasing the minimum wage. StatsCanada came out with their numbers last month, and—it's from table 14-10-0287-01—we are up, year over year, 90,000 jobs, and 63,000 of those jobs are full-time jobs; part-time is around 24%.

Bill 47 allows employers to pay part-time employees less money for doing the same amount of work as a full-time employee, so you are going to see more part-time employment in the province of Ontario. Do you think that that is the good way to grow the economy—a part-time province?

Ms. Michelle Eaton: The compounding effects of Bill 148 put immense pressure on the business community, forcing them to make choices, so there's always a cause and effect. If people are starting to look at their businesses and having to make a choice, whether they cut down on staffing hours because they can't afford their workers any longer—

Ms. Catherine Fife: Yes, and I know you referenced—the anecdotal story that you referenced—I'm not challenging that one employer, but I could also bring multiple employers to the table that would say to you that offering a competitive minimum wage, offering sick days and emergency leave days and not letting independent contractors into their businesses actually helps them retain employees and increases productivity.

0930

I've always thought that the chamber used evidence and facts. The numbers on job creation and the scare tactics around increasing the minimum wage to \$14 and having the economy tank are just not there. In fact, Ontario has a very competitive unemployment rate right now, at 5.6%. The Canadian unemployment rate is 5.6%.

I guess right now, as it's crafted, Bill 47—we're going to introduce amendments to try to change this bill to make it better for workers and the economy in the province of Ontario. But right now it's scheduled that the minimum wage will reach \$15 in 2025. Has the chamber done any analysis as to how that will impact purchasing power, buying strength, investment in local communities, the health of local communities and their economies?

Ms. Michelle Eaton: Thank you for your commentary. What I'll say is that, what we are hearing from our members is that the compounding effects of Bill 148 were putting immense pressure on them, and we're only beginning to realize the unintended consequences of this bill. And again, listen: It's a one-size-fits-all. It doesn't work for all businesses.

Ms. Catherine Fife: So you're recognizing that small and medium-size businesses, which are the true job creators in Ontario—that measures were brought in to try to help them, whether through the increase in the minimum wage—it's the large corporations that pushed back, like Domino's Pizza, who uses independent contractors. They lost their case in court.

Is the chamber acknowledging that those large corporations that pushed back against the minimum wage—they can afford to pay the minimum wage. Don't you agree?

Ms. Michelle Eaton: It was the largest increase in the minimum wage we've ever seen in North America, by speed and by amount. It put immense pressure on businesses of all sizes across the province.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Michelle Eaton: Especially from small and medium to large, there were lots of our members coming forward, from all shapes and sizes. We represent, at the chamber, from your mom-and-pop shop in northern Ontario to your large-scale manufacturing company. We're hearing from everything from the tourism sector to agriculture about how Bill 148 was putting immense pressure on them.

The Chair (Mr. Stephen Crawford): Mr. West.

Mr. Jamie West: The member opposite mentioned "too fast, too soon." I've seen it in the written submissions from the OCC. Thinking back to the previous Conservative government, where the minimum wage was frozen for just over eight years, was the chamber active in lobbying that the minimum wage was too stagnant for too long, or is it only when we talk about raising wages for the lowest-paid workers that the chamber becomes active?

Ms. Michelle Eaton: Sorry. Can you rephrase your question?

Mr. Jamie West: During the previous Conservative government, prior to 15 years ago, the minimum wage was flatlined—

The Chair (Mr. Stephen Crawford): Unfortunately, the five minutes are up, so we're going to have to move on to the next witness. Thank you.

ONTARIO SKILLED TRADES ALLIANCE

The Chair (Mr. Stephen Crawford): I'll call up the Ontario Skilled Trades Alliance, please. If you could state your name for the record, please.

Mr. Patrick McManus: Good morning. Thank you for giving me the opportunity to speak on Bill 47. My name is Patrick McManus. I'm the present chair of the Ontario Skilled Trades Alliance, or the OSTA. We are a broad employer-based association coalition, with about 30 large provincial employer associations from the construction service and motive power industries.

I'm here on behalf of our organization to speak and provide support to this bill, specifically focused on the wind-down of the College of Trades, the reduction of apprentice-to-journeyman ratios and the moratorium on trade classifications.

Members of the OSTA have been working together for most of this last decade to address business and labour problems that were being created by the College of Trades. The idea was flawed from the beginning: trying to place more than 150 different trades from several different industries under a small single-governance structure. The idea was ill-thought-out and was immediately being taken advantage of by groups within the structure. Its mandate was ill conceived and its operations did nothing to benefit tradespeople or employers. It duplicated work being done by other government departments and ultimately missed its biggest opportunity to actually make a positive impact, being the promotion of skilled trades and the closing of the skills gap in the province.

In the six years that the college was formally in place, despite bringing in tens of millions of dollars every year in membership fees, the number of apprentices entering into and completing their apprenticeships declined despite increased demand for tradespeople and despite the sizable investments being made in the training and apprenticeship system by the government.

Our system has been paralyzed and absolutely focused in the wrong places. Rather than focusing on how to increase training and apprenticeship opportunities and to help direct young people into good, viable careers—not just jobs—the college chose to focus on an incredibly small component of its mandate, regulatory enforcement, while ignoring the most critical components of its mandate, which were skills promotion and development. It missed the forest for the trees on this issue. Rather than allowing our trades in the province to evolve into modern times in lockstep with our provincial counterparts to the west, we have spent years now squabbling over scopes of practice, enforcement strategies and trade jurisdictions. All of this put tradespeople in Ontario and employers that employ tradespeople in Ontario behind the eight ball. Winding down the college is the right call because its notoriety has made the institution irreparably damaged.

We have collectively been calling for bold measures to turn things around in the trades, to jump-start them. We believe that this bill is the first step in the right direction. We need to be making it easier, not more difficult, to get into the skilled trades. This is why the reduction of ratios to 1 to 1 is the right call. We need to give employers the opportunity to start training the next generation of skilled workers in the trades. This gives employers the opportunity to hire more people, to give more young people work, and, to those seeking a second career or those new to the country, the opportunity to put their skills to work in a viable career. It's an important change and one that will see a lot of job opportunities created across the province. Opening up training opportunities right away and getting workers up to speed is going to go a long way to start closing the skills gap.

The moratorium on trade classifications is going to bring a lot of stability back to the trades. The classification review process that the college had in place involved an out-of-date scope-of-practice regulation that would have limited what certain tradespeople could do on various job sites. The result was more barriers to entry and more people required to do the same amount of work being done today, and at higher cost. The moratorium will provide greater clarity and certainty moving forward about who can do what, which is critical to industries that employ tradespeople.

OCOT was a polarizing distraction. It's too broken and too far gone to rein back in. Too much time has been wasted with the college and its red tape, how it was undertaking its—

The Chair (Mr. Stephen Crawford): One minute.

Mr. Patrick McManus:—enforcement activities and how it was spending money. It took away from the needed discussions of strategizing on how to actually close the skills gap. Now we're stuck here, almost a decade later, playing catch-up. The baby boom exodus is happening right now in the skilled trades, and the college winding down gives us the opportunity to refocus on what really matters: bridging the skills gap, promoting careers in the trades as a career of first choice, and creating a straight-forward way of helping people find careers in the trades for that next generation of worker coming in. Now we as employers get to do what we've been asking for all along: to be able to hire, train and mentor the next generation of workers with fewer roadblocks in place.

The Chair (Mr. Stephen Crawford): Okay. Thank you very much. We'll start now with questions from the opposition side. Ms. Sattler.

Ms. Peggy Sattler: Thank you very much for coming today and for your presentation. You focused your entire presentation on the College of Trades part of this bill, which is understandable because of the nature of your alliance. I think that you have brought some very worthwhile concerns to the table that deserve a fulsome discussion.

Are you concerned that the changes to the College of Trades were bundled with a bill that has such fundamental changes to the Labour Relations Act and the Employment

Standards Act that it prevents having the kind of dialogue that we should be having about the skilled trades shortage and other issues? Do you have any comments on the Employment Standards Act changes and the Labour Relations Act changes that are also included in this bill?

Mr. Patrick McManus: Given that we are a broad coalition of 30 organizations from different industries, we do not have a consensus position on the Bill 148 components of this bill. We are strictly a coalition that has been working on and discussing these issues with the College of Trades for the last decade, or most of the last decade, so we don't have a consensus position that I can speak to as chair of this organization on the Bill 148 components.

Ms. Peggy Sattler: So some of the employers that you represent are opposed to the changes that are proposed for employment standards and labour relations?

Mr. Patrick McManus: I can't speak to that just because this is never a point of discussion at any of our meetings. It's been strictly a group looking at the College of Trades.

0940

Ms. Peggy Sattler: Okay. I'll pass it to my colleague.

The Chair (Mr. Stephen Crawford): Mr. West.

Mr. Jamie West: Thank you. I had a question about the 1-to-1 ratio. In terms of trades and across all the trades—I don't know if you represent all of them—does 1 to 1 work for every industry, or is it different depending on what sort of trade you're working in?

Mr. Patrick McManus: The interesting thing about 1 to 1 is that it's not requiring employers to employ 1 to 1; it just gives them the option of employing 1 to 1. That is a very important distinction that I think is often missing from the public discourse on the reduction of apprenticeship-to-journeyman ratios. Not just each employment sector, but each employer has the opportunity to go down to that ratio or maintain what their current workforce looks like or anywhere in between.

There is broad support in the employer community for a 1-to-1 ratio. It's just that now they have the option to start hiring and training workers who are going to replace the very significant number of baby boomers who are set to retire from the skilled trades.

Mr. Jamie West: Okay. None of these regulations matter for good-quality employers, people who do the right thing anyway; it's to keep a check on people who maybe want to bend the rules. In terms of health and safety, if you're at a 1-to-1 ratio, can you affect health and safety?

Mr. Patrick McManus: The health and safety rules still apply precisely the same as they would under the current rules. Nothing has changed. In fact, the construction industry has gone leaps and bounds in improving the health and safety of the industry over the last decade. We've actually reduced our lost-time injuries by almost 50% in the last decade.

The requirements under health and safety regulations are still going to apply exactly in the same manner. Any new apprentice that is coming onto a job site will be attached at the hip to a journeyman. There is still that

mentor-mentee relationship that's going to be there, and all of these rules are not changing. They're going to apply in the same manner.

Mr. Jamie West: Okay.

The Chair (Mr. Stephen Crawford): Ms. Fife.

Ms. Catherine Fife: Have you looked at BC? BC has moved in this direction under the former Liberal government.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Catherine Fife: They rolled back their oversight over the apprenticeship program. They had a one-size-fits-all for all apprentices, the journeyman-to-apprentice. My son is apprenticing as an electrician, so I'm very, very interested in the safety. The safety in workplaces in BC dropped because they also did what this government is doing, which is roll back the inspectors. The Ministry of Labour has rolled back their inspections. That's the key part of making sure that any apprentice, any journeyman, any worker in the province of Ontario, is kept safe.

Have you watched what's actually happened in BC? Because we should learn from their mistakes and we should make sure that we don't do the same thing.

Mr. Patrick McManus: Their injury statistics have actually remained exactly the same. They're—

Ms. Catherine Fife: No, I'm sorry. Their safety rate, their workers on sites—once the journeyman-to-apprentice ratio was reduced, you actually found fewer well-trained workers on work sites. Fewer well-trained workers equals less safe workers.

Mr. Patrick McManus: But lost-time injuries have remained stagnant, even after these changes.

The Chair (Mr. Stephen Crawford): Sorry. We'll have to move to the government side. Mr. Piccini.

Mr. David Piccini: Mr. McManus, thank you very much for taking the time today to present before committee. I appreciate your remarks.

The Ontario Skilled Trades Alliance represents over 400,000 skilled trades?

Mr. Patrick McManus: I can't give you the precise number. It's somewhere in the hundreds of thousands, yes.

Mr. David Piccini: You've been quoted as saying—and I know you've reiterated this today—"I'm very encouraged by the proposed changes with a particular interest in the Ontario College of Trades," which you've spoken about, "which created a mountain of red tape and added an administrative burden to employers." Can you expand upon this and tell us how the college created and maintained this substantial regulatory burden? I'm really specifically interested to hear you elaborate on those regulatory burdens that the college maintained that affected the ability to hire and create jobs.

Mr. Patrick McManus: Sure. The most glaring issue was related to their scope-of-practice regulation, which is a regulation that says, "Tradespersons in different sectors can do X, Y and Z on job sites." Those decisions have been made for decades and have evolved through rulings by the Ontario Labour Relations Board. Then the College of Trades had a separate regulation that was stagnant and wasn't evolving. So we had the Ontario Labour Relations

Board rulings that said, “Tradespersons in sector X can do A, B and C,” and the College of Trades regulation in the same sector, same job, said that they can do A and B.

We were stuck fighting and retrying and arguing with the College of Trades, their inspectorate and the government over who holds jurisdiction here, because for decades, the Ontario Labour Relations Board held jurisdiction over scope of practice, and all of a sudden now we had a competing interest that had something that was completely different from the way trades had been evolved in the past.

Mr. David Piccini: So now you’re not going to have to spend as much of your time lobbying the CoT and you can actually promote skilled trades?

Mr. Patrick McManus: We’re going to stop wasting time squabbling over these little tiny issues when we have this big elephant in the room, and that is closing the skills gap and replacing all of these tens and, perhaps, hundreds of thousands of workers who are getting set to retire in the skilled trades.

Mr. David Piccini: I know that a lot has been made over the past year or so and into the election on the \$3.5-billion skilled trades gap. I know that you’ve been a strong proponent of reducing the journeyman-to-apprentice ratio.

Can you just elaborate a little more—because you said that this wasn’t really spoken about—on the standardizing of ratio as 1 to 1, which is so important for job creation, particular for our next generation, and why that’s so important? Again, on that floor that not all employers have to keep—but can you expand on why it’s important for our next gen?

Mr. Patrick McManus: Right now, ratios are different in each individual trade sector. Sometimes, you require four workers for every single apprentice you hire; sometimes, it’s three. But what’s happening is that the replacement level is not there. We’ve been talking for decades now—probably for the last 20 years—about how this impending skills gap is coming because of the baby boomer retirement. We’re not training enough people.

This is going to at least allow us to have a 1-to-1 replacement value, if there are enough people seeking jobs in the skilled trades.

Mr. David Piccini: Is this one of the first times that you’ve seen a government—you said you’ve been talking for 20 years. This government has acted, and you support these—

Mr. Patrick McManus: That’s right. This is a very critical change for the skilled trades. The opportunity for employment is actually going to significantly grow, which you are going to hear some of my counterparts speak to later this afternoon.

Mr. David Piccini: Okay, thank you.

The Chair (Mr. Stephen Crawford): Ms. Skelly.

Ms. Donna Skelly: Thank you, Mr. McManus. PA Parsa and I have travelled across the province and have spoken to thousands of people about this issue. The consistent theme is the lack of workers in skilled trades.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Donna Skelly: Two stakeholders said to me, “Once this is repealed, once Bill 47 comes through, if it comes through, we’re hiring five people and we’re hiring seven people”—these are small business owners—“because of the change in the ratio.”

Can you give me some sort of a prediction on the impact on our economy in the number of skilled trades that we could see as a result of this?

Mr. Patrick McManus: I can’t give you a specific number. But I think, very conservatively, we can say tens of thousands, if not more. You’re going to be hearing, again, from some of my counterparts with the Ontario Home Builders’ Association and the Progressive Contractors Association of Canada later this afternoon, who will speak directly to the impacts of their small business in the renovation and homebuilding sector and about what the 1-to-1 ratio means. It means an expansion of the potential for employment, which we don’t have right now.

Ms. Donna Skelly: And this is not going to be a minimum-wage economy?

Mr. Patrick McManus: These are very well-paying jobs. People make careers out of these jobs, not just enough to get by.

Ms. Donna Skelly: Okay, thank you.

The Chair (Mr. Stephen Crawford): Thank you, Mr. McManus.

CUPE ONTARIO

The Chair (Mr. Stephen Crawford): We’ll move on to the next presenters: the Canadian Union of Public Employees. Good morning. If you could please state your names, and you can state your presentation.

Ms. Candace Rennick: Sure. Thanks very much. My name is Candace Rennick. I’m the secretary-treasurer of CUPE Ontario. We represent over 260,000 working people all across Ontario, many of whom will be directly impacted by the negative changes in Bill 47. Here with me today are Michael Hurley, the first vice-president of CUPE Ontario and the president of the Ontario Council of Hospital Unions, and Dave Steele, who is a member of CUPE’s legal department.

I would like to thank the committee for the opportunity to speak with you today about our concerns on Bill 47. Our written brief will go into much more detail, but looking at the primary thrust of Bill 47, I think that we have to say that it makes picking on the poor a government priority. Not only does it take away the January 1, 2019, wage increase promised in law by this Legislature to the lowest-paid workers in Ontario; it goes even further to make it more difficult for them to improve their own work-life situation by joining a union and harder to get a collective agreement.

Apparently, proceeding on the bizarre assumption that either workers should decide never to get sick or, if they do, that they should go to work anyway, Bill 47 takes away the provision for the two paid sick days per year—two.

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Bill 47 eliminates the provisions that finally recognized that it’s wrong to use a person’s part-time status as an

excuse to pay them less. Bill 47 makes it harder for workers to unionize by denying them access to the lists of employees. It makes it harder to access first contract arbitration and, as such, makes unnecessary strikes much more likely. The bill takes away card-based certification for home care workers and makes it easier for employers to use contract flipping to deny workers the benefit of their collective agreement.

With Bill 47, you are ensuring that this government will forever be remembered as the one who got elected on the promise to stand up for the little guy, and then turned your back on those same people as your first major order of business.

Michael?

Mr. Michael Hurley: Thanks very much for allowing us to make a presentation this morning. I want to direct my comments specifically to section 15.1 of the government bill. This provision is not sought by the Ontario Hospital Association or any of its major bargaining agents—the Ontario Nurses' Association, CUPE, OPSEU, Service Employees, Unifor; none of them. It's not supported by the Ontario Federation of Labour. It was introduced into Bill 47 without any meaningful consultation with employers or with unions.

The former Liberal government tried to introduce a version of section 15.1 into Bill 148, but pulled back in the face of strong opposition. We are asking for the pre-Bill-148 status quo here; I think it's important to underline that. We're not asking you to accept a change that was introduced by the previous government; we're asking you to adhere to the status quo which existed before they amended the legislation.

This provision undermines existing bargaining unit structures which have been democratically chosen by employees. It undermines the stability of long-standing bargaining relationships. There is a question about its constitutionality. Courts in Quebec in two recent decisions have struck down legislation that failed to respect long-standing bargaining relationships. This legislation would eliminate employee choice in terms of the decision to be carved out of existing bargaining units.

Finally—and I think this is most important from the point of view of concern about cost in delivering public services in Ontario: It would have the perhaps unintended effect of moving employees with similar qualifications—

The Chair (Mr. Stephen Crawford): One minute.

Mr. Michael Hurley: —and overlapping scope of practice into a common bargaining unit, where the more highly qualified occupational group, experience suggests, will then suppress the scope of practice of the lesser-qualified group, significantly driving up costs and frustrating modernization and efficiency in the delivery of services like health and education.

The Chair (Mr. Stephen Crawford): Okay, you've completed? We'll start out with the government side for questioning. I'll start with Ms. Martow.

Mrs. Gila Martow: Thank you very much for coming in. I think that what I want to point out is that we all know that in Bill 148, there wasn't the type of consultations that

we had—not just running on our campaign of saying what we were going to do. We were going to hold the \$14 minimum wage and many other things. We have been following through on our promises.

Since the campaign, we've consulted so many businesses, so many business owners and so many associations that represent both workers and businesses alike across the province. What I want to ask you today, any of you who want to answer, is: Where else in North America has the minimum wage gone up so fast, so quickly, and where else in Canada are there two paid sick days that are guaranteed?

Ms. Candace Rennick: Well, I can't answer your question about the first question. What I can share with you, though, is that I have members of my family who own a small business. They were concerned about the increase to minimum wage, but I can tell you that their profits are soaring. They're not anywhere close to closing their doors. In fact, they're in the midst of opening a second establishment. So I'm not convinced that it has had the same negative effect that people want us to think that it's going to have, and, in fact, it's strengthening, certainly, their businesses.

Mrs. Gila Martow: So what do you say to employers who cannot afford to pay more than the current minimum wage, which has gone up by more and faster than anywhere else in North America? What do you say to those businesses that will have to close, will have to cut hours or even close if the minimum wage went up even more?

Ms. Candace Rennick: Well, I think it's important, if you're going to be running a small business in the province of Ontario or in a province like Ontario, that you should be able to afford to pay a decent living wage to people. You should not expect that people are going to come, keep your business alive and not be able to provide for their families. With the most respect to those businesses that may be forced to close their doors because of this situation, I offer to them that perhaps they shouldn't be running a business. People should expect to come to work and make a living for their family.

Mrs. Gila Martow: So you're suggesting that Ontario—it shouldn't matter what's going on in other provinces or other states, that we're not competing with those provinces or states?

Mr. Michael Hurley: We're more than competitive in one respect, which is that we have the lowest level of corporate taxation of any jurisdiction in North America. In terms of affordability, corporations are receiving from the Ontario government a tremendous wherewithal that's denied other businesses in other communities.

I can't imagine, though, that anyone could not foresee that even the healthiest individual will occasionally get sick. In what kind of Dickensian world are we living in that we can't imagine that a person could be entitled to two—two—sick days a year? Heart attack, cancer—

Mrs. Gila Martow: It's not two sick days; it's two paid sick days—

Mr. Michael Hurley: Okay, two paid sick days—

Mrs. Gila Martow: —and we're actually replacing it with something that we think and we're hearing from

many workers is more progressive, because it's many days, including bereavement, sick days and job security, because that's really what we heard from people: They were worried about job security if they got sick. That was the real concern out there that we heard from many workers.

Are you sharing that with your members, that we are offering a very progressive package of leave, that their job is guaranteed? Are you sharing that news with your members?

Ms. Candace Rennick: Well, we think that it's progressive to offer people paid time off work to stay home and be sick.

Mrs. Gila Martow: I don't know if any of my colleagues—I don't want to use up all the time.

The Chair (Mr. Stephen Crawford): Mr. Piccini.

Mr. David Piccini: I just have to go back to a question my colleague mentioned there. The question wasn't answered. Can you tell us specifically, given that we live in a global economy and we have to be conscious of what other jurisdictions are doing—a yes-or-no question—can you cite other jurisdictions that offer two paid sick days?

The Chair (Mr. Stephen Crawford): One minute.

Ms. Candace Rennick: Me personally, no, I cannot—

Mr. David Piccini: No. Okay.

Ms. Candace Rennick: —but I understand that there is research available—

Mr. David Piccini: No, thank you. It was just a yes-or-no question.

Ms. Candace Rennick: I understand that there is research available that would prove that to be true.

Interruption.

Ms. Candace Rennick: New York City.

Mr. David Piccini: There is none in Canada.

Interruption.

The Chair (Mr. Stephen Crawford): Please, no people speaking from the audience.

Mr. Michael Hurley: But if Ontario can lead, it can lead in terms of compassion with respect to its workforce—

Mr. David Piccini: Exactly. The compassion—are you aware of other jurisdictions in Canada that offer such a comprehensive package of days? Because they don't. I'm just curious. This is a compassionate package—

Ms. Candace Rennick: Is your government not interested in leading by example and, like Michael said, providing that compassion?

Mr. David Piccini: Sorry, can you then cite another jurisdiction in Canada that offers such a package to preserve days?

Ms. Candace Rennick: Prince Edward—

The Chair (Mr. Stephen Crawford): Thank you. We're going to move on now—sorry, we're going to have to move on to the opposition members for questioning. Ms. Sattler.

Ms. Peggy Sattler: Yes, thank you very much for coming today and for your presentation.

I believe that, given the sectors that you represent, CUPE may have more women members than men.

Ms. Candace Rennick: Yes.

Ms. Peggy Sattler: Certainly we know that 58% of minimum wage workers are women. I wondered if you could comment on the gender impact of the rollback of the minimum wage and the other changes to the Employment Standards Act.

Ms. Candace Rennick: You're absolutely right, and thank you for that. It should have actually been a part of our presentation.

I think it is going to impact our women members disproportionately, as well as racialized members who are doing the brunt of care work in their homes in addition to a full day at work. So I think women are absolutely going to be more impacted than others.

Ms. Peggy Sattler: Are there specific provisions in Bill 47 that are going to have the greatest impact?

Ms. Candace Rennick: I definitely think the minimum wage impact is going to be one. The ability to make contract flipping easier for our home care workers, who are already among the lowest-paid and exploited workers in the workforce, would be another.

Ms. Peggy Sattler: Thank you.

Mr. Jamie West: Excuse me, Chair?

The Chair (Mr. Stephen Crawford): Mr. West.

Mr. Jamie West: I want to follow up on my colleague's comments earlier about Bill 148's consultation. My understanding is that it was a consultation of nearly two years. You're being allowed to speak for five minutes. Does that feel like a larger or smaller consultation to you?

Mr. Michael Hurley: We—

The Chair (Mr. Stephen Crawford): It's 10 a.m., so this committee stands adjourned until 2 o'clock today. Thank you. We're in recess until 2 o'clock today.

The committee recessed from 1000 to 1400.

The Chair (Mr. Stephen Crawford): Good afternoon, everybody. We're meeting this afternoon to resume public hearings on Bill 47, An Act to amend the Employment Standards Act, 2000, the Labour Relations Act, 1995 and the Ontario College of Trades and Apprenticeship Act, 2009 and make complementary amendments to other Acts.

Before I begin, I would like to remind everybody who is here from the public and observing the committee: Please do not disrupt the committee by applauding or commenting.

Each witness will receive up to five minutes for their presentation, followed by up to 10 minutes of questioning from the committee, divided equally amongst the two recognized parties here.

Just as a reminder, the deadline to send a written submission to the Clerk of the Committee is 6 p.m. today. Are there any questions before we begin?

FIGHT FOR \$15 AND FAIRNESS

The Chair (Mr. Stephen Crawford): I would like to call up the first witness here, from the \$15 and Fairness campaign, please. Please state your name for the record, and then we'll begin right away.

Dr. Jesse McLaren: My name is Dr. Jesse McLaren. I'm a physician and a member of the Decent Work and Health Network and the \$15 and Fairness campaign.

As an emergency physician, I depend on my patients to fill their prescriptions when they leave the hospital; otherwise, they risk returning with complications—from patients with asthma who can't fill their puffers to patients with infections who can't afford their antibiotics. According to the Canadian Medical Association Journal, one in 10 Canadians can't afford their prescriptions, and this rises to a third for low-income families.

As an emergency physician, I depend on my patients to protect public health. As the Canadian Medical Association Journal summarized, "The Public Health Agency of Canada, the World Health Organization and every major public health body recommend that people stay home from work when they have influenza. Leading medical and public health associations also recommend that people who handle food not go to work when they have gastroenteritis or other contagious diseases.

"However, many employees cannot follow these recommendations if it means forgoing their wages or risking their jobs.... Employees who have access to paid sick leave are more likely to stay home when advised to do so by a physician; employees with no sick leave are more likely to go to work and expose others to infection."

As an emergency physician, I depend on my patients to not come to hospital for unnecessary reasons, like a sick note. As the head of the Ontario Medical Association recently explained, "With flu season upon us, prolonged wait times and hallway medicine, we need to find ways to keep doctors' offices free for patients sick enough to need it. We need to find ways to let people stay home to recover from minor illnesses."

It is for these reasons that the Decent Work and Health Network and others support healthy labour law based on medical evidence. We participated in the two years of consultations leading to Bill 148 and joined nearly 1,000 health providers across the province, calling for seven paid sick days, job-protected emergency leave and an end to sick notes.

From a health care point of view, Bill 148 was a prescription for health. Raising the minimum wage helps promote health; paid sick days help protect public health; and getting rid of sick notes cuts red tape. This did not go too far or too fast. Fifteen dollars an hour is still too low for many people to afford their medications and is not available to all; two paid sick days is still too few, especially as we head into flu season; and many of my patients still feel compelled to ask for a sick note.

If the government wants to improve Bill 148 and reduce hallway medicine, it can close the loopholes in the minimum wage, it can expand paid sick days to seven, and it can enforce the end to sick notes. But Bill 47 proposes the exact opposite—tearing up Bill 148's prescription and imposing dangerous treatment based on a wrong diagnosis.

Bill 47 claims to save costs by freezing the minimum wage, but this would add health care costs, as those unable to afford their medications or food or shelter will end up in hospital with complications.

Bill 47 claims that workers abuse paid sick days and that revoking them is good for business. This is also not true. In San Francisco, employees have up to nine paid sick days and use an average of three, and a quarter use zero. In New York City, 86% of employers support paid sick days because they help their employees access health care, recover at home rather than spread germs in the workplace and return to work faster and healthier, with greater productivity and job retention.

Bill 47 claims to cut red tape, but it brings back red tape of the worst kind. Demanding sick notes drives people out of their homes, where they should be recovering, and into overcrowded doctors' offices or emergency departments, wasting health care resources and putting others at risk.

This government was elected on a mandate to support the people, listen to health providers and end hallway medicine, but Bill 47 does the opposite. It ignores the health consequences of poverty wages. It ignores the 77% of Ontarians who oppose the scrapping of paid sick days. It ignores the majority of people, including the OMA, who oppose sick notes. It ignores the majority who oppose the freezing of the minimum wage.

Bill 47 goes against public health evidence in the middle of flu season and is being rushed through with only five hours of consultation—

The Chair (Mr. Stephen Crawford): One minute.

Dr. Jesse McLaren:—less than the time that many of my patients spend in one visit to the emergency department. Speaking from the front lines of hallway medicine, I would urge the government not to make Ontario open for sickness. Instead, I ask that you consider people's health and the guiding principle of Hippocrates to first do no harm, and that you withdraw Bill 47.

Thank you.

The Chair (Mr. Stephen Crawford): Thank you very much. We've going to start the questioning now from the opposition side: Mr. West.

Mr. Jamie West: Thank you, Dr. McLaren. You mentioned sick notes; in my experience, sick notes tend to be a formality. Is there an expectation for the doctor to diagnose or to determine if the person was sick a few days ago, or does it just become an exchange of, "I give you money, you give me a note and I give it to my employer"?

Dr. Jesse McLaren: It kind of depends on the situation or the scenario.

Mr. Jamie West: Okay. Also, earlier today the government suggested that there wasn't enough consultation on the previous bill to improve employee rights. My understanding was that there were two years of consultation.

I asked the question earlier, but we were actually cut off with less time when I asked for your opinion. Do you feel like your five-minute statement and 10 minutes of questions is enough time to have a meaningful consultation, as compared to the two years of consultations before?

Dr. Jesse McLaren: Absolutely not. It would take this committee's entire five hours to go through the inadequacies of this bill and the dangers to public health.

The Chair (Mr. Stephen Crawford): Ms. Sattler?

Ms. Peggy Sattler: Yes, thank you very much for your presentation. You mentioned two jurisdictions in particular, San Francisco and New York City, that offer paid sick leave. In light of the overwhelming body of international evidence that paid sick leave is good for public health, can you tell us about any other jurisdictions that offer paid sick leave, or are San Francisco and New York the only two?

Dr. Jesse McLaren: That's a good question. I think it was brought up previously as well, so I did want to have a chance to offer that answer, and I did provide the committee members with this.

The list of states and districts that offer paid sick leave in one form or another is: the District of Columbia, Connecticut, California, Massachusetts, Oregon, Vermont, Arizona, Washington, Rhode Island, Maryland, New Jersey, and Michigan.

And the following cities: San Francisco, Seattle, New York, San Diego, Oakland, Tacoma, Philadelphia, Montgomery, Emeryville, Pittsburgh, New Brunswick, Santa Monica, Minneapolis, Los Angeles, Chicago, Austin, Duluth and Westchester.

Ms. Peggy Sattler: Okay, thank you very much. To your knowledge, are the local economies in those jurisdictions suffering because of paid sick leave?

Dr. Jesse McLaren: No, there was a thorough study done in New York City where they offered paid sick leave to 1.4 million people.

The vast majority of employers support what is going on. It has not affected their bottom line. It actually helps to keep the workplace safe and germ-free, and it helps to ensure that employees are healthier and have greater productivity and job retention. So there is actually a strong business case for providing paid sick days.

Ms. Peggy Sattler: Thank you. Prior to the changes that were made in Bill 148, when employees didn't have access to paid sick leave, have you personally witnessed people coming into the emergency room when they should be at home because they need a doctor's note to be away from work or working through their sickness because they can't afford to take a day off?

Dr. Jesse McLaren: Absolutely. I have seen food handlers with vomiting and diarrhea who are trying to figure out if they should go to work the next day and are trying to balance that against paying for food and rent. I think we can all agree that we'd rather have that person at home, rather than handling food when they have diarrhea and vomiting. That's just one case; I see it all the time.

Ms. Peggy Sattler: In the other jurisdictions that offer paid sick leave, do you know if that has had a positive impact on access to health care? You talked about how removing paid sick leave is going to make the hallway health care situation even worse. In those other jurisdictions, has it actually helped to improve access to health care?

Dr. Jesse McLaren: It's well documented that those with paid sick leave have higher vaccination rates, higher cancer screening rates, a greater chance of keeping their kids home when their kids are sick, and less chance of sending their kids to school sick.

The Chair (Mr. Stephen Crawford): One minute.

Dr. Jesse McLaren: So not only in the emergency room where I work, but also in primary care, it actually helps people stay out of the emergency department in off-hours and access their regular physicians, both for urgent issues and for preventive health.

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Ms. Peggy Sattler: Thank you. You also talked about the importance of the \$15 minimum wage, because \$14 leaves a lot of people remaining in poverty. Can you elaborate a little bit more about social determinants of health and how a \$15 minimum wage would help improve overall population health?

Dr. Jesse McLaren: I'm not sure how much time I have. I mean, we could spend a whole day talking about social determinants. But when I hand somebody a prescription, the idea is that they can fill that. If you don't have the wages to fill it, there's no point in writing a prescription.

We can talk about the impact of safe housing on health, on mental health. We can talk about access to safe food. We can talk about access to cleaner areas—

The Chair (Mr. Stephen Crawford): Thank you. We're now going to move questions from the government side. I'd like to start with Mr. Cho.

Mr. Stan Cho: Thank you to you, Dr. McLaren, for taking time out of your busy schedule to be here today. We really appreciate that.

I think it's imperative that the hard-working people of our communities are not just scraping by to make ends meet, but can prosper and thrive in Ontario. Would you agree with that?

Dr. Jesse McLaren: Yes.

Mr. Stan Cho: Great. Over the last few months, I've met with many of my constituents—as have my colleagues on this side—who are struggling to get by and who are finding it increasingly hard to put food on the table and to pass on opportunities to their children, and who are genuinely concerned about how they're going to balance the books at the end of each month.

It seems to me that if there's anything we can agree on today, it's that the people of Ontario have struggled to keep up with the increasing cost of living. Would you agree?

Dr. Jesse McLaren: Yes.

Mr. Stan Cho: And you're here today to support the raising of the minimum wage to \$15 an hour; is that fair?

Dr. Jesse McLaren: Yes.

Mr. Stan Cho: Is it your view that the minimum wage should be reflective of the increased cost of living in Ontario?

Dr. Jesse McLaren: Yes.

Mr. Stan Cho: Great. I've heard time and time again from the people of my community that the cost of living over the last 15 years has skyrocketed, from the cost of hydro to housing prices to the cost at the gas pump. The question I'd like to pose first is, do you think that the government should be working on reducing the cost of living?

Dr. Jesse McLaren: Sure.

Mr. Stan Cho: Great. Now, our government, in the first 139 days, has taken critical steps to reduce the cost of living for Ontarians. Do you think it's possible that we can protect small business owners, many of whom we've spoken about already today, who employ 80% of the people in this province, from a punishing 32% increase in their wage expenses over 18 months, and at the same time, make it easier for those making minimum wage to make ends meet?

Dr. Jesse McLaren: What was the question?

Mr. Stan Cho: I'll repeat it. Do you think it's possible that we can protect small business owners from a punishing 32% increase in their wage expenses over 18 months, and at the same time, make it easier for those making minimum wage to make ends meet?

Dr. Jesse McLaren: Yes, again, where jurisdictions have raised the minimum wage, it has not caused the sky to fall, contrary to a lot of assumptions. But again, I want to keep this focused on health. You talked about punishing. I think what is punishing is when people can't afford food, medicine and shelter. With poverty wages, that is punishing; it's a form of punishment that ends up in a hospital. It may be framed as an economic issue, but this is a health issue. It's an issue of people's lives. People suffer; I see it. We have to find ways of alleviating that.

Mr. Stan Cho: Dr. McLaren, I wholeheartedly agree that we need to work on the cost of living for those people affected as well.

Just a question, since you brought up those other jurisdictions: They all seem to be American. Are you aware of any in our country that have followed suit?

Dr. Jesse McLaren: Yes. We have two provinces, PEI and Ontario, that currently provide paid sick leave—

Mr. Stan Cho: For minimum wage earners?

Dr. Jesse McLaren: Yes. And with incoming federal legislation, there are going to be three paid sick days applied to at least some sections of workers across every province. So it's good that Ontario is keeping pace with our neighbours to the south and that soon this will be reflected across the country.

Mr. Stan Cho: Okay, and very quickly, in what time frame were those measures implemented? Are we looking at a 21% increase over—or what are we looking at in terms of the time frame for those jurisdictions?

Dr. Jesse McLaren: They've all come in at different times with slightly different details. I did provide—I know—

Mr. Stan Cho: Any of them this quickly as 18 months for the minimum wage, 32%, that you're aware of?

Dr. Jesse McLaren: I'll have to look at the details.

Mr. Stan Cho: I'm going to go to my colleague here.

The Chair (Mr. Stephen Crawford): Ms. Martow.

Mrs. Gila Martow: Because you mentioned PEI, I just want to say that it's one sick day, I believe, after five years of employment. We have to be careful that we're not comparing apples and oranges.

I think that what we're trying to do here in Ontario is keep the cost of living under control, while still supporting—we had a 21% increase in the minimum wage that

our government is holding on to. We're reducing income tax now for low-income earners. Anybody earning under \$30,000 is not going to be paying income tax. That is a way to help low-income earners.

This is my question: Do you support helping low-income earners without hurting the employers?

Dr. Jesse McLaren: Yes, and the provisions that we're pushing for do not hurt employers. Again, there's documented evidence of this.

What does hurt employers is when their employees come in sick and contaminate the workplace. That's why, where they have been implemented, paid sick days have been supported by the majority of employers, including small businesses.

Mrs. Gila Martow: We're actually offering a very progressive range of sick and bereavement days. Their employment is guaranteed. The question only comes down to the paid sick days. Thank you very much.

The Chair (Mr. Stephen Crawford): Unfortunately, our time is up. Thank you for your testimony.

ONTARIO HOME BUILDERS' ASSOCIATION

The Chair (Mr. Stephen Crawford): We would like to now move on to the Ontario Home Builders' Association, if you could please come up and put your names on the record and start your presentation.

Mr. Rick Martins: I apologize for my raspy voice. I'm going to do my best, but I do have my colleagues here with me who may take over if I end up not being able to complete this.

Mr. Chairman and members of the committee, good afternoon. My name is Rick Martins, and I serve as the president of the Ontario Home Builders' Association. In my day-to-day job, I'm vice-president of Huron Creek Developments, where I have built over 10,000 homes in Kitchener-Waterloo and southwestern Ontario.

Joining me today is Jamie Adam, OHBA's Ontario Renovators' Council chair, who is president of Pioneer Craftsmen based out of Waterloo region and Wellington county. Pioneer Craftsmen is an award-winning "design build" company that has been active for three generations spanning 65 years. Joining us as well is OHBA's manager of government relations, Stephen Hamilton.

It is my pleasure to speak on behalf of 4,000 OHBA member companies and network of 29 local associations across Ontario—and yes, we are #homebelievers.

Modernizing the apprenticeship system by moving to a 1-to-1 training ratio for all trades is the most important change to the skilled trades in the last 40 years. This will support job creation and economic growth and, most importantly, fix the skills gap issue. The change will make Ontario open for business. Thank you for listening to our small and medium-sized member companies. They are ready to hire new apprentices and train the next generation of skilled tradespeople. This is a game-changer for our industry, and our members are fully, fully supportive.

Quite simply, the current skilled trades and apprenticeship system is broken. The journey-person-to-apprentice ratio is failing young people in finding careers in the trades and prevents employers from growing their businesses and remaining competitive. It limits those looking at second careers, as the time and cut to pay make it difficult to make the transition.

Ontario's ratios are among the highest in Canada, so it's no surprise that Ontario ranks last in Canada in the number of certified tradespeople per capita. OHBA members continue to tell us that the lack of qualified tradespeople is one of their major concerns. The skills shortage prevents more housing supply from being built and is the cause of delays across the residential construction industry. #homebelievers need more supply and choice, and hiring new apprentices will help build more housing.

For my own company, Huron Creek Developments, over the years I have worked with high-school build programs, co-op and mentorship programs. I am happy and sad with the results: happy because each semester we are able to expose 30 to 50 students to construction, but disappointed as many of them are unable to get an apprenticeship due to the ratios.

We allow people to go to university, apply for teachers' college and be in a waiting line, yet an apprentice has to find a job and someone who will apprentice them before they can actually apply for an apprenticeship. There's something wrong with that.

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I've experienced numerous delays due to shortages of tradespeople. For example, my bricklayers are in their late sixties and ready to retire. We not only lose a bricklayer; we also lose mentors and all of their experience.

I will hand it over to Jamie.

Mr. Jamie Adam: Thank you, Rick.

With the aging workforce in Ontario, we need to act now if we want to start to close that skills gap. Thankfully, Bill 47 is a huge step in the right direction.

Pioneer Craftsmen, my company, currently has four apprentices. This legislation will allow us to hire immediately two additional apprentices. They are going to then receive the additional skills, training and support that they need to become highly skilled tradespeople.

In June of this year, I celebrated the retirement of two of my senior carpenters, Barry and Mike, each of whom had been with our company for over 15 years. For a small business such as mine, I am grateful for the knowledge that they were able to impart to the rest of our team. But now their skills and their experiences have disappeared, not only from my company but Ontario's workforce. That's why I know how important apprenticeship opportunities are for a highly skilled workforce—

The Chair (Mr. Stephen Crawford): Okay. We're going to have to now go to questions. We have five minutes. We'll start with the government side. Mr. Piccini.

Mr. David Piccini: Mr. Hamilton, Mr. Martin, Mr. Adam, thank you very much for joining us today to share your perspective. It's much appreciated.

I understand that the Ontario Home Builders' Association has called the government's legislation and our standardization of ratios a game-changer. I think you spoke to the supply of apprenticeships for our next generation, which is critical and will make Ontario a leader in training for apprentices.

Can you tell me a little more about why this change is such an important one and how it will create more jobs for our next generation—that's the first point I'd like you to touch on—and then, second, increasing jobs for workers in our province, but also housing supply? I know affordable housing is a big issue, so getting our apprentices in—how that will help.

Mr. Rick Martins: I'll take a crack at this, and then I'll let Jamie step in.

From a housing supply stand, we can't build it if we don't have the skills and people to build it. We can't make it affordable if we don't have people there to actually put it there in a timely manner. Just having someone who's qualified and skilled that you can hire to actually do the work is a game-changer.

Mr. Jamie Adam: In my own company, Pioneer Craftsmen, we have the labour. What we're lacking is the skills and the training that's required to be a highly skilled renovation carpenter. We can have the labour, but if we don't have the skills required, we're not going to be able to build a great, sustainable, healthy, secure, safe house for our homeowner.

When our carpenters are retiring because they're all well over and into their sixties and we don't have an opportunity to replace them with an educated apprentice because we can't make our ratios work, we're going to lose.

Mr. David Piccini: What you're saying, I suppose, is that this ratio change will help, given the aging workforce, to enable our next generation to enter that workforce and to fill those jobs.

Mr. Jamie Adam: That's exactly right.

Mr. David Piccini: I know that a lot of employers have said they would be hiring new apprentices. Can you just elaborate a bit on what you've heard from your 4,000 members with respect to this ratio change?

Mr. Rick Martins: Right next door here, Jamie—when the announcement was made, I sent him a message. He said back, "Great. I've got two apprentices I'm going to sign up right away. I wasn't able to do that before."

A framer of mine, who has been framing with me for over 20 years, over the years has put the time into training. But because he could only do one apprentice, the other three—you know, the second year and the third year were like, "Well, you know what? I can't hang around anymore. I've got to go look elsewhere, because I really want to be a licensed carpenter, but you can't allow me to do that until you're done with this person." So we lost those people. There was no need for it, especially when we have such a robust industry that pays so well and that could get these people earning good incomes in Ontario.

Mr. David Piccini: Before I hand it off to others: When you said, "We lost those people," where did you lose them under the previous government's ratios?

Mr. Rick Martins: My nephew Ryan worked with Tim. He ended up going. He's now a forklift driver in a manufacturing company. He's content that he's making \$15 or \$16 an hour and he's got benefits, where if he were a licensed carpenter he'd be making \$25-plus.

Mr. David Piccini: Would it be fair to then say that these changes are enabling our next generation to access higher-paid skilled work?

Mr. Rick Martins: Very much so.

Mr. David Piccini: Thanks. I'll turn it over to any other colleagues.

The Chair (Mr. Stephen Crawford): Ms. Martow?

Mrs. Gila Martow: I don't know if you were hearing our fall economic statement today, and if you feel that we're headed in the right direction.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Rick Martins: I do believe you're heading in the right direction. I'm not an expert when it comes to taxes. I just know that I've been paying a lot of it over the last few years. To me, if you can help folks that are in the lower incomes by keeping the money in their pockets, as opposed to it going away, a dollar raise, I think, at the end of the year, equates to a lot more money in the government's pocket when you talk about CPP, EI, taxes, all that other stuff. So if you can cut taxes and put it in their pockets, I believe you're doing something right.

Mrs. Gila Martow: I just want to end by saying I want to thank you for coming in, and I want to thank all the small, medium and large business owners in the province for staying the course and keeping those jobs available and for all you do to train our future skilled labourers. Thanks.

The Chair (Mr. Stephen Crawford): Okay, thank you very much. Now I'd like to give the opposition side five minutes to question. Who would like to start off? Ms. Sattler?

Ms. Peggy Sattler: Yes, thank you very much for your presentation. You need to take care of yourself.

I just wanted to share with you some of the findings of what happened in BC after they changed their apprenticeship system. In BC, apprenticeship completion rates are down, not up, so they've seen fewer apprentices entering the system. Also, in BC, construction workers have an occupational fatality rate that is three times the provincial average compared to other sectors. This raises concerns about safety when you make major changes like the ratio changes that are proposed in Bill 47.

On what basis are you believing that these changes will lead to more apprentices entering the system and that it will maintain the health and safety of workers?

Mr. Stephen Hamilton: To address your question about British Columbia, from my experience and what I understand of their system, it's not really an apples-to-apples comparison. For instance, in BC, they actually don't have a ratio whatsoever governing trades. The certification process is completely different. I'm not disputing the facts you're presenting, but I don't believe the increase in fatalities that you're citing are the result of a ratio change, because I don't believe that occurred.

Ms. Peggy Sattler: The overall so-called modernization of the system is part of what has led to some of these results.

Mr. Stephen Hamilton: If we're going to point to other jurisdictions, I'd look at Quebec as well, which has the most stringent regulations around ratios in the entire country, and Quebec, in terms of construction safety, easily ranks last in terms of lost-time injuries—or first, I should say; they have the most per capita.

The correlation between safety—I understand what you're trying to make, but I don't think it bears itself out in the jurisdictional analysis across Canada. But maybe Jamie or Rick have comments specifically about safety on their construction sites.

Mr. Jamie Adam: I can comment on my own company. In the renovation world, we have 1-to-1 ratios. It means I get to partner up an apprentice with a really experienced lead carpenter who now gets all of that experience, all of the health and safety training that that lead carpenter has taken over the years, combined with our health and safety committee training, and I'm able to deliver a very safe work environment for our new apprentices.

Ms. Peggy Sattler: But couldn't it be that the current safety rates are because of the ratio system that we have in place, and that when you change that ratio system, safety will be comprised?

Mr. Jamie Adam: In my own experiences, what we have right now is people working for Pioneer Craftsmen as labourers, unable to attain their formalized training that they would be able to get through an apprenticeship program. Right now, they're not able to take the eight-week-block programs and so they're not realizing that. They're still working in the workforce; they're just not realizing the formalized training and they're not able to become a highly skilled worker in a quick time.

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The Chair (Mr. Stephen Crawford): Mr. West.

Mr. Jamie West: You mentioned good-paying jobs earlier, and I want to applaud you for the work that you're doing on that in going to the high schools to encourage apprenticeships.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Jamie West: The ratios in the past, as you alluded, maybe reduced the amount of apprenticeships. But I know, from previous generations, that a lot of students were steered away from there and into more professional careers instead of these good-paying jobs.

You mentioned that a lot of the tradesmen make \$25 an hour. My experience is, that might even be a base wage, and higher from there.

Related to the bill, we talk about holding the minimum wage at \$14 an hour. Do you think you would hold onto apprentices if they were making \$14 an hour, and then that was their top raise once they became Red Seal?

Mr. Rick Martins: I can tell you that through the co-op programs that I've been involved with over the years, we've paid students minimum wage all the time. I have students, engineers, people who are looking for experience.

The problem that you don't hang on to apprenticeships is because they don't have one. They don't see the light at the end of the tunnel.

The Chair (Mr. Stephen Crawford): Unfortunately, we're going to have to—

Mr. Rick Martins: That second, third, fourth year is not there.

The Chair (Mr. Stephen Crawford): Thank you very much. I really appreciate your participation, but we're going to have to move on.

Mr. Rick Martins: Thank you.

Mr. Jamie Adam: Thank you.

CANADIAN FEDERATION OF INDEPENDENT BUSINESS

The Chair (Mr. Stephen Crawford): I'd like to now call up the Canadian Federation of Independent Business. If you could just state your name for the record. You have five minutes.

Ms. Julie Kwiecinski: Thank you. My name is Julie Kwiecinski. I'm the director of provincial affairs for Ontario at the Canadian Federation of Independent Business. Thank you for allowing me the opportunity to appear before you today on Bill 47.

Before I get into my comments, it's important to share some background information with you on CFIB in Ontario. I hope this information will provide some context for our support of this legislation.

We've been around for almost 50 years as a not-for-profit, non-partisan organization. We have 110,000 members in Canada, including over 42,000 members across Ontario, across all economic sectors. We are funded 100% by our members, and we determine our policy priorities through grassroots engagement with our membership—a very important point—such as surveys.

Some 87% of our business members in Ontario employ under 20 people. These are main-street businesses that build communities and create jobs.

Why is this important to the Bill 47 debate? These small businesses don't have the financial clout of their larger counterparts to absorb higher costs of doing business, especially when they are forced on them all at once, in a short period of time, and without any economic impact analysis whatsoever.

That's what happened with Bill 148. Together, the tsunamis of change in this legislation were too much, too soon for the employers who have been paying for them all. It's easy to play Santa Claus when it's somebody else's money.

Anyone who truly understands the realities of operating a business knows that higher labour costs mean higher payroll taxes. There is much more to a minimum wage increase than meets the eye. For example, going from \$11.40 to \$14 is costing some employers as much as \$6,000 for each and every minimum wage employee in additional payroll taxes, and that's on top of the extra \$2.60 per hour per employee for every working hour of the whole year.

Put yourselves in the shoes of a small business owner. Let's say you found a way to absorb the higher minimum wage, or maybe it's not an issue for you. Then guess what? There's something else in Bill 148 that comes with a hefty price tag and/or excessive red tape.

I'll give you an example. We had an IT company contact us. I think we can all agree, on both sides of this table, that most people in the IT sector make well above \$14 and \$15. The issue here was the red-tape-ridden scheduling and on-call provisions, which for this company alone would cost an additional \$150,000. The business owner tells us that's two great-paying, full-time jobs.

The vast majority of CFIB members felt unfairly vilified by Bill 148. It painted all businesses as bad, regardless of how well they treat their employees. They felt disrespected for the jobs they create and the contributions they make every day in their communities, whether it's sponsoring a hockey team or donating time to charities.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Julie Kwiecinski: Unlike the legislation it will replace, Bill 47 shows compassion for both sides of the workplace equation: employees and employers.

Finally, a very important point: What we're talking about here are minimum prescribed standards. Small businesses already offer what's in Bill 148, and many go beyond. Legislating something that is already happening in the small business workplace leads to less flexibility and more red tape. Most small businesses don't have the luxury of an HR department to deal with the regulatory and paper burden.

I have a couple of points in closing. We want to thank the Ontario government for having the political courage to do the right thing for small businesses in this province. We thank them for recognizing that there is much more to Bill 148 than a minimum wage hike, and that the cumulative impact of the changes in Bill 148 have been standing in the way—

The Chair (Mr. Stephen Crawford): Thank you for your testimony. We'd like to now start off with the opposition side. You've got five minutes, Mr. West.

Mr. Jamie West: Several times you mentioned small businesses, but you also represent large businesses as well, right?

Ms. Julie Kwiecinski: We have some large businesses, but the majority of our businesses are, as I mentioned, under 20 people. Very few—

Mr. Jamie West: Yes, the majority of businesses in Ontario are small businesses, but there are a lot of large businesses. One of the things that I find difficult about this is that large businesses are 300% more likely to pay minimum wage than a small business, and so I feel that for a small business, it's very difficult to compete with those wider profit margins, purchasing power and stuff. I'm just wanting your feedback on that.

Ms. Julie Kwiecinski: That is absolutely correct. I should stipulate for the record that to be a member of CFIB, you can't be a publicly traded company. You have to be a CCPC, a Canadian-controlled private corporation—hence the word “independent” in our name. As an

example—and you may have heard this already as testimony—the profit margin for a restaurant in Ontario is around 3.5%, so regardless of what size you are in that industry, it's especially hard to absorb additional costs on the labour side—or any costs, for that matter.

Mr. Jamie West: I know you didn't speak about it, but we've heard several times about the personal emergency leave days, and the government has been suggesting that this is an improvement to personal emergency leave days. Prior to Bill 148 coming out, there were 10 unpaid days that were used for a variety of reasons. Then it was eight plus two paid. Now they're getting rid of the two paid, but they're not replacing them with unpaid, so we're going to go from 10 unpaid to eight unpaid, and we're narrowing down the reasons you can use them. Do you have any opinion about how that would be more effective for business and for workers, and more helpful?

Ms. Julie Kwiecinski: Well, my first comment definitely has to be that, pre-Bill 148, there was a threshold of 50 employees. Those 10 unpaid days were offered by companies that had 50 or more employees. That is why this was such a drastic change for our members.

Again, I go back to what I said earlier. These things are already happening in the small business workplace. People get sick, and that's acknowledged and understood. It's in my workplace; it's here at Queen's Park. What we hear from our business members is that if somebody comes forward and says, "I'm sick; my son is sick," the boss says, "Go home. Let's talk later. We'll figure it out. I'm not going to dock your pay. We'll figure out how you can get your job done or somebody else on the team can get it done."

To prescribe it—again, minimum prescribed standards. We have to see the forest for the trees here, people. Like the last—

Mr. Jamie West: I don't want to cut you off, but it's a reduced amount of time.

The point I was making earlier in terms of competition: Your members, with these very tight margins, who have to compete with publicly traded companies—don't you feel it's unfair that these large companies that could afford to pay more for minimum wage don't need to, and you don't have to raise the floor, so you have to compete on these unfair platforms?

Ms. Julie Kwiecinski: It's still considered fair because what they do as a small business owner is, they recognize that they have competition of different sizes, so they need to keep their employees. They pay them to the best of their ability, and they offer them benefits. We even surveyed our members. The vast majority of them provide benefits, whether it's dental, prescription. They recognize that treating employees well is critical to keeping employees. They value employees, and they recognize that that's an important part of competing.

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Mr. Jamie West: I agree with that, with a small business. I was asking about large corporations. I don't see the same—

Ms. Julie Kwiecinski: Well, I'm here on behalf of small businesses.

Mr. Jamie West: Yes, that's what I was saying.

The Chair (Mr. Stephen Crawford): Ms. Sattler?

Ms. Peggy Sattler: The proposal in Bill 47 is to freeze the minimum wage at \$14 an hour for 33 months, I think, and then do it by cost of living, which means that we'll reach a \$15 minimum wage in 2025.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Peggy Sattler: Is that a concern to your members, when you think about the purchasing power of customers who won't be paid a \$15 minimum wage until 2025?

Ms. Julie Kwiecinski: No, it's not a concern of our members, for a couple of reasons.

Some 63.3% of them already pay \$15 or more, but the issue is something called wage compression. We had a round table this morning with Economic Development Minister Todd Smith. I have to tell you, I was shocked by the number of people, business owners, who raised the wage compression issue. I heard from several members from CFIB. It wasn't the \$14 or the minimum wage; it was \$16 to \$18, and then the additional wage costs on top of that.

Also, in reference to purchasing power, what good is purchasing power when the prices are going up? How is that helping?

The Chair (Mr. Stephen Crawford): Okay thank you very much. We'll now go to the government side. There's five minutes of questioning. Mr. Parsa, if you would like to start off?

Mr. Michael Parsa: Thank you very much for being here today. I just want to ask you a quick question. Your organization represents 110,000 independent businesses and 42,000 small and medium-sized businesses in Ontario, correct?

Ms. Julie Kwiecinski: Yes, 100,000 across Canada, and 42,000 specifically in Ontario.

Mr. Michael Parsa: In Ontario specifically.

Ms. Julie Kwiecinski: Yes, that's correct.

Mr. Michael Parsa: Okay. First of all, just to correct the record: What Bill 47 is suggesting is not 2025. It will be October 2020, and then thereafter it will be tied to inflation. So the \$15, the extra dollar, will be kicked in by October 2020, not 2025. That's the way that it is in the bill.

A question for you: Could you please speak on how small businesses contribute specifically to our economy, and the examples of how Bill 148 affected them and how they approached you—the negative impacts of Bill 148, and what happens if we cannot correct them going forward?

Ms. Julie Kwiecinski: If we look anecdotally, we've heard a number of stories. One of them comes to mind specifically. On January 2, a business owner called us. Number one, the Ministry of Labour did a terrible job of educating people, so nobody knew what was going on, how the changes worked and whether there was still a threshold. This business owner called and said, "I have 12 people on staff. Five of them have called in sick. Is this a thing?"

We said that, yes, for personal emergency leave days, the first two of the 10 days have to be paid. The response was basically, “So I guess I’m stuck doing the work.”

We’re hearing that a lot from business owners: that they are shouldering more of the actual work burden. One business owner even contacted us—several, actually—to say that if they counted how many hours they work, they make less than the minimum wage.

I think what Bill 47 does—and I’m constantly going and talking to people, doing speeches. The hardest point I have to make is trying to help people visualize being in the shoes of a small business owner. Everybody talks the talk: “Oh, small business; oh, small business.” They want to be our friend. But when it comes to walking the talk, we haven’t seen a lot of it.

This bill walks the talk. Our members are very happy with this bill. I didn’t even get to the 1-to-1 apprenticeship ratios. That’s huge. This is an impediment to job creation. We had—

Ms. Donna Skelly: Sorry, I’m going to cut you off there.

Ms. Julie Kwiecinski: Sure.

The Chair (Mr. Stephen Crawford): Ms. Skelly.

Ms. Donna Skelly: Thank you for being here today, Julie. Critics of Bill 47 have suggested, and we heard it even earlier today, that the challenges that some small business owners have articulated could be somewhat disingenuous in that it’s not really a true reflection of the impediments of Bill 148 but more of a reflection of their inability to operate their business. What is your response to that?

Ms. Julie Kwiecinski: I think you can see that I’m not very good at hiding my facial expressions.

There was an MPP—and I’m not going to name names—who actually said before the election that businesses that can’t survive this should just shut down—

Mr. David Piccini: We heard it today.

Ms. Julie Kwiecinski: A total vilification. Here’s the thing, folks: Anybody who says that is against creating jobs, because the small business owner will fight to the bitter end to hold those jobs. The employees may not even know. The employees will get paid while the business owner is struggling so there are five, 10, 15, 20 jobs that are still existing. That is absolutely shameful, to even suggest that.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Julie Kwiecinski: It makes our members angry. Thank you for raising that.

Ms. Donna Skelly: Which leads me to my final question, and that is that there is, again, a perception of this acrimonious relationship between small business owners and their staff. Your thoughts?

Ms. Julie Kwiecinski: It’s generally not acrimonious, although Bill 148 did make it a pitted relationship; it pitted employee against employer. Generally, in a small business, as anyone who has ever worked in one will know, the owner rolls up their sleeves and works on the floor with the employees. That’s why there’s this flexibility. It’s like

everybody’s like family. That’s why I go back to the flexibility and not having to enshrine all of this stuff in legislation. Don’t paint everybody with a broad brushstroke. There are bad apples out there; use a precision-scalpel approach to deal with those issues.

The Chair (Mr. Stephen Crawford): Thank you very much. We really appreciate your testimony.

Ms. Julie Kwiecinski: Thank you.

ONTARIO CONVENIENCE STORES ASSOCIATION

The Chair (Mr. Stephen Crawford): We’re going to move along now to the Ontario Convenience Stores Association. If you could just state your name for the record, and you’ll have five minutes, starting right now.

Mr. Dave Bryans: Great. Thank you and good afternoon. My name is Dave Bryans. I’m the CEO of the Ontario Convenience Stores Association. Thank you for the opportunity to speak today on Bill 47.

I’d like to use my time to highlight some of the great qualities of the small business industry to you and underline the unanimous support we have for this bill.

As many of you already know, the Ontario Convenience Stores Association is one of the largest small business advocacy groups in Ontario. Our association represents the interests of approximately 8,000 small business convenience stores. The industry employs 78,000 Ontarians and serves about 2.7 million people a day.

We’re proud of our long-term relationship with the province. Many don’t realize that our stores account for the majority of the government’s lottery revenues. Each year, our entrusted channel facilitates \$2.4 billion in lottery sales for the Ontario government, which supports many of the services and programs enjoyed by Ontarians. On top of this, our channel collects \$4.7 billion a year in taxes.

Our store owners are also the most responsible at checking for age and restricting access to products such as tobacco and lottery. Data sourced from Ontario public health reveals that our stores pass government-imposed inspections at a rate of just under 96%. For those who don’t know, our stores are subject to over 20,000 underage mystery shops a year at a cost to the Ontario public of over \$20 million. These mystery shoppers are employed by this government to try to catch our owners and clerks selling age-restricted products to minors. It is a real point of pride for our industry that we remain the best at age testing across all retail channels when we measure ourselves.

We were thrilled this past August to commit our c-stores to participating in C-Store Day, where many of the elected officials—some right here in the room—actually worked in our stores to help the Children’s Wish Foundation. They stood behind the counter and collected money for charity, ran the lottery terminal and saw some of the challenges that small businesses face. I’m proud to say that because of that involvement, this year we were able to raise the most money we have ever raised for the Children’s Wish Foundation since we began participating.

I believe that this year it was \$116,000. We look forward to next year and inviting more politicians to stand in a convenience store and be part of that day.

The picture I am trying to paint for you here is that the c-store industry is filled with hard-working, responsible men and women who understand the value of giving back to their communities. While the c-store business is a hard one, the dedicated people, including the many new Canadians who operate them, are good people, deserving of respect and appreciation from the public and from regulators.

Our industry was concerned when, earlier this year, the previous government announced that it would be accelerating the increase to the minimum wage and making other changes to the Labour Relations Act that our stores would have to adjust to.

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I will take a quick moment here to remind this committee that the OCSA does not oppose minimum wage increases. In fact, when the previous government announced in 2014 that it was raising the minimum wage to \$11 and tying increases to inflation, the OCSA was the only supporter of that, because we understood that people should have made a decent wage. I believe we were the only business stakeholder that really stood with the government at that time.

The frustration, from our industry's perspective, when the announcement came earlier this year, was that the decision was seemingly made with little consultation and input from the small business community.

Since those changes were made, Ontario's c-store channel has shed or closed 500 stores. Our argument then was that the sudden increase to the minimum wage would cost jobs. We are living proof of that. Those 500 stores that have closed have left 500 small business owners and franchisees on the job market. That doesn't account for the full- and part-time employees who also left to find work. I can tell you, many of those stores were in rural Ontario.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Dave Bryans: We were recently made aware that, for the first time in history, under 8,000 small business c-stores are now left in the province. The difficulties and margin pressures our store owners deal with is not based solely on wages. Competition, over-regulation in other areas and the lack of a new destination category, such as beverage alcohol, have all helped with the decline.

This being said, Bill 47 is a step in the right direction. We are optimistic that, by passing Bill 47, this government will be providing our industry with the foundation it needs to properly adjust and, hopefully, to reverse the troubling trend.

Thank you very much for your time.

The Chair (Mr. Stephen Crawford): We'll start now with the government side to start the line of questioning. Ms. Martow.

Mrs. Gila Martow: Thank you so much for coming in, Mr. Bryans. You said—I just wanted you to repeat it—that 500 stores have closed since Bill 148 into effect.

Mr. Dave Bryans: Yes.

Mrs. Gila Martow: It's a lot easier for stores to close than it is for stores to open. Are you hopeful that stores will reopen once Bill 47 comes in? Will it give the confidence?

Mr. Dave Bryans: I'm not sure if we'll reopen. I think there are communities that need convenience stores. Keep in mind that we're in every town, city and village. We service most communities when nobody is there.

As an example, in the town of Gravenhurst there was only one store open 24 hours a day, and that was the Mac's convenience store. In June, they closed that store forever, so anyone working shift work or living in Gravenhurst or in the surrounding area with cottages had no access after 9 o'clock to any milk, bread, chips or anything.

This is what happened when the bill came in. We had to look at the real estate costs, the labour costs, the punishing hydro costs—all of this just added to hurting small business. We haven't been able to find a replacement category yet to say, "Let's build more stores." Until we do—and I think this is a step in the right direction, but it's still going to take us to look in the mirror and say, "How do we capitalize and put more money in?"

Mrs. Gila Martow: I want to thank you for reminding us that the convenience stores—it's not just about jobs and businesses; it's about serving the community they're in. I think we all have very nice memories of visiting convenience stores in our communities, where we grew up. I hope that we can get these stores back open.

What I would ask you is if you can talk a little bit about the fact that the official opposition—there has been a bit of a dance around small businesses competing with large, maybe even publicly traded companies. Could you just talk a little bit about how punishing it is when the government brings in rules and regulations and laws like Bill 148, how much harder it makes it for those small business owners—say, a convenience store like a Mac's in Gravenhurst—to compete with a Walmart or something down the street?

Mr. Dave Bryans: Obviously, in this business, everybody wants to be a convenience store. Everyone wants to sell our products, but they just don't know how to do it.

Big business does hurt small business. But, again, we're speed of service, we're first to market with new products, and we know our customers mainly by name. When they come in, we can tell you what they're going to buy.

We're the most responsible in every community. We've proven it over and over, even though other people would like to question that. We're ready to work with this government on new categories. Premier Ford has said he's going to expand beer and alcohol, and I welcome it, because we have it in other markets and we're doing very well.

Mrs. Gila Martow: I'm going to let my colleague to my right talk to you a little bit about his family's history with convenience stores, if he wants to.

Mr. Dave Bryans: Oh, I know. I saw the pictures.

The Chair (Mr. Stephen Crawford): Mr. Cho.

Mr. Stan Cho: Thank you, Mr. Bryans, for being here.

As my colleague alluded to, my father's first business in this country after he stopped selling earthworms was a Circle K store—actually, it was a Becker's back then.

Mr. Dave Bryans: I saw that.

Mr. Stan Cho: It's really nostalgic having you here.

I just wanted to get your feelings about some comments we heard this morning, particularly from the—let me just make sure I've got this right—the Canadian Union of Public Employees. One of the representatives said that if a business is not able to adjust to the increased costs from Bill 148, they should shut down. Do you feel that is a fair statement to make to the businesses that you represent?

Mr. Dave Bryans: I actually think it's the most unfair statement I've ever heard. Nobody works harder, as you know, than your family did in that convenience store. My parents owned a store in Windsor, same as yours. We never had a dinner together until Christmas Day. It was the only day, and they were still knocking on the door.

I think it's so unfair of other unions and businesses to target small business and pick on them because they don't agree with the government's decisions. I have to tell you, we survive and we've still got 8,000 strong no matter what has gone on, and we need the support of governments and bills a lot like this to help us grow and maintain and be in every community. Otherwise there will be no stores in small communities if we don't work together.

The Chair (Mr. Stephen Crawford): Mr. Parsa?

Mr. Michael Parsa: I just want to correct the record on my statement earlier when we talked about the minimum wage. In fact, it is right. It will be \$14 and it would be tied to inflation as of 2020. I just wanted to put that out there.

The Chair (Mr. Stephen Crawford): We have about 30 seconds left from the government side.

Mrs. Gila Martow: So I'll just—

The Chair (Mr. Stephen Crawford): Mrs. Martow?

Mrs. Gila Martow: Did you want to say something, Michael? Go ahead.

Mr. Michael Parsa: No, no. That was it.

Mrs. Gila Martow: I just want to wrap up and I want to thank all the small businesses, and specifically the convenience stores, for what they do in their communities because I think that they provide a lot of social and emotional and mental health support, and they're not always appreciated for all that they do in our communities, so thank you.

Mr. Dave Bryans: Thank you very much.

The Chair (Mr. Stephen Crawford): Thank you very much. We'll now go to the opposition side. Mr. West?

Mr. Jamie West: Thank you, Chair. Thank you again, Dave, for coming in. I also want to echo the government's opinions and comments about family and community. Many of these convenience stores are family-run—local neighbourhood. They employ the kids and teenagers nearby. I remember—I know a lot of them now have become sort of a box, but growing up, in a lot of the convenience stores, you could see the living room in the background. Like you said, the people did know who you were and what you were buying and all that, so I applaud the people you represent.

Also, I was very pleased to read, in 2014, that you were in favour of raising it to \$11 an hour and then tying it to inflation, but I'm glad that my colleague corrected the record about it being frozen at \$14 an hour and then not moving again until 2020. So when we talked about it not hitting \$15 an hour, that has to do with inflation after 2020.

My concern is that, in the past, the minimum wage was frozen for eight years. I feel like that's how we ended up this boat in the first place, that it was frozen as the cost of living climbed, and then we'll end up in with this whole rubber band snapping again in the future. Would you be in favour of having minimum wage tied to inflation, without this hold-off for four years, so that we don't have a snapping of the rubber band again?

Mr. Dave Bryans: Well, I have supported the past government and I'll support this government on how the bills look. If it is inflation, going forward, at whatever day they choose, we're part of it. Remember, it's very easy for a family to actually write an operating plan if they understand their cost. Whenever you drop a 22% increase overnight into a business, that's why stores are closing. We just can't pay the bills. But if there's some plan in place to allow us to continually develop business and build new sites—but you can't build it if you don't have the unknown. If the unknown says, "The next government is going to raise it to \$17 overnight," businesses just can't live with it that way.

We can't, and we just learned that in the last year. We tried to tell the last government that this was so wrong for small business. We tried to say that stores were going to close, and they all kept saying, "No, it's going to work," and it didn't. It hasn't, and we're still losing five stores a day—I mean a week. How I can qualify that is that the OLG, our lottery partner—we do the biggest in lotteries, as I point out—picks up over five machines a week out of convenience stores, which means we're shut. So it's pure data. It's not any guessing about what's going on.

The Chair (Mr. Stephen Crawford): Mr. West?

Mr. Jamie West: Yes, I want to ask again about the personal emergency leave days. I don't know how much it applies in your area. We originally—no, actually, I'll go to something else.

I have a statement in front of me that just reflects on your comment earlier about the cost-of-living increase. It was a news article from April 2008 that said "some economists have warned that yesterday's 75-cent increase in the minimum wage to \$8.75 an hour will lead to job losses." I keep hearing about the job losses and I do see it in your sector, and I'm not saying that this is a proper thing. My concern is that when people work 40 hours a week and end up going to the food bank, we need a system business plan that doesn't have that as part of the basis of the plan. So to the earlier comment about the CUPE member, I don't think it was that small businesses should fail; it's that the business plan shouldn't have people going to the food bank in the end, that that isn't a strong business plan.

As I mentioned earlier, with the convenience stores employing their family and family members, I don't think

the issue is with small business. I think it's with large business that could afford to pay more and doesn't. How do you raise that floor without harming small business? Do you have any thoughts about that, where you can keep the competition but also help the small business owners?

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Mr. Dave Bryans: First off, let me try to help you with some of the numbers. About 10 years ago, we had 11,500 stores in Ontario. We're now down to 8,000; that's the rapid decline. There are many factors but, of course, in the last two years it hasn't been helpful with hydro and salaries. Yes, everyone should make a decent wage. I've said that in every press release, and I agree with that.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Dave Bryans: I actually think it's the job of the unions to work with big business and to let small business develop.

I don't think you can, as the last lady said, paint us all with the same brush. Yes, many people—Mr. Cho probably got his first job experience as I did, in the convenience sector. I think it's important—we're 80% new Canadians. These people are working long and hard hours. They're not 40-hour-week families. All we're asking everybody is, let's respect the small businesses. Bring us to the table when you're thinking of change, not after change and have us trying to open up laws that don't work.

Mr. Jamie West: Thank you very much.

The Chair (Mr. Stephen Crawford): Thank you very much. We appreciate your testimony.

Mr. Dave Bryans: Thank you, everyone.

FOOD AND BEVERAGE ONTARIO

The Chair (Mr. Stephen Crawford): We'll now call up Food and Beverage Ontario. If you could please state your name for the record, and you can begin speaking right away.

Mr. Norm Beal: Great. Thank you, Mr. Chair, and thank you to the members of this committee for inviting us to appear today. My name is Norm Beal, and I'm the CEO of Food and Beverage Ontario. Today, I'm here to talk to you about Bill 47, the Making Ontario Open for Business Act, 2018.

Let me start by stating the obvious: Our industry supports periodic reviews and reforms to labour regulations that will benefit all Ontarians. But this must be done thoughtfully, with meaningful consultation, and be supported by credible economic analysis, not carelessly and hastily pushed through for political expedience.

One more obvious comment: Bill 148 met none of these tests.

Bill 47, once passed, will right the economic wrongs of Bill 148, legislation that many in our industry have nicknamed the "kill Ontario jobs act."

Let me briefly tell you about Food and Beverage Ontario. FBO represents food and beverage processors of all sizes from across all subsectors in Ontario. Our mandate is to promote and support our industry in Ontario, across Canada and, increasingly, around the world. For decades,

our members have contributed to local economies and communities across Ontario by building companies, creating jobs and supporting primary agricultural businesses.

The food and beverage processing industry is comprised of over 3,800 businesses, largely small, family-run, led by decent people who want nothing more than to create the jobs for the exact people this bill purports to help.

We directly employ over 130,000 Ontarians, more than any other manufacturing sector in the province, and the number of people on our payroll is three and a half times larger than in auto manufacturing.

But these are high-level numbers that don't tell the stories of hundreds of businesses and hundreds of thousands of Ontarians whose economic opportunities were jeopardized by Bill 148.

That legislation was cooked up by people inside and outside government who have no idea how we create jobs. Bill 148 is premised on the belief that all employees, all businesses and all industries are the same. That is economic folly.

Let me tell you how our industry is unique:

- our manufacturing inputs literally die if we don't use them. Unlike, say, auto parts, our inputs are raw materials that will go rancid if we don't use them as they arrive;

- our businesses are seasonal and are very dependent on weather. We simply cannot plan precise schedules well in advance;

- the vast majority of our businesses are non-unionized, small and medium-sized;

- the food industry is a very low-margin business. FBO members are not sitting on excessive profits that can easily be redistributed to workers through the Bill 148 changes. Instead, smaller companies will be forced to reduce costs, i.e., the size of their payroll, and larger ones will simply move their investment to more competitive jurisdictions; and

- the food and beverage manufacturing sector employs a high level of new Canadians. This is a fact that we are very proud of.

We need to be flexible and nimble to thrive.

Let me move from the big picture to the small one. Let me tell you a story about how Bill 148 directly impacted one of our members.

Speedo Foods and Flavours was an Ontario-based business that developed and delivered food flavouring to the baking industry. In the last five years, its revenue and its full-time payroll had grown by more than tenfold. They had ambitions of repeating that success over the next five years.

However, Bill 148 derailed these plans because it made impossible the flexibility that is so important for small business growth. Companies do not just magically grow overnight in such a way that they can offer an employee, necessarily, 40 hours of work per week, perfectly scheduled at least two weeks in advance. Bill 148 killed job creation at Speedo and, sadly, they are no longer in business.

I'm happy to provide you with more of these kinds of stories during the questions and answers.

Like other employer groups, we applaud the government's commitment to making Ontario once again open for business. It is an important political and policy commitment.

Once Bill 47 is passed into law—

The Chair (Mr. Stephen Crawford): One minute.

Mr. Norm Beal:—our members will be in a much stronger position to make Ontario literally open for business in dozens of ways, big and small, in every region of the province. New shifts will be added, new capital investments will be made, new training programs will be created, new products will be innovated and brought to market, and employees we let go because of Bill 148 will be hired back.

Let me be literal once again: Because of Bill 47, our members will expand, grow and invest. Since seeing is believing, we would like to invite each one of you to celebrate this economic growth with us as shifts are added, investments are made, people are hired, and products are launched because of Bill 47. Come and celebrate with us at our over 3,800 businesses.

I look forward to your questions.

The Chair (Mr. Stephen Crawford): Thank you very much. We'll start five minutes of questioning from the opposition. Mr. West.

Mr. Jamie West: Mr. Beal, thank you very much. In your statement, you talked about how it has to be done thoughtfully, with meaningful consultation. My understanding is that you were able to have the same deposition for Bill 148. Did you feel like it wasn't a meaningful consultation at the time?

Mr. Norm Beal: I made many depositions on Bill 148. I met with the special advisers several times. One thing that surprises me right out of the gate is that Bill 148 had recommendations in it that had nothing to do with the special adviser's report. That was a 400-page document. I think, due to political expediency, the past government went on a breakaway and brought in a whole bunch of other measures that weren't even asked for under the whole consultation and review.

I also felt during those consultations that nobody was really listening, that this was just lip service—"Come in, tell us what you think, and we're going to do whatever we want anyway."

Mr. Jamie West: I think I'd echo those comments for these depositions. There are a lot of things that we're aligned on, especially when we talk about fostering small business. But at the same time, we want to make sure we're creating affordable jobs so that people can afford to shop at the places you represent. For example, if you're going to a food bank after you're paying your rent and basic necessities, then you're not going to be spending money and helping small businesses survive. So it would be nice if we had more opportunity to discuss these and get them out so we can get it right instead of swinging the pendulum one way and then the other way.

Speaking of buying things, a good example is the recent announcement of buck-a-beer. If you can't pay your employees because you're keeping your costs down for a

buck a beer, you can't have good-quality brewers in place, which I think you represent as well.

Mr. Norm Beal: I represent several. As a matter of fact, I own a small business myself, sir. I actually own a winery in west Niagara, Peninsula Ridge Estates—which, by the way, is available at your local LCBO. So I truly am very sensitive to beverage alcohol prices.

Mr. Jamie West: I'm really interested in your feedback on this. I often hear from the government how we're going to hold minimum wage at \$14 for the next four years and we're going to create good-paying jobs. But, to me, that sounds like two different things, because minimum wage is just barely breaking even. Depending on where you're looking, it's slightly above or slightly below. How will holding minimum wage at this level—and the cost of living is going to climb—create good-paying jobs?

Mr. Norm Beal: Speaking on behalf of my industry, I don't think there's anybody in our industry, even the small guys, who pay minimum wage. Generally speaking, our industry pays much better than that. As a matter of fact, we're challenged to try to attract people to the industry right now, so we're forced to offer much higher wages than that.

By the way—I heard your comments earlier about large versus small—our larger companies, like Maple Leaf Foods, Maple Lodge Farms and Canada Bread, generally speaking, all pay well above minimum wage and have benefit programs and a number of other things that go along with that.

So I can't really answer that question for my industry.

Mr. Jamie West: Did you have a question?

Ms. Teresa J. Armstrong: When Bill 148 was announced, do you think there were things they could have done better for implementation in order to work with the small business owners, or are some of those things in Bill 148—you talked about scheduling—absolutely not workable? Were there some reasonable ways of coming to the table together?

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Mr. Norm Beal: Right. We made a number of alternate suggestions during the consultations. Again, our biggest beef was not minimum wage. We thought the accelerated way in which they put it in place was problematic, particularly for smaller businesses, generally speaking.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Norm Beal: But the paid leave days—for our industry, for the first two weeks of January of this year, when they came out with those two days of paid leave, all of our companies had the highest absentee rates in the history of their organizations. It's quite remarkable. Of course, the past government said that that wouldn't happen. That created a complete upset in terms of our production platforms and scheduling and all of that sort of thing, because all of a sudden, half of your workforce doesn't show up. You're letting everybody else go home for the day because you don't have enough people to actually operate a shift.

So, to answer your question, we made many recommendations that we could have worked with on Bill 148 that

would have made sense. Actually, as I said, if you go back to some of the recommendations that the special advisers made—had they just listened to their own advisers, they would have avoided a lot of these mistakes. But, again, I think it came down to political expediency.

The Chair (Mr. Stephen Crawford): Thank you very much. We'll now go to the government side. We have five minutes. I'll start with Ms. Martow.

Mrs. Gila Martow: Hi. Thank you so much for coming in, and nice to see you. I just want to ask your opinion on—we had a previous member of the Liberal government, an MPP, who said that if businesses couldn't handle Bill 148, then maybe they shouldn't be in business.

Then we heard twice this morning—once was from the president of the Ontario Federation of Labour, who said again that if businesses can't sustain themselves under Bill 148, then maybe they need to change their model.

I want to know what your thoughts are on that kind of talk from political leaders.

Mr. Norm Beal: You know, I'll be honest: I found it insulting. I am pretty sure that the people making those comments have never run a business before in their lives.

All we're asking is, come down and do a serious economic look at how our businesses are created, how they thrive and what the conditions are.

I'll be honest with you: Food and Beverage Ontario, jointly with the Ontario Chamber of Commerce, spent \$150,000 to do the only peer-reviewed economic impact analysis on Bill 148.

Government, if they're going to bring down sweeping legislation, I think, has an obligation to at least go out there and study what results some of these very, very dramatic changes are going to have on the economy and on job creation and, frankly, families at the lower income stream. None of that was done. The past government refused to do that. We did it. The Ontario Chamber of Commerce and Food and Beverage Ontario, along with a number of other Ontario businesses, went through that exercise, dug into our pockets to pay for that very, very sound economic analysis and came up with some very significant results.

Mrs. Gila Martow: And you felt it was ignored.

Mr. Norm Beal: Totally.

Mrs. Gila Martow: I wonder if you can comment a little bit—I was a small business owner, as an optometrist—about how many of the businesses in your sector don't pay themselves a salary. Sometimes, for years, they live off their savings, or they just try to meet their payroll and pay their expenses and live in a relative's basement and do whatever they have to, or live off of a spouse's income, until they get their business running. I wonder if you could talk to that.

Mr. Norm Beal: Coming out of the wine business, I can tell you that's true. There is no question: That goes on all the time. Young entrepreneurs who want to establish a business, who are going to go out there and aggressively pursue their dreams, generally speaking don't pull anything, or their bank partner won't allow them to pull out any wages. Often they will carry one or two other jobs

while they're trying to get this business up and running and started. But then, for them that's exciting.

That's the reality of small business and getting started.

Mrs. Gila Martow: Yes. I think we really do recognize that, and we really appreciate all of the employers. I'll let the member ask a question, but I'd just like to say that we look forward to joining and visiting lots of businesses that are growing, in the coming months.

Mr. Norm Beal: We look forward to that as well.

The Chair (Mr. Stephen Crawford): Ms. Skelly.

Ms. Donna Skelly: Thank you for your presentation today. I do have one quick question. There seems to be a real pushback that there is no place in Ontario for minimum wage jobs or for part-time workers. Do you think that there is?

My concern is—I remember when I was younger and needed to get experience, and I was either paying my way through school or whatever. But is there, in your opinion, a place for minimum wage work?

Mr. Norm Beal: That's exactly how it's done. I'm sorry to revert back to my own business, but in the summertime we get really, really busy at Peninsula Ridge, and I bring in, usually—well, I did until, frankly, this year—about 10 to 12 summer students, whether they're kids trying to pay their way through college or even high school kids.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Norm Beal: We cut that back substantially this year, by about 25%. I literally had young kids whom I had hired—they were into their third year working for us—who came in and were literally crying because we could not offer them the job that they'd so loved last year. So yes, there is a role for minimum wage jobs.

It would be great if we could afford to pay everyone around this province \$60 an hour, but we've got to be competitive with our other competitive jurisdictions, like the states of Ohio and New York. There isn't a day that goes by, or a week that goes by, where I don't get a call from some economic development organization from south of the border trying to steal our companies away. We've got to be competitive, and that's a really meaningful component of that.

Ms. Donna Skelly: Thank you.

The Chair (Mr. Stephen Crawford): Thank you very much. We appreciate your time.

WORKERS' ACTION CENTRE

The Chair (Mr. Stephen Crawford): We'll now move to the Workers' Action Centre. If you could please just state your names for the record, you'll have five minutes from here.

Ms. Navi Aujla: Navi Aujla.

Ms. Deena Ladd: Hi, and my name is Deena Ladd. Navi is going to start.

Ms. Navi Aujla: So my name is Navi and I am a former temp agency worker. I would like to talk about the terrible impact that Bill 47 will have on my community.

I live in Brampton, where you can find temp agencies on every second street corner. For a lot of my community, temp agencies are the only way that we're able to find jobs. Many companies simply don't hire directly anymore, even when full-time, permanent jobs are available. This is because they can pay us less for doing the same work.

This doesn't just occur for a temporary time period. Companies refuse to ever hire us directly, in order to keep saving money. I know so many workers in Brampton who have been working at the same company through the same temp agency for as many as 10 years.

Not only are we paid less, but the company and the temp agency have the power to remove us from an assignment at any time without providing a reason. This means that if we want to get called back into work every single day, we can't speak up, even when we're put in unsafe working conditions, when we're underpaid or mistreated, or when any of our rights are violated.

When I worked through temp agencies, I saw and experienced violations occur on a daily basis, whether it was wage theft, being forced to do unsafe work, bullying and harassment, or much more. At one factory, we were put into two groups and forced to race against each other. I never received more than five minutes of safety training at any company I was sent to, and I have heard from community members that they're forced to meet quotas each day that are impossible to reach or else they're threatened with being sent home.

Equal pay for equal work means that companies have less of an incentive to use temps on a permanent basis because they have to pay us the same as directly hired workers, because we are doing the same work. This encourages companies to hire us directly when permanent positions are available. As directly hired workers, we have many more rights and we're protected when we speak up.

Bill 47 will remove equal pay for equal work, thereby increasing the incentive to use temp agencies. This is wrong. This also incentivizes discrimination of wages purely on the basis of job status.

Given the reality of working conditions for temp workers, it's shocking to me that Bill 47 will also lower penalties for employers that break the law. A company has been found in violation of our basic rights, and you want to lower their penalties? If penalties are reduced—

Interjections.

Ms. Navi Aujla: Excuse me. Sorry; if you could just listen. You only need to look at Fiera Foods as an example of what this will mean for workers. Four temp agency workers have already died at that company over the last few years. Even when Fiera Foods was punished each time, the awful treatment of temp agency workers continued, because even current penalties are not enough of a deterrent for companies. If passed, Bill 47 will simply be a signal to employers that it is okay to violate employment standards, that it is okay to pay people less for doing the same work, that it's okay to hire perma-temps year-round and treat them like second-class workers.

Ms. Deena Ladd: I want to remind the standing committee why Bill 148 was passed and why Bill 47 should be

withdrawn. It's important to remember that this province went through three years of consultations. The first phase included 12 public consultations across the province, 200 presentations and 300 written submissions. The second phase of consultations included 10 commissioned academic studies, 280 submissions and a 419-page report. The legislative process included 11 public committee hearings across the province after the first reading and three days of public hearings after the second reading. This is a sham, the way that this bill is being passed, compared to this other legislation that actually brought in decent work for some of the workers.

1520

The Chair (Mr. Stephen Crawford): One minute.

Ms. Deena Ladd: It's important to remember what that consultation found. It found that one in three workers in this province is made vulnerable in today's workplaces because they're low-income. They are low-income because people are working full-time for low wages, with minimal or no benefits. They are low-income because they're working through temp agencies, through part-time, seasonal and contract work. We know that these jobs are growing faster than full-time permanent jobs.

They found that one in three workers face employer violations of their rights. The Ministry of Labour's own targeted inspections that took place in 2013, 2014 and 2015 found, on average, violations in 70% of inspections. The inspection blitz of temp agencies found 72% of employers in violation. The inspection blitz of retail employers found 80% of companies in violation. It is no surprise to me—

The Chair (Mr. Stephen Crawford): Thank you very much. Thank you for your testimony; we appreciate it. We have a clock to watch.

We're going to start questions now. We'll have five minutes from each side, so we'll start with the government side. Who would like to speak first? Mr. Piccini.

Mr. David Piccini: Thank you, Navi and Deena. Thank you for your time today and for sharing your stories. Thank you for your passion in what you do.

I just wanted to ask a question about some of the workers you have dealt with in temp agencies and elsewhere, low-income workers across the board, and the role of planning and predictability in their life. I think it's safe to say that we all agree here that having predictability and some planning are key to success, right?

Ms. Deena Ladd: I think fair scheduling would be really helpful in that, which you're taking away in this legislation.

Mr. David Piccini: So we agree that planning and predictability—where I'm trying to go with this on planning and predictability is when we think of folks trying to own a home, parents, you know, and our next generation trying to buy a home. When you do own a home—and I know there are many who are unable to get there today—the largest portion of what they are paying is their mortgage. Do you think it would be fair, that massive increase—do you think that's fair on employers as well, a 30% increase in the span of a year?

Ms. Deena Ladd: Are you talking about rent or are you talking about the minimum wage?

Mr. David Piccini: I'm just thinking, as we look at high costs, that as a homeowner, one of your highest costs is obviously owning your home—the biggest cost. So an increase of 30%, I think, would price people out. Do you think it's fair to do that to employers?

Ms. Deena Ladd: I think minimum wage workers need a \$15 minimum wage because, as we know, we're in the middle of a housing crisis. That's an excellent point that you brought up, because most people are finding it really difficult to pay their rent and to pay their mortgages, and that's why we're saying the minimum wage needs to go up to \$15 in 2019, on January 1—

Mr. David Piccini: Do you believe—sorry to interrupt, but do you believe it should be in a consistent manner, on a year-by-year with inflation, or would you rather see pauses, then increases, to the extent of 30% overnight?

Ms. Navi Aujla: The reason it had to be made overnight was because workers were falling behind for so many years. The minimum wage was actually frozen. You talk about predictability and being able to afford a home. Most minimum wage earners are not going to be able to afford a home any time soon. They can barely afford to pay rent and to put food on the table.

You also speak about predictability. That's where we talk about needing good jobs.

Mr. David Piccini: But just to answer the question if you could, you do think it's fair, then: employers, 30% overnight. That's fine? You're comfortable with that?

Ms. Deena Ladd: Are we talking about employers or are we talking about workers?

Mr. David Piccini: I'm talking about small business owners like in my community, like the convenience stores. We saw that a recent presenter lost 500 stores because of the increase overnight.

Ms. Deena Ladd: Most small businesses are actually paying more than \$15. In fact, Julie Kwiecinski from CFIB said that 82% of small businesses in this province are actually paying more, so in fact, they wouldn't actually have the 30% and 21%.

Mr. David Piccini: No, but they would, because a lot of them—

Ms. Deena Ladd: No, they wouldn't.

Mr. David Piccini: Yes, they would.

Ms. Deena Ladd: How would they if they're already paying over \$15?

Mr. David Piccini: When you increase it, then it's the ripple effect throughout your small business.

The answer I'm trying to get is, you do think it's fair to dump that on employers overnight? Just yes or no.

Ms. Navi Aujla: Yes, and let me also answer on why: Because when workers have more money in their pockets, they're also spending it. If you look at other jurisdictions where they've increased the minimum wage, they actually haven't had to face that much of an increase in costs, because then they have more customers who are spending

at their businesses. So this is actually good for small businesses, and as we've seen, jobs have actually increased this year. So yes, we're hearing about—

Mr. David Piccini: Do you know of any other jurisdictions that have done it quite this fast?

Ms. Deena Ladd: Yes. Seattle.

Mr. David Piccini: Quite this fast?

Ms. Deena Ladd: Yes. SeaTac went—

Mr. David Piccini: Can you cite any in Canada—

Ms. Deena Ladd: What do you mean?

Mr. David Piccini: —that have increased the minimum wage?

Ms. Deena Ladd: Well, I think it's because your Tory government froze it for eight years—

The Chair (Mr. Stephen Crawford): One minute.

Mr. David Piccini: I'm just asking if you can cite any other jurisdictions in Canada.

Ms. Deena Ladd: If they hadn't frozen it, we wouldn't have to increase it this far. So you've actually put us in this situation.

Mr. David Piccini: I'll just take that as a no, then. So you can't cite other businesses that have done it in less than a year.

Ms. Deena Ladd: You can't put words in my mouth, which is what you're trying to do. I'm not prepared to do that.

The Chair (Mr. Stephen Crawford): Ms. Martow.

Mrs. Gila Martow: We announced today in our fall economic statement that we were going to raise the threshold for paying income tax to \$30,000 a year. I want you to comment on that. I think that would be helpful.

Ms. Deena Ladd: I would love to comment on that. That's an excellent question.

We've done the math. Independent analysis has shown that workers will benefit more from getting a \$15 minimum wage than the tax cut you propose. When you look at the tax rates, people who make minimum wage—and barely any minimum wage workers make more than \$30,000. So what you face is that they're making \$1,200 less—

Mrs. Gila Martow: If I could just, before the time runs out—

The Chair (Mr. Stephen Crawford): Thank you very much. I'm afraid I have to move on. I appreciate your comments.

I'd like to start with the opposition side. Ms. Fife.

Ms. Catherine Fife: I just want to say thank you for the work that you're doing, because it's such important work. Thank you for raising Fiera Foods, because that's a perfect example of how the prior Liberal government and then the PC government are willing to let temporary workers and part-time workers—primarily women—operate in unsafe conditions without the appropriate training.

I wanted you to put a gender lens, if you can—because 64% of the part-time workers in the province are women. Can you speak to that effect of allowing employers to pay part-time workers less money? It's incredible.

Ms. Deena Ladd: I think it's appalling that Bill 47 actually brings back discrimination in the labour market

by saying to an employer that it's okay for them to pay someone who is part-time or a casual worker or a temp agency worker less just because of what they're called. What we are trying to do is move our labour legislation into the 21st century. The last time this legislation was reviewed was after the Second World War. Things have changed. More women are in the workplace. We see huge wage disparities between racialized women and white women, as well as compared to men. We see a massive gender wage gap. When you see who's in part-time work, who's in casual work, who's in precarious employment, you see a racial and a gendered divide.

By taking away equal pay for equal work and also taking away the scheduling—the new scheduling requirements, which, again, will predominantly affect women in the workplace—what you're basically doing is allowing discrimination to come back into the labour market, which is sending us way back, 20, 30 or 40 years. What this bill is doing—it's an incredibly regressive measure that penalizes women, penalizes temp agency workers, penalizes part-time workers, and says, "You are not worth the same amount of money." I feel like this is absolutely a huge step backwards.

Ms. Catherine Fife: MPP West has the next one.

The Chair (Mr. Stephen Crawford): MPP West.

Mr. Jamie West: Earlier, you talked about the amount of consultation on the previous bills. Do you feel like your 15 minutes—or the five hours that we're going to cover today—is a meaningful consultation? Were there enough people?

Ms. Deena Ladd: As I said before, I think this is a total sham.

Mr. Jamie West: Navi, I appreciate you sharing your experience at Fiera Foods. How long did you work there?

Ms. Navi Aujla: Sorry; I didn't work at Fiera Foods, but I did work through many temp agencies.

Mr. Jamie West: How long did you work for temp agencies?

Ms. Navi Aujla: I worked there for many months during school, because that was the only job I could get.

Mr. Jamie West: So for many months you were a temporary worker. Is that typical for temporary workers, or is a short-term, two-or-three-week thing? Or is it going to be longer than that—

Ms. Navi Aujla: It's much longer, especially for recent immigrants, for women, for other folks like that. I got the chance to go to university. That's why I've been able to move into a different job. But for a lot of folks, especially those I know, who are recent immigrants, when they're working through temp agencies—you speak about predictability. They don't know if they're going to have work the next day. A lot of these folks want to go to school. They want to be able to take English classes to improve. But they don't even know how much money they're going to have in the next month. They don't know when their next schedule is going to come out. They're told every single night whether or not they're going to come into work the next day when they work through a temp agency. They

don't have enough predictability in their lives to be able to even plan simple things like that.

1530

Mr. Jamie West: Right. As well, one of the things the government has done is cancel the hiring of extra employment standards agency inspectors. Do you think it would benefit temp agencies where workers don't feel capable of speaking out to have more inspectors available?

The Chair (Mr. Stephen Crawford): One minute.

Ms. Navi Aujla: Definitely. There are so many violations that occur. Proactive inspections are more effective than individual workers trying to speak up, because they don't have the ability to in a lot of cases. Having proactive inspections is one way to deal with that situation.

Even when they were happening we were seeing that there were, as Deena said, extremely high rates of violations occurring, so to then take away those inspections is basically giving the green light to employers to go ahead and abuse workers. There should be greater penalties from what we're seeing from before, not less. It's actually very shocking that you would want to decrease those.

Mr. Jamie West: Thank you very much. Just as a final, I'm talking about lowering the penalties. The government talks often about the need for better math. I don't understand how a lower penalty will encourage and incentivize a business owner to be more responsible. I'm not talking about good business owners; I'm talking about business owners who are found guilty of violations of the act. Do you see how that works?

Ms. Navi Aujla: I definitely agree with you—

The Chair (Mr. Stephen Crawford): We're going to have to leave it there. We've got our time. Thank you very much. I appreciate your time.

ONTARIO PUBLIC SERVICE EMPLOYEES UNION

The Chair (Mr. Stephen Crawford): We'd now like to move to the Ontario Public Service Employees Union. If you could please come up and put your name on the record, you have five minutes to speak and then we'll go to questions. Please proceed.

Mr. Smokey Thomas: Thank you for the opportunity to appear here today on Bill 47, the supposed Making Ontario Open for Business Act.

I'm Smokey Thomas and I'm the president of the Ontario Public Service Employees Union. I'm here today with Clarke Eaton, who is my legislative liaison and adviser to the president.

I'm also here today because I'm deeply concerned and, frankly, quite horrified by this government's direction. Bill 47 is not only a step backward for this province; it is an all-out attack on its working people and the families they are working to support.

At OPSEU we proudly represent 155,000 workers in the Ontario public service, across the broader public service and in the college sector. I'm here for them, for the working Ontarians who don't yet have a union and for all workers under attack by this government.

Workers have been at war for a quarter-century. Living costs have risen, wages have stagnated and the entire dynamic of work has changed with the rise of part-time, precarious and contract work.

After extensive consultations and after important dialogue between labour and government, some big first steps were taken with Bill 148. That legislation didn't go far enough, but at least it was a step in the right direction.

So we fast-forward to today. Now the government's plan is to toss all that out the window as if it didn't matter. This government is riding roughshod over workers and their unions, with hasty legislation that turns back the clock on years of work and progress. It's time for this government to check itself before it makes a complete horror show out of labour relations.

For the purposes of time I won't get into all of our recommendations; we've put them in writing. Instead, I want to talk about the bigger picture in Ontario, because I get the sense that this so-called Progressive Conservative government is out to lunch.

"Precarious work" isn't just some catchphrase. It does seem to be a beloved pastime for many politicians who paint part-time, casual and contract work in a positive light, as a more "flexible" workforce. But it's a different reality for hundreds of thousands of people who are struggling to put food on the table and pay the bills.

It's why I wonder: How many of you have ever had to work two or even three jobs just to get by? Have you ever worried about paying off your student debt, or whether you'll ever own a home, or start a family? Do you worry about what would happen if you or a loved one got sick? Would you lose your job or be bankrupted? Do you ever fret about your retirement savings, or whether you'll be able to retire at all? Because hundreds of thousands of people in this province do. They're afraid and they want a government that will stand up for them.

The Employment Standards Act and the Labour Relations Act were created to make things fairer for workers, but working conditions have changed drastically. With Bill 148, the government seemed to finally be recognizing that it was about time for a change. But now we've veered off the rails again. Instead of leading us into a brighter future, this government is leading us in a race to the bottom.

Take paid emergency leave, for example. This government talks about a flexible workforce, so why isn't that workforce entitled to more flexible emergency leave? Why should workers be penalized for not having a family member die, or for catching the flu? Flu season is here, and workers can't even take one day off without losing pay. If they catch a bad bout of it, they can only take three days, none of which are paid. And they won't be able to rest at home; they'll be sitting in the doctor's office wasting everybody's time and money getting a sick note. Talk about inefficiencies.

So why are you doing this? The people are struggling and you're ripping away what little progress they've achieved. You don't need to go down this road; you could take the time to do things properly to find situations that

lift people up. Why take such a shoddy and haphazard approach? Why make life harder for people and why make it easier for employers to exploit workers?

Take the part-time college workers as an example. Under no circumstances should employers be allowed to utilize part-time, casual and temp workers as cheaper forms of labour, paying them less than full-timers who do the exact same work.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Smokey Thomas: We know that when employers must pay their workers equal wages, it's a powerful tool against precarious work. It's why we've seen a rise in full-time jobs since Bill 148 was implemented. But it is equally a sign of a truly progressive society. Isn't that the goal: more full-time, decent jobs for the people of Ontario?

We know that discrimination on the basis of employment status also reinforces existing inequalities. Women are unduly affected because there are twice as many women in part-time jobs. Bill 47 hasn't even passed and we're already seeing the negative fallout. The College Employer Council—that's the bosses in the community college system—is already emboldened. They've even boasted about taking millions of dollars out of the pockets of the workers in our province's colleges. We know that wage rates for part-time college support staff are all over the map, and there is no transparency to how these rates are determined, just that they're much lower than full-timer rates—again, doing the same work. With Bill 148—

The Chair (Mr. Stephen Crawford): Thank you very much. We appreciate your testimony. We do have to move to questions. I'll start with the opposition side. Ms. Sattler.

Ms. Peggy Sattler: Thank you very much, Mr. Thomas, for your presentation and for joining us today. I wanted to follow up on your comments about college workers. Since the introduction of Bill 148 and the requirements to pay part-timers the same rates as full-time workers, did we see improvements in the college sector in terms of the imbalance between contract faculty and full-time faculty?

Mr. Smokey Thomas: We were on the road to bargaining a first collective agreement for the support part-timers. Along came the election, and leading up to the election, the employer council started to stall. They weren't serious about negotiating. Since then, they've pretty much said, "Take a hike. We're not interested," because they're going to get relief in this bill here. They actually gloated about it publicly and took great delight in it, which I find—well, it's just awful.

Ms. Peggy Sattler: Right. Would you say that because for so long colleges had the ability to pay part-time workers less, that's a big reason why we've seen such a disparity between the proportion of full-time workers versus contract workers in the college system?

Mr. Smokey Thomas: Oh, yes. If they can pay less, the number of part-time workers in colleges just keeps growing. That really, frankly, does affect the quality of education.

Ms. Peggy Sattler: Thank you.

The Chair (Mr. Stephen Crawford): Mr. West.

Mr. Jamie West: Mr. Thomas, thank you very much. I know we're pressed for time and there's not enough time to get through even the amount of information here. I was able to read ahead, and one of the comments you made is, "These are 'the people.'" Do you feel like this is actually a government for the people?

Mr. Smokey Thomas: Mr. Ford says he's for the people. I just wonder which ones. Maybe that 1%; I'm not quite sure. Maybe the pot dealers, the growers and stuff, but not so much people people.

Mr. Jamie West: You also made a comment that the government "is leading us in a race to the bottom." Is that something you want to expand on?

Mr. Smokey Thomas: Yes. Under Mike Harris, we saw the race to the bottom there. Under the Liberals, we saw the continued race to the bottom: workers' rights, wages, benefits—everything—eroded; more part-time work; more people carrying beepers, working three part-time jobs. I call that the race to the bottom. Now it's just going to be on steroids with the reversal of this bill. There was some movement made to shore up full-time work to lift people out of poverty, but again, with this action I think you'll see that renewed race to the bottom.

If they want to be Alabama or South Carolina or something, I'll say what I said to Mike Harris: Move south. I'll rent the truck and we'll help load you up and move you down.

Mr. Jamie West: Another comment you made was about many people having to work two or even three jobs just to get by. Earlier in one of the questions from the government side, they were talking about the cost of houses. Are these people saving for houses?

Mr. Smokey Thomas: No, they're trying to save to maybe afford to move out of their parents' basement and rent an apartment someday—a bachelor or a one-bedroom somewhere, perhaps.

1540

Mr. Jamie West: Also, I want to highlight here: There's a comment about representing 155,000 workers through OPSEU, but you also say that you're there for all workers under attack by the government. I think it's a misnomer a lot of times about unions only being navel-gazing and caring about their own sector and not about society as a whole. I wonder if you could expand on that.

Mr. Smokey Thomas: We look after the business of representing our members quite well, but we're what we call a social justice union. My members work in the public service. They look after registering your birth certificate, your death certificate and everything in between. So on behalf of all those workers, I, our executive board and the activists based in the union advocate for everybody. That's why we're proud to say we're a social justice union.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Jamie West: My final comment has to do with the government, in the past, railing against the Liberal government about omnibus bills and ramming them through post-haste. Do you see any sense as to how this is being moved forward?

Mr. Smokey Thomas: Oh, my, how times change. That's all I've got to say on that one. Oh, my, how times change. Now, all of a sudden it's okay.

Yes, I know. I used to sit in this room and listen to them rail on about the Liberals doing that, and now they're doing the exact same thing the Liberals did.

Mr. Jamie West: Thank you, Mr. Thomas.

The Chair (Mr. Stephen Crawford): We'll go to the government side now. I'll start with Mr. Cho.

Mr. Stan Cho: Thank you so much, Mr. Thomas, for joining us today. Do you prefer Mr. Thomas or Mr. Smokey? I'm not sure.

Mr. Smokey Thomas: Just Smokey is fine.

Mr. Stan Cho: Smokey. Perfect. Okay, Smokey. I appreciate you taking the time to be with us today. I just want to put it on the record that I appreciate your support for the people who are in some trouble, because I worked three jobs to pay off student debt. I was against the wall; I almost declared bankruptcy when I opened my small business. Through some hard work, I was lucky enough to get through. So I appreciate that concern.

I know we don't have much time, so I'm going to get right to it.

I want to tell you a story about one of my constituents that I met. I've met with hundreds of them who have told me that life is very unaffordable in the province of Ontario, and they're having a tough time making ends meet and making the books balance at the end of the month.

In particular, Patrick owns a restaurant in my neighbourhood, and he employs 20 people. He's from very humble beginnings, and he treats his staff very, very well, many of whom are students. He gives them time off when they need it, and he goes out of his way to make sure they're happy. In his words, "They're family."

Before the previous government passed Bill 148, Patrick was planning on opening a second location and adding another 20 to 30 jobs in our community. But after his labour costs jumped over 20% in a very short period of time, he had to abandon his plans to open a second location. As the CFIB said earlier, a restaurant operates on less than a 3.5% margin, razor-thin, and Bill 148 crippled his business. He stopped taking a paycheque, and he started working 18 hours a day to make ends meet. He didn't want to let a single one of his employees go, because, after all, they're family.

My question is, Mr. Thomas, what would you say to Patrick and small business owners like him, from restaurant owners, to tailors, to grocers, to chiropractors, who are struggling to get by under Bill 148?

Mr. Smokey Thomas: I don't think it applies to restaurant workers when Bill 148—I'd have to go back and read the legislation. But I'll answer your question with a story.

Mr. Stan Cho: Sure.

Mr. Smokey Thomas: My oldest son was a small business operator. I remember saying to him, "Danny, you're working to pay your employee. Close the doors." Big insurance companies put the little guys out of business, say, at a body shop.

I have a tremendous amount of sympathy for small business people. I'd say the vast majority are good employers and, indeed, do pay more than minimum wage.

One of the things for the restaurant industry in particular—I lobbied the Liberals to say—you know, Doug Ford is now telling the LCBO what to do. I lobbied the Liberals to say to the LCBO, “Stop charging restaurants and bars exorbitant prices for alcohol.”

He could have upped his margins on the sale of alcohol if they had just reduced the price they sold it to him for. Do you know that restaurants and bars pay probably 25%, 30%, 40% or more than consumers?

So there are some things they could have done to help out small business.

One of your former members, John Yakabuski—no, not former. One of your members, John Yakabuski, had a good idea for a fund that small business operators could apply to, to help women who have spousal abuse to have that time off—

Mr. Stan Cho: Excuse me. Sorry to interrupt, Smokey. Would you say anything to Patrick? Because he's watching. I just want to see if you have anything to him, or the many people in Willowdale watching right now, from chiropractors to tailors. It's a variety of businesses that have expressed similar concerns. What would you say to them, out of curiosity?

Mr. Smokey Thomas: I'd say to them, first off, really, if you want to sit down and talk about it, there are things that the last government could have done to mitigate the damage to small business. You would be able to pass along some of those costs to your consumers, or your patients or whatever it would be. A lot of benefit plans cover chiropractors, and the increases get covered as well. So there were ways to do it.

Mr. Stan Cho: Do you believe—

Mr. Smokey Thomas: Again, I'm not anti-business, just so you know.

Mr. Stan Cho: Fair enough, but do you believe, then, that the answer is changing the business model, maybe increasing prices to accommodate?

Mr. Smokey Thomas: It would have been just one of many tools. But the government had many, many more tools at their disposal. I would say—

The Chair (Mr. Stephen Crawford): One minute.

Mr. Smokey Thomas: —that your government now has those tools as well, if you care to sit and talk about it. Your government won't meet with me, so what I've got to—

Mr. Stan Cho: They won't meet. But who is Bob Eaton, for the record, Smokey?

Mr. Smokey Thomas: What's that?

Mr. Stan Cho: Bob Eaton?

Mr. Smokey Thomas: Bob? No, it's Clarke Eaton.

Mr. Stan Cho: Sorry, Clarke Eaton.

Mr. Smokey Thomas: He's my legislative liaison and special adviser.

Mr. Stan Cho: So you said you've tried to meet with the government and it hasn't worked. But on September 10, did your staff not send an email to Treasury Board

cancelling a meeting scheduled for the round table on Thursday, September 13?

Mr. Smokey Thomas: Yes. You want to get into that? Are you sure you want to get into that? Okay, let's go. So, anyway, I was going to get suckered into going to a meeting where he wanted to meet four or five of my members under his terms and conditions. He wanted to be in three different work sites, which would easily be an hour-and-a-half drive apart, and he wanted to do all this in three hours. So I said to Mr. Tibollo, “That doesn't work; it's just not feasible.” At the same time, I offered up other dates—

Mr. Stan Cho: It's Treasury Board, though; September 10 with Minister Bethlenfalvy.

Mr. Smokey Thomas: Yes, whatever the hell his name is.

Mr. Stan Cho: So you did cancel that meeting.

Mr. Smokey Thomas: Yes, but your folk—

The Chair (Mr. Stephen Crawford): Okay, thank you very much. We appreciate your testimony.

UNITED STEELWORKERS

The Chair (Mr. Stephen Crawford): We're going to move on to the United Steelworkers. If you could just state your names for the record, and you can start right into it. You've got five minutes.

Mr. Tony DePaulo: My name is Tony DePaulo. I'm the assistant to the director for United Steelworkers in the province of Ontario. Our union has close to 70,000 members in Ontario, and they work in just about every industry and job covering every region of the province.

I'm here today on behalf of our union to call for the withdrawal of Bill 47. Let me tell you why: With the stroke of a pen, Bill 47 seeks to undo the reforms introduced through Bill 148. That bill was the result of an exhaustive three-year consultation process known as the Changing Workplaces Review, which was undertaken to modernize Ontario labour law and employment law. I remember being here during that process, in this very room. This government's decision to repeal almost the entirety of Bill 148 will have serious consequences for the people of Ontario and our members.

As the OFL says in their written submission to this committee, Bill 47 will push workers and their families further behind by reinstating laws that have created conditions for an entrenched, precarious employment. That is why this bill should be withdrawn.

Bill 148 was a necessary, but far too limited, response to the dramatic changes that have taken place in the world of work over the past few decades, including fewer well-paying jobs in heavy industry, higher numbers of lower-paying service sector jobs, and a steep rise in self-employment and contract work.

A government for the people, as this one purports to be, must not only be concerned with the number of jobs available to Ontarians, but also the quality of jobs that are available. It's not just how many Ontarians are working, but the kind of jobs they are working in.

In order to address the quality of jobs available to Ontarians, we must do two things: (1) We must strengthen employment standards protections; and (2) we must facilitate the right of employees to join trade unions. I want to focus on the latter point. Studies show that trade union representation leads to better jobs. Trade unions reduce the gender pay gap, ensure greater success to retirement security, negotiate higher wages and benefits, and create safer and more democratic workplaces.

We know that greater flexibility and less red tape and regulation for employers will not produce a greater quantity of jobs or better-quality jobs for Ontarians. We have conducted that experiment for the last 25 years, and quite frankly it's failed.

1550

We need a new path forward. We need legislators who can see that slashing minimum standards and making it harder for workers to organize collectively won't suddenly result in prosperity for Ontario workers. It will simply get us more of what we have today: unprecedented rates of income inequality and soaring levels of precarious work. Bill 148 was a small step in the right direction; however, Bill 47, on the other hand, takes us the wrong way.

In my remaining time, I want to highlight four specific reasons why we are calling for the withdrawal of Bill 47. I know that in our brief we had seven points that we talk about, but I'm going to touch on four.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Tony DePaulo: First, Bill 47 eliminates that unrestricted right of striking workers to return to work. No employee should lose their job merely because they exercise their lawful and constitutionally protected right to strike, yet employees in Ontario faced just such a prospect pre-Bill 148 and will again if Bill 47 is passed. The six-month limitation period on striking employees' unrestricted right to return to work under Bill 47 is fundamentally inconsistent with the right of employees to job protection when they engage in lawful strike activity.

Second, Bill 47 eliminates intensive mediation/arbitration where unions and employers are unable to reach a first collective agreement. Employers know that the longer they can delay first contract negotiations the more they can weaken the resolve of employees who have chosen to join a union.

The Chair (Mr. Stephen Crawford): Thank you very much, sir. We have to—

Mr. Tony DePaulo: I had two more.

The Chair (Mr. Stephen Crawford): Well, maybe we'll get them in your answer. I'm sorry about that, but we have very limited time.

I'll start with the government side. Ms. Skelly.

Ms. Donna Skelly: Tony, thank you. Nice to see you.

Let's talk about card-based certification. I assume that that's one of the issues that you're concerned about. You spoke about the importance of an open process in terms of certification and unionizing employees across Ontario. Are you not concerned that card-based certification is open to abuse?

Mr. Tony DePaulo: No. Quite frankly, before the Harris government it worked quite well. By having a vote

every time we organized, it just, in our opinion—and it's proven—allows the employer to frighten and harass and intimidate the workplace. They have a controlled audience within their workplace. We have no chance to get in there and to keep the employees revved up and make them not afraid to join a union. When we had that law prior to the Harris government, it worked fantastically.

Ms. Donna Skelly: For the unions.

Mr. Tony DePaulo: And for the companies.

Ms. Donna Skelly: If I could share an anecdote with you: You mentioned Minister Yakabuski. This is a comment that he made. He was talking about a business in his riding that had 40 people. On a New Year's Eve, two of the three people on a job site signed cards. The company is now unionized. On Monday, 17 people walked out and the business closed shop. Is that something you would like to see? Is that the type of thing that you would want to see?

Mr. Tony DePaulo: Definitely not.

Ms. Donna Skelly: Is that not an example of abuse?

Mr. Tony DePaulo: No. I don't think it is. I think people exercise their right to strike. If you sit down at the negotiating table—we're a private sector union. We work with employers to keep jobs. We have a lot of strikes—not a lot of strikes; we have very minimal strikes. Excuse me. What I meant to say is that we've dealt with a lot of strikes, and you know what? We know how to work with employers, and that very rarely happens with us—very rarely. As a matter of fact, we find buyers to purchase companies when they're having trouble.

Ms. Donna Skelly: Is there anything in Bill 47 that you do like?

Mr. Tony DePaulo: Not really.

Ms. Donna Skelly: Let's talk about the 1-to-1 ratio. When both my colleague and I—I'm the parliamentary assistant on trade, so I've had an opportunity to travel across the province and talk to stakeholders, in particular stakeholders within the steel sector, about the implication of the NAFTA agreement, the USMCA. While meeting with them, one of the issues that they raised, and one of the things they love about Bill 47 and the fact that we are trying to repeal Bill 148, is the change in the journeymen—the ratio of 1 to 1 from 4 to 1. Their argument is that it creates more jobs, that now we can see better-paying jobs in Ontario. Would you agree?

Mr. Tony DePaulo: Yes.

Ms. Donna Skelly: So you're supportive of that one particular—

Mr. Tony DePaulo: —of that one particular one. I don't really have a problem with it.

Ms. Donna Skelly: Good. Well, let's keep going down the list, then. The repealing of the College of Trades: Is there a problem with that?

Mr. Tony DePaulo: Of course.

Ms. Donna Skelly: Why?

Mr. Tony DePaulo: We sit on boards—we sat on Mohawk College boards in Hamilton—to deal with trades. We implemented the courses. We had CSTEAC at one time, where we did all the training, and it produced good journeymen and gave younger people a chance to better themselves, to get into a trade.

Ms. Donna Skelly: But would you agree that it's yet another form of regulatory—

The Chair (Mr. Stephen Crawford): One minute.

Ms. Donna Skelly: —a barrier for businesses to excel?

Mr. Tony DePaulo: No.

Ms. Donna Skelly: You don't think it is?

Mr. Tony DePaulo: No.

Ms. Donna Skelly: Again, when I was meeting with businesses across the province, one of their concerns is that Bill 148 made the Ontario environment, the environment in the province right now, very uncompetitive, and that was one of the reasons we were seeing—you talk about jobs going south of the border—so many jobs going south of the border. Do you think that Bill 148 had an impediment in terms of job growth across Ontario?

Mr. Tony DePaulo: Yes. It's not going to create better jobs, as I said. It's not going to create quality jobs.

Ms. Donna Skelly: But you said the 1-to-1 ratio would create better jobs.

Mr. Tony DePaulo: For journeymen.

Ms. Donna Skelly: Well, for apprentices and journeymen, right?

Mr. Tony DePaulo: Journeymen.

Ms. Donna Skelly: In other words, repealing Bill 148 will actually increase better jobs in Ontario, because we can now change the ratio.

Mr. Tony DePaulo: Repealing—

The Chair (Mr. Stephen Crawford): Okay. Sorry. Thank you very much. We're now going to move to the opposition side for questioning. Who would like to start out? Mr. West.

Mr. Jamie West: Thank you, Mr. DePaulo. I've heard of the Steelworkers. They do good work.

Mr. Tony DePaulo: I hope you think that.

Mr. Jamie West: You had two more notes you wanted to talk about. Do you want to expand on those now?

Mr. Tony DePaulo: Sure. The third one was that Bill 47 eliminates card-based certification in building services and other defined sectors, and replaces it with a mandatory vote system. Proponents of mandatory votes like to say they are more democratic, equating certification proceedings and political elections. I'll say this as clearly as I can: There is no equivalence between a political election and a union representation vote. Union votes are unlike any other kind of election, because of an employer's power to deprive employees of their livelihood and control their pay, hours and working conditions.

Fourth, Bill 47 eliminates union access to employee lists. It does so out of concern for employee privacy rights, but such rights are not absolute. Employee privacy rights must be balanced against the important public policy objective of facilitating the ability of workers to join trade unions. The current act does protect employee privacy rights by placing restrictions on the disclosure and use of employee lists. It requires unions to take steps to protect and secure the confidentiality of the list, and requires its destruction at the end of the union's organizing campaign.

For all these reasons, Bill 47 should be withdrawn.

Finally, we fully support the comments and recommendations made by the Workers' Action Centre and Parkdale Community Legal Services in their written submission on Bill 47 as it relates to the bill's changes to the Employment Standards Act. Thank you very much for that.

Mr. Jamie West: Thank you, Tony. The government was previously asking if you agree with one section of Bill 47, and then seemed to imply that you thought all of Bill 47 was good. Is that something you were agreeing to?

Mr. Tony DePaulo: No, no, no. Not at all. No.

Mr. Jamie West: Okay. I just wanted to clarify that.

The government member also said that she consulted with many, many stakeholders in the steel industry. Steelworkers represent the steel industry, as well. Were you consulted, or—

Mr. Tony DePaulo: We were never consulted, the Steelworkers. I'm from Hamilton, as is the member, and I don't recall our district director or anybody being called to meet and to have discussions. I've talked to a lot of our larger locals at Stelco Lake Erie Works, and they have never informed me that that was so.

Mr. Jamie West: It doesn't feel like a meaningful consultation, I guess. I don't want to put words in your mouth, but—

Mr. Tony DePaulo: No. There was no consultation on our opinion. "This is something that we just want to ram through, get through and wash our hands, and it's better for the employer."

Mr. Jamie West: Earlier this morning there was a lot of conversation about the importance of predictability for business, that business needs predictable rules that don't change drastically, so that they can make effective business plans. Do you feel like workers need predictability for labour regulation as well, or is it okay to—

Mr. Tony DePaulo: Of course we do. They have to know what their rights are. When they go to work, they want to know what they're going to be entitled to when they get a job. Of course it has to be predictable for the workers.

1600

I've heard people saying, "Oh, this bar went out of business." I have a brother-in-law who owns one of the biggest convention centres in Hamilton. Do you know what? He's as busy as he could ever be.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Jamie West: With the limited time—and I know it's in the written package—I just wanted to draw attention to this: We've been hearing a lot about how bad a minimum wage of \$15 would be for business, the raise in the minimum wage, and how bad it would be for our economy. Scotiabank, for example, and the National Bank, actually, have evidence on page 11 of your document saying that it wasn't at all. I just want to highlight that as well.

With the little bit of time we have left, I don't know if you can talk about contract flipping.

Mr. Tony DePaulo: Contract flipping: We have that a lot with the security jobs, contract flipping. We're organized with a certain company, for example, in the security

industry. When the tender comes up, they come in and they get rid of all the benefits and everything like that. They have no contract, and we have to renegotiate a contract again. That's employer flipping, where they come in and sometimes—and we're investigating some of those companies that apply when the contract is up. They're just shadow companies.

The Chair (Mr. Stephen Crawford): Thank you very much. I appreciate your testimony. We really appreciate it.

Mr. Tony DePaulo: Thank you.

BETTER WAY ALLIANCE

The Chair (Mr. Stephen Crawford): We'll now move on to the next presenter, which is the Better Way Alliance. If you could please state your name for the record, and then you can just start presenting right away.

Ms. Gilleen Pearce: Thank you. I'm Gilleen Pearce. I'm with the Better Way Alliance. A little bit about me: I run a pet services company in Toronto. I employ 10 staff. My business doubled in size last year.

I was here a couple of years ago in support of Bill 148, and that is because the business community is divided on this issue; it's divided on workers' rights. It is by no means a one-way street when it comes to business, especially small business.

The food-and-beverage association gentleman who was here earlier admitted himself that most of his businesses actually pay more than minimum wage already. The CFIB has stats to show that in addition to that, most small businesses offer flexibility in the workplace as well, for personal issues for their staff.

You might wonder: Small and medium-sized businesses—do they matter? Well, of course they do, and that's why we hear from you all about the small-business anecdotes. We actually create 90% of the jobs in the province.

Again, more than 80% of us are already paying more than the minimum, and we create 90% of jobs in the province.

The opposition of small business to these improvements that were made to workers' rights last year was vastly overstated by the industry association heads.

Business is not easy. Were it easy, everybody would do it. It's important to step up, when you run a business, and pay a decent wage and treat your employees fairly.

This group that I joined last year, the Better Way Alliance, is an informal network of business owners, small and medium, who are willing to speak out to defend employees across the province, because we're more than a little bit tired of businesses being blamed for regressive policies.

We work really hard to do the right thing. For a little bit of context, my staff earn just a little bit more than the minimum wage—a tad more—so this issue, to me, is very, very relevant.

What we don't like, as small and medium businesses, is the impact that the really large companies seem to be having on this policy debate. The large companies—again,

responsible for less than 10% of job creation—are five times more likely to pay minimum wage. The folks who really want minimum wage to stay low and who really want to do things like cut two paid sick days: unfortunately it's folks who can't afford to do those things or it's the big companies that are really profiting off subpar treatment of their employees.

I'm hearing every day from food and beverage people, I'm hearing from manufacturers, I'm hearing from brick and mortar retailers, and global exporters about their support for their employees and their commitment to their employees. Not everybody is as outspoken as I am—that's why you have me here today—but for every anecdote there is about a business owner struggling with the \$14-minimum wage, I have another anecdote—

The Chair (Mr. Stephen Crawford): One minute.

Ms. Gilleen Pearce: —of people supporting it.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Gilleen Pearce: I want to emphasize that it really seems that with this bill, Bill 47, which we call for you to withdraw, it is prioritizing profits of the biggest corporations over the people who run and help the success of our small businesses in the province.

Thank you. I'd be happy to hear any questions for this position.

The Chair (Mr. Stephen Crawford): Thank you very much. We'll start with the opposition questioning. Ms. Sattler?

Ms. Peggy Sattler: Thank you so much for your presentation. I think that was some very helpful information that you shared.

You started out by saying that you doubled the size of your business just in the last year, when Bill 148 was the law in the province. I wondered if you had any hesitation about expanding your business. Did Bill 148 cause you to rethink your business plans at all?

Ms. Gilleen Pearce: A little bit. When I planned the business, I did some research into what it would cost to live in Toronto, and there was no way I was going to pay 11 bucks an hour—or whatever it was—to have people run my small business. It doesn't make any sense, so I already was paying closer to the \$14.

One thing I did change, though, was when mandated sick days came in. Those two days I hadn't been paying and I kind of didn't want to because it is money out of your pocket. When that came through I thought, "That is fair. Who am I to say that two sick days is unreasonable?" So even though those have been snatched away, unfortunately, for a lot of low-income earners, we're going to keep those in my company. Nobody has abused them. Anecdotes are anecdotes, but my anecdote is that nobody has abused those sick days. If there's respect in your company, generally speaking your employees are not going to mess with you or take advantage—if you treat them with respect.

Ms. Peggy Sattler: The other businesses that are part of this Better Way Alliance, have they been forced to lay off staff? Have they been forced to downsize their

businesses over the last year because of the introduction of Bill 148?

Ms. Gilleen Pearce: No. I don't know that I would really hear from people who had to do that, because we are more of a support group for folks who want to make sure their businesses are growing with their employees' well-being in mind. I haven't heard of mass layoffs or mass loss of jobs that couldn't also be attributed to multiple other factors, as one of the other industry associations when I first came in was mentioning. He even said it's not only about Bill 148; tons of factors can explain business closures, unfortunately.

The Chair (Mr. Stephen Crawford): Yes, Mr. West?

Mr. Jamie West: Yes, the Better Way Alliance: Thank you again for participating. I'm trying to go quickly because we have so little time. One of the statements here is, "More than 80% of Ontario's small business employees earn above minimum wage and are offered flexibility in the workplace to deal with personal issues."

I'm just wondering, why do you think that is?

Ms. Gilleen Pearce: It's good for business. If you employ people and you pay them the bare minimum with no sick days and zero benefits and no scheduling, does anybody around the table think that's a good job that really makes you want to be loyal to your employer?

Mr. Jamie West: No.

Ms. Gilleen Pearce: A show of hands for anyone this century who had to work a minimum-wage job? It's not great, especially if there are no other benefits. It's generally speaking good for business and good for turnover if you make a little effort to pay a little bit more or include some benefits.

1610

I remember when I first came in, someone was talking about whether there was a place—I think it was you—for minimum wage. I definitely think there is. It's not about everybody needing to make \$60 an hour. My company is closer to the minimum wage. It's just that the minimum wage—there's no shame in it, but it does need to be fair and at a livable point, especially since so many people—

Mr. Jamie West: If I could jump in, just because of the time—sorry.

Ms. Gilleen Pearce: Sure.

Mr. Jamie West: I'd love to have you talk more, but we're so strict with time.

You also talked about large businesses, which are 500% more likely to pay minimum wage, and that you felt that the priority was large business.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Jamie West: We don't talk about large business; we talk very much about small business today. Do you feel, as a small business owner, that you're sort of being used as a scapegoat?

Ms. Gilleen Pearce: Yes, definitely. There's a sense that it's businesses versus unions and businesses versus workers. I'm here to change that message a little bit. There's a ton of us out there that are neither against workers nor only thinking about how to wind back wages or benefits. There's a middle ground out there.

The reason I mentioned the small and medium is because we are 80% of job creators. You would think it's less, but actually almost all the jobs are created by small and medium.

Mr. Jamie West: Right. Very briefly, it must be difficult to compete with temp agencies and workplaces that aren't paying their workers fairly or that are cutting costs, to the detriment of the workers.

Ms. Gilleen Pearce: Yes. If we run out of time, I'd be happy to speak more about that. It's all about the level playing field for us—

The Chair (Mr. Stephen Crawford): Unfortunately, we have. Let's move to the government side for five minutes. We'll start with Ms. Martow.

Mrs. Gila Martow: Thank you so much for coming in. I'm sure you provide great pet services to the community and that you're a great employer for your staff.

I think what I'm hearing from you—yes, it's a bit of antagonism. You like one bill; you don't like another bill. You say yourself that you're not paying that much more than the minimum wage right now.

But what I'm hearing from you that I do agree with is that you want to have a better culture. You want to have a better culture of large employers and small employers, and of employees working together with their employers to grow the business.

I would ask you this: How do you think that we in Ontario—employers, employees, governments, unions—can create and grow that culture of camaraderie, of getting Ontario to be a great province with great-paying jobs, full-time jobs, the kinds of jobs that we all want to see more people have? How do you think we can go about that?

Ms. Gilleen Pearce: I definitely appreciate that question. It's a really important one. Obviously, legislation is just one piece of the puzzle. If it were me, I would see this entire bill withdrawn. Obviously, I think it's no good for the lowest earners.

Your point about the culture: It is more important than dollar figures for most people. I've been speaking to a lot of businesses about this. Everyone who has that healthy culture or that low-turnover model—what I've been hearing from not only the owners but the staff that I've been speaking to is that it is about the little things, right? Even if someone is making \$14 or \$15 an hour, it's more about the staff parties or about the benefits that they might get. They might get a prescription for glasses and so forth. It's about maybe having a bit of flexibility to take that paid sick half-day, if their kid is sick, or whatever. It is about culture.

Internally, for businesses, they have to have that culture, where there's a culture of respect and communication and taking care of the little things that are good, not just the wage.

I'm not here to say that businesses have it easy and everything is great; it is hard. We definitely need a culture where we can help businesses figure out their finances, help them talk to the CRA—that's a nightmare, as I'm sure you all know who have run businesses. There are things we can help business owners with. Business owners who

want to improve their culture can speak to me, or we can speak about finances, because at the end of the day, we do need to make sure we're planning our finances properly.

So there are two parts to that: Government can help businesses get access to financial resources, even planning, and then businesses need to focus internally as well and make sure that their staff are happy, and that's going to make everyone better off in the long run.

Mrs. Gila Martow: I was a small business owner myself. It's interesting that you mention glasses, because I'm an optometrist.

Ms. Gilleen Pearce: I know. I heard you say that earlier. That's why I said that example.

Mrs. Gila Martow: Thank you. I want to remind everybody to get their eyes checked regularly.

I think that what I'm hearing from you is, you do understand that sometimes we're comparing apples to oranges. A business that's just getting started might have a lot more pressure on it in terms of its flexibility of scheduling, in terms of what it can pay people, in terms of what benefits, and that if the government puts too many regulations on, those businesses can't get started, they can't succeed, they can't grow. We're all aware of that. We're hearing that most people who work for small businesses do feel that it's a real culture of caring about the business, and a lot of people are worried that if things get too difficult, they're going to lose exactly those benefits.

Interruption.

The Chair (Mr. Stephen Crawford): I'm going to interrupt the question. Unfortunately, we have a bell ringing, which means there's a vote coming up. We will take a short suspension, and then we will resume as soon as the vote is over. I'll hold it in recess until then.

The committee recessed from 1615 to 1631.

The Chair (Mr. Stephen Crawford): Thank you, everybody. In the interests of time, we're going to continue on. We just had one minute left with the Better Way Alliance. So we have one minute left for questions. I'll pass it over to Ms. Martow, and there's one minute before we resume to the next speaker.

Mrs. Gila Martow: Hi. I'm sorry, Gilleen, that we had to run off like that. I wanted to give you time to respond, and this way you had maybe a few minutes to—we were talking a little bit about the culture of everybody working towards creating good-paying jobs and a good culture and those benefits and good support.

Ms. Gilleen Pearce: All right, thank you. I'd just like to close by kind of re-emphasizing our view on this bill and that it's a pretty sad state of affairs, unfortunately, I think. Any business owner who wants to know about culture and finance planning can get in touch with us, but the reality is this is a bill that takes away a higher minimum wage, takes away sick days, takes away fair scheduling and takes away equal-pay-for-temp-worker provisions, like we heard earlier. It's pretty darn sad, I have to say.

Mrs. Gila Martow: So what I—

The Chair (Mr. Stephen Crawford): Thank you. Sorry. I apologize, but we do have to move on.

Thank you very much.

PROGRESSIVE CONTRACTORS ASSOCIATION OF CANADA

The Chair (Mr. Stephen Crawford): I'd like to move on to the next group. We have the Progressive Contractors Association of Canada. If you could please state your name for the record, and we'll start right away.

Mr. Sean Reid: Good afternoon. Thank you for the opportunity to speak today on why we support Bill 47. My name is Sean Reid. I am the vice-president and regional director of Ontario for the Progressive Contractors Association of Canada.

PCA is the voice of progressive unionized employers in Ontario's construction industry. Our member companies employ thousands of skilled construction workers across the province, represented by the CLAC labour union. Our membership is comprised of small, medium and large general contractors and subcontractors involved in various types of construction, including water and waste water facilities, roads, bridges, schools and long-term-care facilities. Currently, about 85% of our member companies in Ontario employ and are actively training registered apprentices, and 100% of our member companies support their workers with industry-leading wages and benefits, as well as robust investments in health, safety and skills training.

For years, both employers and workers in Ontario's construction industry have faced far too many needless hurdles.

For starters, Ontario's journey-person-to-apprentice ratios are among the highest in Canada. Since PCA launched our Ontario operations in 2010, we have called for reducing ratios so that more companies can hire workers and more workers can access apprenticeship training.

Another hurdle for construction workers was the previous government's move to expand compulsory certification of trades in the construction industry, through the Ontario College of Trades. This expansion benefited only a few special interest groups, while hurting the livelihood of thousands of tradespeople and putting up massive new barriers to entry for young workers, second-career job seekers and workers from under-represented communities interested in exploring potential careers in the skilled trades.

Lastly, our association has never been a fan of the Ontario College of Trades. In 2011, PCA cofounded the Stop the Trades Tax campaign, a grassroots effort aimed at overhauling or abolishing the college. From the outset, we saw the college as a costly and unnecessary bureaucracy that served the interests of a few, to the detriment of the majority of the industry. Simply put, it was a massive bureaucratic barrier to job creation in the skilled trades.

Winding down the College of Trades, declaring a moratorium on compulsory trade certification and reducing journey-person-to-apprentice ratios are bold, meaningful measures that will help address Ontario's skills shortage.

PCA is proud to support Bill 47. We've been waiting a long time for legislative change to break through regressive red tape that has held back companies, held back

skilled tradespeople and held back Ontario's economy. Bill 47 delivers that change.

But you don't need to take my word for it. Listen to what two small business owners within our membership had to say about Bill 47 as soon as they heard the news. Wayne Arthur, owner of Arthur Electric in Milton, said, "We're delighted the Ontario government is making it possible for us to open our doors to more apprentices. We'll be hiring anywhere from four to six apprentices." Jim Moyer, owner and president of Waltec Electrical Services Ltd. in Bolton, said, "We will be hiring an additional four apprentices ASAP. We're very pleased the province and our industry are working together to address the skilled trades shortage."

These are two small business owners who have committed to grow their workforces substantially as soon as Bill 47 becomes law. I have received many similar commitments from other PCA members in Ottawa, Hawkesbury, Kingston, Toronto, Waterloo, Hamilton, London, Windsor and across Ontario since Bill 47 was announced.

I want to conclude by once again thanking the government for introducing reform to Ontario's skilled trades sector that is long overdue. Our member companies look forward to the passage of Bill 47. The sooner that happens, the sooner they can hire and train more people in the skilled trades and help grow Ontario's economy. Thank you.

The Chair (Mr. Stephen Crawford): Thank you very much. We'll start five minutes of questioning from the government side. Mr. Piccini.

Mr. David Piccini: Thank you very much, Mr. Reid, for joining us today. I appreciate your testimony. You're quoted as saying you're pleased with these developments. You've been advocating for quite some time on this, so thank you for your advocacy work on this.

Could you briefly elaborate, for the benefit of everyone here, on how you think the ratio and winding down the College of Trades will help empower our next generation of skilled tradespeople and how it will increase the number entering the workforce in our next generation?

Mr. Sean Reid: We actually benefit, in the construction industry, from a fairly robust labour market data set from an organization called BuildForce Canada. All of the data from BuildForce Canada and other think tanks that are studying this issue show that we have a massive shortage of labour in our province right now, and it's only getting worse. A lot of that is simply due to the retirement of baby boomers. Projects here in the GTA are being delayed because we don't have enough workers to do the work right now. We have to get more people into this industry. We have to see an influx of a new generation.

The problem with the Ontario College of Trades was that instead of removing those barriers to entry, it was actually creating new ones. In fact, if you look at data from the Canadian Apprenticeship Forum, which has studied the apprenticeship registration data over the time that the college has been in existence, apprenticeship registrations in Ontario have actually declined compared to every other province, where in fact registrations have improved. So

the very mandate of the Ontario College of Trades has proven it's not being fulfilled in the time that it has been here.

Mr. David Piccini: You mentioned in your opening statement that the College of Trades was additional red tape, and you mentioned "to the detriment of the majority." Could you elaborate to everyone here on what you mean by that?

Mr. Sean Reid: If you looked, for example, at the carpentry trade, many, many skilled veteran workers across the province did not get a licensed certification to practise their trade—because they didn't have to. It's what's called a voluntary trade. They learned in other ways. They learned on the job. They learned from, in many cases, family businesses, where their parents were in the trades as well.

Compulsory trade certification for those tradespeople—the most experienced, by the way, in that trade—would have meant that many of these people would have been out of a job. That's simply not acceptable, especially in a climate where we actually have not enough tradespeople. That's simply one example of the kinds of barriers that the college was putting up for Ontario.

Mr. David Piccini: A lot of people in my community in rural Ontario have been quite frustrated by the skills gap. When I look to a number of young men and women who I've spoken to, both in the campaign and since being elected, a lot of them are just frustrated. I employ someone who, because of the regressive ratios, was unable to enter his profession.

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If you could just elaborate a little bit on some of that frustration and how you feel that this is now going to empower job creation. Was this the right step?

The Chair (Mr. Stephen Crawford): One minute.

Mr. Sean Reid: I've talked to many members, and in one case, one fellow had 35 resumés of people he was ready to employ—good resumés—but he could not even hire one of them because of the ratios and because the region that he was operating in had such a shortage of journeymen. These are the kinds of examples I've heard of over and over again of people who literally have the resumés on their desks. I just got an email yesterday: "When is it going live? Because I want to hire some of these people tomorrow."

Mr. David Piccini: So Ontario is open for business?

Mr. Sean Reid: It is very much open for business, hopefully soon.

The Chair (Mr. Stephen Crawford): Okay, thank you very much. We'll now go to the opposition side for five minutes of questions. We'll start with Ms. Fife.

Ms. Catherine Fife: Thank you very much, Mr. Reid, for coming in and sharing your time and your thoughts on the measures that are contained with the changes to the Ontario College of Trades. I think, in some ways, it's really unfortunate that it's all bundled in with changes to the Employment Standards Act and of course labour, because I feel that—actually, we New Democrats just had this conversation at caucus—if we're going to address the

skilled trades gap in the province of Ontario, we really need a focused approach on it.

Our labour critic, Mr. West, and myself went to the technical briefing, and there are gaps in the plan. I just want to put those on your radar, because I know that if you care about going forward with skilled trades, safety is obviously a primary concern.

We're going to be moving an amendment to have the minister report on the wind-down because there is actually a lot of money at play, including the use of any dues collected or the surplus from the collection of dues. We want to make sure that any of that money is reinvested back into the trades. There's a transition period that is really unclear right now, as this bill is crafted. That's something that really concerns New Democrats.

I wondered if you could comment on the 24 trades that are up for de-prescription, because in our briefing was the first time we had heard about all of these trades—and some of them really make sense, like a horse harness maker. People aren't riding horses down Yonge Street anymore in the province of Ontario. But the hydraulic/pneumatic mechanic—if something goes wrong with one of those trades, that could be catastrophic.

Have you had a chance to review the 24 trades that are going to be de-prescribed?

Mr. Sean Reid: I have not done a specific analysis of each individual trade. I would commend to you one research report that was produced by a think-tank called Cardus a few years ago that studied compulsory trade certification specifically. One of the important findings was that there was actually no data—that doesn't mean there necessarily isn't some; there might well be—in evidence today that links compulsory trade certification with safety.

Now, I'm not saying that we shouldn't have compulsory trades—

Ms. Catherine Fife: But it does make sense that if there's a training program and apprentices have the benefit of that on-site experience and then followed up and embedded with classroom education—knowledge keeps workers safe. Training does keep workers safe. Do you agree with that?

Mr. Sean Reid: We're going to work with the government on the details of this process. But here's what I know—

Ms. Catherine Fife: I hope you share our concern, though, about the lack of details. It's one thing just to knock something down and destroy it; it's another thing altogether to actually have a vision for apprentices in the province of Ontario.

Mr. Sean Reid: What I know is that my members tell me every day that we have a really drastic shortage of workers in this province right now in our industry, and we need to remove barriers. That's what this bill does for us.

Ms. Catherine Fife: Well, one of the barriers that this government has already removed, which is not good, is the inspectors. One of the transition measures is verifying credentials on worksites for non-contentious activity of compulsory trades. This does happen. We know that it

happens. The fact that the Ministry of Labour has paused their inspectors, who are a proactive measure to keep workers safe, really is of concern for us. Really, we just want to make sure you know that we would have dealt with this issue completely differently—

The Chair (Mr. Stephen Crawford): One minute.

Ms. Catherine Fife:—because we share your concerns around the skilled trades. But as this transition plan unrolls, with this government in particular and what they've already done, we have grave concerns for the safety of workers in the province of Ontario.

Mr. Sean Reid: We're looking forward to working closely with the government on their plans in this regard. I think there's opportunity to really innovate in this area.

Ms. Catherine Fife: Jamie West.

The Chair (Mr. Stephen Crawford): Mr. West?

Mr. Jamie West: Just in the remaining time—I know there's not a lot: Earlier today, we heard from someone else representing trades that the capping ratio—that there wasn't a cap at 1-to-1. So I just want to clarify for the record that there is a cap that you're not allowed to wiggle in. I guess you could if you wanted to, but the way the bill is written, there is a cap. It's 1-to-1 or nothing else.

If there's time, I wondered: How do you feel? Is it a one-size-fits-all for all trades? Or do you think there are some that might benefit from a different ratio?

Mr. Sean Reid: I think the approach that the government has taken on this is the right one. There have been different perspectives on the question of ratios for some time. But having been involved in this question for the better part of the last 10 years, there's a strong—

The Chair (Mr. Stephen Crawford): Thank you very much. I appreciate your testimony.

Ms. Catherine Fife: Mid-sentence, eh? You can't even finish your sentence.

The Chair (Mr. Stephen Crawford): We have to move on. Unfortunately, we were delayed by 15 minutes. We want to get all of the speakers in, so we're going to have to move fairly quickly.

CANADIAN MANUFACTURERS AND EXPORTERS

The Chair (Mr. Stephen Crawford): We'll now move to the Canadian Manufacturers and Exporters. If you could state your name for the record, and please begin right away.

Mr. Alex Greco: Alex Greco, Canadian Manufacturers and Exporters.

Good afternoon, and thank you for the invitation to appear before you today. My name is Alex Greco. I'm the director of manufacturing policy for Canadian Manufacturers and Exporters. Joining me today is Michael Sherrard from Sherrard Kuzz LLP. Michael is also a member of the CME Ontario human resources committee. Michael and I are here today to speak to you about Bill 47, the Making Ontario Open for Business Act, 2018.

Manufacturing is critically important to Ontario. In fact, it directly accounts for nearly 12% of gross domestic

product, 80% of exports and nearly 800,000 direct jobs. Factoring in these economic spinoffs, manufacturing drives nearly 30% of all economic activity, 25% of all jobs and one third of all government revenues.

However, over the past decade, the manufacturing sector in Ontario, once revered as the driver of our provincial economy, has been taken for granted. The result has been stagnating activity and plummeting investment. Capital investment in Ontario manufacturing is down 19.6% over the past decade, whereas in Quebec, it has surged by 8.3%.

When we ask our members why their investment is declining, too often we hear that it's simply too expensive to do business in the province. Energy prices have skyrocketed, regulatory burdens have become overwhelming and labour costs continue to rise. These are just some of the reasons we hear.

In the CME's management issues survey that was conducted earlier this year, only 21% of our members told us that they believed that the provincial government was supporting the growth of their company. Over the past year, a big focus of our members in this regard was the introduction of Bill 148 and the impact it had on their operations, the specifics of which we will touch on more, in a minute.

However, at the start, we want to state that we fully support the introduction of Bill 47 and the elimination of the most troubling aspects of Bill 148.

I want to be clear up front that while we did not support how rapidly the minimum wage increased under Bill 148, we agreed in principle with the increase, and we do not in any way support a rollback.

Our primary reasons for supporting Bill 47 are as follows.

First, Bill 148 did not balance employees' and employers' rights. Since Bill 148 was enacted, Ontario manufacturers have experienced a 7% increase in the rate of employee absenteeism, causing increased lost production and a decline in output and profits.

Furthermore, manufacturers currently have difficulty filling shifts because workers are taking unexpected paid leave early in the year. Our analysis shows that from January through July of this year, the number of employees absent from work spiked by nearly 12% over the previous year.

Given this context, we especially support the repealing of the scheduling and personal emergency leaves within Bill 148. The requirements are not only onerous, but they have no connection to health and safety concerns or any other legitimate government objective.

If Bill 148 was to remain in effect, it would have a cascading effect throughout our supply chains within the manufacturing sector. Therefore, a broad-based repeal of Bill 148 is necessary in order to restore balance between employees' and employers' rights. We believe that this will also increase our manufacturers' ability to attract new foreign and domestic investment to Ontario.

I would like now to turn the floor over to Michael to talk about our final two reasons for our support.

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Mr. Michael Sherrard: Thank you, Alex.

In the CME's latest bi-annual management issues survey, a report that takes the pulse of Canada's manufacturing community, a full 69% of the respondents said that they face immediate labour and/or skills shortages, and three quarters expect shortages within the next five years. In both cases, shortages are most acute due to the lack of students choosing careers in manufacturing-related fields.

With that premise in mind—

The Chair (Mr. Stephen Crawford): One minute.

Mr. Michael Sherrard: —we offer our final two reasons for supporting this legislation.

First, the Ontario Colleges of Trades had become too focused on enforcement and regulation.

The third reason is that the current journey person-to-apprentice ratios restrict opportunities for young people to begin a career in manufacturing.

With respect to the focus on enforcement and regulation, as the college is currently structured, it hinders the ability for manufacturers to attract and retain skilled workers and to train new tradespeople. Apprentices and employers need local, targeted support to get our apprentices signed up, to get them actually through their training and then, ultimately, to have them become journeypersons. This is particularly acute in rural communities in Ontario, and so the money, we believe, could be better spent if it was targeted at these rural communities.

The Chair (Mr. Stephen Crawford): Okay. Thank you very much. We're going to open up questions, starting with the opposition side. Mr. West?

Mr. Jamie West: Thank you to both of you. I was reading as you were going ahead. I truly wish there was more time. I know I keep saying it, but I really think that we could have a meaningful discussion if there was.

One of the early comments that you made, Mr. Greco, was that the manufacturing sector in Ontario, once revered as a driver of the provincial economy, was taken for granted and is down 19.6%. Where are those industries moving to?

Mr. Alex Greco: That's a good question. We've found through our research that a lot of the plants moved to the United States, specifically into Ohio, Michigan, Alabama and Texas. Companies have felt for too long that there wasn't a climate for Ontario manufacturers to make investments needed in their manufacturing facilities, but also the ability to find skilled workers in manufacturing. At one point, we talked to a couple of companies and they even told us that while they were able to keep employees for around two to five years, after that two- to five-year period, they would go elsewhere, to the United States, where there was a higher wage or better access to training or the ability to strengthen public/private partnerships.

Mr. Jamie West: But also, manufacturing—I mean, Alabama isn't exactly known for the highest wages, right? There's a lot of poverty in that area, as well, and manufacturing has also gone overseas, where wages are very, very low. Is there a point, do you think, where in manufacturing

you have to pay a decent wage so people can buy the product?

Mr. Alex Greco: A lot of manufacturers, first off, I would say, pay higher than minimum wage. In our industry we pay, our manufacturers, significantly higher wages, number one. Number two, as far as the relationship between the employee and the employer for wages, we've had a good track record of employees being treated fairly and, with respect to our members, never had instances where manufacturers have felt they were disrespected in any way.

Mr. Jamie West: I didn't mean that. I just meant that sometimes you look at your bottom line, and if you see the wages are minimal, it's tempting to move into another country.

I want to applaud you. It was tough with the minimum wage, but I like that you don't support a rollback. I wonder if you support a cost-of-living increase so that we're not stuck in the same situation of the rubber band snapping again. It was frozen in the past for eight years. We had this big jump. It was hard on industry to adjust. Do you think it would make sense to have a regular increase to the minimum wage instead of freezing it for another four years and waiting to see what happens after the next election?

Mr. Alex Greco: Our position on minimum wage is that we support minimum wage increases at the rate of inflation. Initially, under the Liberals, they proposed that. We thought at the time that the rapid raise was just not in line with the inflation and it was too fast. We are not opposed to minimum wage increases, as long as they're doing it at the rate of inflation and keeping it in check with the times.

Mr. Jamie West: That relates to what I was saying about if we had more time to discuss, because I think it was good feedback.

Another note you have here—I've read it in other places—is about the increased rate of employee absenteeism after 148 went through and how it spiked early in the year. But early in the year is winter, and that's the time of year when people get the flu and get sick. There are always a few bad apples, but do you think people were legitimately sick?

Mr. Alex Greco: I would say a few things. I think there are two things. With respect to the absenteeism rates, it wasn't just in the winter months. We've chatted with companies, even as early as a couple of months ago, when they chatted about their absenteeism rates. One company told us that their absenteeism rates went up as high as 23%.

So I think, too, at the end of the day, there are times where some people are legitimately sick, and other times that they're not. That's where the notion of the sick note from a doctor comes in, so that they've proven that they're ill and they're taking time off for legitimate reasons.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Jamie West: Okay. So the doctor is not here, but there was a doctor earlier, talking about clogging up the system because of it. I know, in my own experience, the doctor just signs. I just tell him I was sick the other day,

and he signs it and it goes in. So it doesn't seem worthwhile.

I want to congratulate you on building up the trades, because it is important. Those are good jobs; those are good-paying jobs.

I know I'm talking quickly, so don't take that as aggressive. I'm just trying to get through this.

Mr. Alex Greco: No worries.

Mr. Jamie West: We've been talking about safety and trying to get the safety portion of it. I was a furnace operator years ago, which isn't a recognized trade, but it is hot metal and things like that. If I was on a 1-to-1 ratio—I was training an employee, actually, and I missed a step, because I had been there so long that I just overlooked it. Is there any concern that maybe a seasoned worker—even though very skilled, informed—in regular training might miss a step, and that the apprentice might benefit from having different journeymen ratios?

Mr. Alex Greco: Go ahead, Mike.

Mr. Michael Sherrard: I think, on this one specifically, there is an Occupational Health and Safety Act that actually governs. Our reaction to it is, we've got a number of regulations that overlap. I think the Occupational Health and Safety Act and the inspectors—

Mr. Jamie West: No, no, what I'm saying is—

The Chair (Mr. Stephen Crawford): Thank you very much. Now we'll go to the government side: Mr. Piccini.

Mr. David Piccini: Good afternoon to both of you. Thank you very much for coming in today.

The first question, just broadly speaking, on manufacturing: We heard from a few other presenters today this notion that we're not going to get manufacturing back, that it's gone.

I was wondering if you could elaborate on (a) why you feel we lost manufacturing jobs over the past number of years, and (b) do you believe that that's an accurate statement? Or do you believe—if you could answer with respect to Bill 47—we will see manufacturing coming back into this province?

Mr. Alex Greco: I'll take that in a couple of different steps. The reason why manufacturing—when we talked to companies, there were a number of different reasons. One was the increase in regulatory burden on manufacturers, with a lot of regulations that either were redundant or that were too burdensome, to the point where companies weren't able to get through the red tape or get approvals in a wide variety of different cases—with respect to environmental regulations, for example.

Secondly, the fact is that when you look at the overall investment climate, there was a lack of opportunities for companies to make investments, whether it was into capital machinery or equipment through tax credits, for example.

The other thing, too, is that companies were not given the full-out ability to train new skilled workers. Without the skilled workers, companies are not able to properly employ the appropriate amount of manufacturers needed to either run a tool-and-die manufacturer or to operate an assembly line. I think that's first and foremost.

Secondly, though, I mentioned in my remarks that there are almost 780,000 jobs in manufacturing. Manufacturing was built on the backbone of Ontario's economy.

With respect to Bill 47, this is a first step toward a process. But if we take another approach by calling for a manufacturing strategy for Ontario where it ties into an apprenticeship strategy and where it ties into addressing skills shortages and looking at ways to give companies in need the investment supports, then manufacturing can come back.

You can't run an economy, from our perspective, on retail and real estate technology. It's all important, but you have to have the manufacturing part of it.

Mr. David Piccini: So Bill 47 is the right first step.

Mr. Alex Greco: Yes, it is the right first step, from our perspective.

Mr. David Piccini: Just on reducing red tape and the regulatory overlap there, I know that my colleague Mr. Parsa has come into my riding to discuss some of the regulatory burdens. In fact, manufacturing was key in that discussion.

I know we've often talked about the minimum wage component. Just talk about this government's commitment to reducing red tape, and how Bill 47, you feel, will help with the challenges that your manufacturing businesses have had.

Mr. Alex Greco: I'll touch on that a little bit, and then I'll let Mike check me on it.

I think Bill 47, with respect to the Bill 148 perspective, balances the ability for employees and employers to be balanced in terms of workers' rights. But also, looking at provisions like the scheduling provisions, the personal emergency leave provisions and the trade certification, it provides the opportunity to make the process much more streamlined while it allows companies to be able to have more money in their pockets. At the same time, given the fact that companies are able to look at ways where they can bring down their absenteeism rates, and have more companies work on an assembly line, particularly to bring down that absenteeism rate—I think that's important.

With respect to the College of Trades, for example, we had a board member at CME who sat on the College of Trades—our VP of Ontario. We were supportive of the College of Trades initially in its concept, but it became too burdensome in terms of regulations and focused on compliance too much. That's why you need something in its place to actually give companies the ability to train journeypersons, to train apprentices, and to build those manufacturing leaders for tomorrow. The 1-to-1 ratios help do that, from our perspective, as well.

1700

The Chair (Mr. Stephen Crawford): One minute. Mr. Parsa?

Mr. Michael Parsa: Alex, we know we've lost hundreds of thousands of jobs. You've been around some of the round tables that I've had. I've heard from the manufacturers. I've done my round tables across the province.

What's the mood of the manufacturers and big businesses now with the new administration? Are they optimistic about where we're headed with some of our policies, and in particular with Bill 47? Many of them were very critical of Bill 148. Yes, they did reference a massive amount of red tape. We're talking about 380,000-plus red tape in Ontario that they have to deal with. Are they optimistic about where we're headed?

Mr. Alex Greco: First off, for about the last 15 to 20 years, I think a lot of the manufacturing sector felt that they weren't being heard.

We're a non-partisan organization at CME, but I think the fact is, there were policies that were in place to try to get the economy moving, but also encouraging an investment climate where we could reverse some of those foreign direct investment trends, and look at ways on how we can attract new economic development in the province. I think we're starting to get there—

The Chair (Mr. Stephen Crawford): Thank you very much. We really appreciate it.

MS. JILL PROMOLI

The Chair (Mr. Stephen Crawford): We'll move on to the next speaker, Ms. Promoli.

Please state your name for the record. Again, we do have very limited time so we want to keep on schedule. Please start.

Ms. Jill Promoli: Good afternoon, everyone. My name is Jill Promoli. I thank you for the opportunity to appear before you today regarding Bill 47.

Two and a half years ago, an illness came through my daughter's school. When Isla came down with it on Monday, May 2, her teacher told me that this "nasty bug" had been going through the class for about a week and a half and everyone had had it. Some kids were very sick. Some hadn't returned yet. Isla was better by Tuesday night, and the earliest she was allowed to return following a fever, according to school rules, was Thursday morning, when she was no longer likely to pass on her illness.

On the morning of Friday, May 6, 2016, Jude, one of my two-year-old twin boys, woke up with a low-grade fever. Having seen it earlier in the week, we weren't worried. Everyone in Isla's class had had it, and Isla recovered quickly. Jude died that afternoon. The autopsy results were later able to determine that the illness had been influenza B, causing cardiac arrest. Jude had been a perfectly healthy toddler with no other health issues. Jude was just one of approximately 3,500 flu deaths in Canada every single year.

One sick child in a kindergarten classroom resulted in a class full of sick kids, who each took it home to their families. What if that first child's family had been able to keep them home instead? What if the reason they came in that day was because missing a day of work to care for a sick child meant sacrificing a day's pay and not being able to buy groceries that week? This situation isn't unique, and this is a problem that many Ontarians face every day.

I grew up in Port Elgin, a small community on Lake Huron. My dad worked at what is now Bruce Power until his sudden death when my brother and I were very young. My mom then faced the challenge of raising two children on minimum wage. Every time one of us got sick, she needed to make a difficult decision about what she would be able to afford that week as a consequence of taking the day off to be home with a sick kid—a young widow trying to make ends meet for her two children.

Coming from a lower-income home, there wasn't financial help for me when I wanted to attend university. I put myself through school with OSAP and minimum wage jobs, and I needed to work every hour I could get. Some terms were harder than others, and if I was too sick to work, rent still needed to be paid, and it meant I couldn't afford groceries. My choices were to go to work sick and take my illness in to all of my co-workers or stay home and not eat.

Today, I'm self-employed and I primarily work from home, and my husband has a job with generous vacation time and flexibility for personal emergency and illness. I'm not here today to advocate for accessible and affordable sick days because I need them in my current situation, but because I grew up in a home with a mom who would have really benefited from these protections, because I was a starving student who desperately needed that help at one point in my life, and because now, today and for the rest of my life, there's a whole person missing in my family because one sick child came to school and passed the flu on to my family.

There are high-risk people around us all the time. Sometimes it's obvious and sometimes it isn't. We know that the highest-risk people for illnesses like the flu are young children, seniors, pregnant women, and people with underlying health conditions like cancer, heart disease, diabetes or asthma. We can't always look at someone and see a health issue they're dealing with. We can't look at someone and see the high-risk loved one they have at home. What might seem like a minor illness for a young, healthy adult could be life-threatening for someone else around us, or the person they go home to. It isn't just about our own comfort and needs; it's about everyone we come in contact with.

Preventing the spread of illness is a public health issue. The discussion of sick days in the context of Bill 47 has been framed from the perspective of businesses, but it isn't good for workers or businesses when employees are forced to come in to work sick. And it isn't good for our communities when children are forced to go to school when they're sick because their parents can't afford to take a day to care for them, or have already used their three designated days for the year.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Jill Promoli: Schools and daycare centres have strict rules about when a child can't be present due to illness, and those rules are in place to protect everyone's children. Kids are wonderful, but every parent knows how quickly they pass illness back and forth and to everyone around them.

What happens to a family with three young kids in school when it's October and they've already run through their personal emergency days? What should that family do? They can't send their vomiting kids to school, but the government has capped the number of guaranteed days to care for their family in this type of circumstance, and missing work will result in a lost job. What options are now available to this family, thanks to Bill 47?

What does a young widow do when her child is too sick to go to school, but staying home means missing a day's work that would have paid for groceries? How does this legislation serve the people?

On October 30, 2018, Minister Lisa MacLeod stood up in the Legislature and said, "The best social program in the province of Ontario is a job." But what if your position is so tenuous that an illness lasting more than three days can put you out of work?

Bill 47 increases the chance that many people will get sick at work and be forced to go in to work because of the illness they've contracted there, continuing to pass it on.

The Chair (Mr. Stephen Crawford): Thank you very much. We appreciate your testimony.

We're going to move to the government side for questioning. I'll start with Ms. Martow.

Mrs. Gila Martow: First, on behalf of everybody in the room—and I think I can speak for the opposition as well—thank you for coming in, and we're very sorry for your loss.

Ms. Jill Promoli: Thank you.

Mrs. Gila Martow: I have four children, and they were all sick at various times. I was running my own business, and I understand the challenges of running the business. The employers have families as well, and the employers have challenges as well. They have to keep their business running so that they can provide those jobs. It's always a delicate balance.

What I want to say to you is, first of all, thank you for reminding everybody. It is flu season, starting soon. The snow is starting to fall outside, I hear. I'd like to go out and see it. But we want to make sure that people who can get the flu shot get the flu shot, because there are many people who cannot have the flu shot, and often those are the people who are vulnerable. So I want to thank you for highlighting that.

I just want to ask you if maybe you can talk just a little bit about not having that type of precarious employment, where you don't have that great relationship with your employer, and the employer is worried about just keeping his business doors open. What can we do, as a society and as a community, to encourage employers and employees to work together to support the businesses, to support the jobs and to support the workers and their families to create that kind of culture? Because what we hear from many of the business owners and their employees is that it's like a family and they do support each other.

Ms. Jill Promoli: I'm not entirely sure I understand the direction of your question.

Mrs. Gila Martow: Just that it's not all about rules and regulations. I'm assuming that you're working, and you've

had jobs where you had to choose between going to work or staying home with a sick child—if you want to talk about that.

Ms. Jill Promoli: Yes. I have been in a situation where I've had to choose between going to work or staying home, and staying home meant that I didn't get paid and then I couldn't buy groceries that week. I have been in that position.

We're looking at this situation where we're taking away two paid sick days. I hear from a lot of people. I talked to my own MPP in my riding, who is a Conservative, about this situation, and he said, "Well, it's only two sick days. It's really nothing." I said to him, "Well, if you're a young widow who is looking after two children, and you really need every hour that you can work so that you can take care of your family, those two paid sick days mean that you're buying groceries those two days, and you can afford to look after your children."

I understand that there are challenges as a business owner—because I do own my own business—where you do have to look after your own bottom line at the same time too. But we do have to make sure, when we have employees, that we're looking after them also. We have to make sure that if somebody is sick, we're employing people who can afford to go home and live on what we're paying them.

Mrs. Gila Martow: All I'm saying is that the vast majority of employers that we've spoken to do respect the fact that people have families, and they want to support their employees. People need their employees, they want to support their employees and they want to hold on to their employees. I think it's that culture that we really need to all work on together. It's not just about government regulations and standards and rules; it's about creating that culture. I really want to thank you for coming in.

1710

Ms. Jill Promoli: Of course. I guess my question back to you then is, what about employees who are in a situation where they don't have an employer that is taking proper care of them, that is making sure they have the flexibility when their children are sick? There are families who are sending their sick children to school because they don't have the option to stay home with them, and then we have a class full of sick kindergarten children. And then we have people who are losing their lives. Some 3,500 Canadians are dying from flu every single year. To me, that's shocking. I don't know if you've seen the handout that came around, but that's a town the size of Southampton or Bobcaygeon.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Jill Promoli: That's twice as many people as are dying from car accidents, every single year. It's a shocking number of people dying from a preventable illness. While the flu shots are our best first defence, when people do get sick, it is so important for people to stay home, because when we stay home, we're not taking it into work and making more people sick and causing more people to have to stay sick as a result.

Mrs. Gila Martow: I really want to thank you. Again, a really heartfelt—it's good that you've come in, and it's good that you remind your MPP and others as well of your situation with your son and the flu and the school. It is challenging because we have—

Ms. Jill Promoli: It's everybody's situation because this is public health. This is about all of us. It happened to my family; it can happen to every single person's family. We don't want that. This is why I'm here today.

The Chair (Mr. Stephen Crawford): We'll now move to the opposition side for five minutes. Mr. West.

Mr. Jamie West: Thank you very much for sharing your story. I want to echo the government's condolences. It was just terrible listening to it. I was at a funeral for a child last week, and I can't imagine what you're going through, so I apologize.

I wanted to say, as well, that my wife is a teacher in a kindergarten, and I can attest there are many children who are showing up with—I call them the double barrels, going down. They show up sick because their parents can't afford to miss work. It does spread all through everywhere, and it affects my family and my life.

Before I go on, was there more that you wanted to say when you ran out of time in what you were reading? I'll just offer you that time.

Ms. Jill Promoli: Thank you. Preventable illness killed my child. Withdraw Bill 47 for the sake of public health. The family you protect might be your own. Some 77% of Ontarians oppose this legislation. The government ran on a platform of being for the people and ending hallway medicine, and Bill 47 works against both of those objectives.

This is something that we heard over and over through the campaign: Hallway medicine is a huge concern for Ontario. We all know this, and I think everybody, regardless of political stripe, knows that this is a problem. We've all been affected by health care in this province, especially during flu season. In Canada, there are approximately 12,200 hospitalizations due to the flu every single year. Every single one of those hospitalizations costs \$14,000. In Ontario, where we have so many people, that's a lot of money that we're spending on the flu and a lot of resources that we're directing to a preventable illness.

If we could keep more people home when they're sick instead of sending them into the workplace, then we'd have fewer people getting sick and passing it on to how many people when they go to work, when they get on the GO train, when they go to the doctor's office for a doctor's note? If we can keep them home instead and just say, "Stay home, rest, take your days and avoid passing it to everybody," then we're going to have fewer people ending up in the hospital. We're going to have fewer people dying. It's as simple as avoiding spreading it to the people around us.

The Chair (Mr. Stephen Crawford): Ms. Fife?

Ms. Catherine Fife: Thank you very much, Ms. Promoli, for coming in.

I just want to let you know that the NDP is going to be introducing an amendment to address the sick days because the evidence and the research shows that there is a negative consequence, not just from a compassionate or humanitarian perspective, but the cost to the health care system and on the economy when people don't have access. Some people have said, "Oh, it's just two days," but you've made a very compelling case. I hope the government is listening, and I hope they support our amendment to keep the two paid sick days in Bill 47. That has to be something that we can find some common ground on.

It is about rules and regulations, as you pointed out, because if people don't have a union and they don't have those benefits, all they have is the Employment Standards Act. That's all they have. It's not just about a feel-good moment here; it has to be embedded protection for workers. Would you agree?

Ms. Jill Promoli: Absolutely. I have a friend who is a teacher in a private school. Her employers are not good, and so they have to rely on the Employment Standards Act for their sick days. She teaches kindergarten. She gets her two paid sick days and then the additional eight days, which now are going to be defined according—

Ms. Catherine Fife: Yes, exactly.

Ms. Jill Promoli: And two days for bereavement? "Okay, so your spouse died. I'll see you Wednesday"? Anyway, I'm going off topic there.

Ms. Catherine Fife: I think that your point, as well, is that it is women, primarily, because women are the majority of part-time workers in the province of Ontario and so they don't have that anchor of protection in the workplace. Once again, thank you.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Catherine Fife: We're going to be moving amendments to this act which directly reflect the values and the statements that you've made to us today. Once again, I truly hope that the government is listening on this issue, not just because of the compassionate and humanitarian, but the economic and the health care costs as well.

Ms. Jill Promoli: Yes, and I understand that we're talking about business here but, really, what is the cost of business when we're talking about people's lives?

Ms. Catherine Fife: Exactly.

Ms. Jill Promoli: We lost a two-year-old, but there are thousands of Canadians who are losing their family members every year; thousands of families just like ours. It's never going to change. It's never going to get better. I understand people have their bottom line, but Jude is gone, and there are thousands of people like ours every single year. We can do better. It's a matter of giving people the time they need to recover, and keeping illness out of the workplace and classroom. It's simple.

Ms. Catherine Fife: Thank you so much.

The Chair (Mr. Stephen Crawford): Thank you very much.

Ms. Jill Promoli: Thank you so much.

The Chair (Mr. Stephen Crawford): Thank you for your testimony.

ONTARIO RESTAURANT HOTEL AND MOTEL ASSOCIATION

The Chair (Mr. Stephen Crawford): We'll now move on to the Ontario Restaurant Hotel and Motel Association. If you could please state your name for the record, and we'll start right away.

Ms. Leslie Smejkal: Good afternoon, Chair and committee members. I'm Leslie Smejkal, vice-president, Ontario Restaurant Hotel and Motel Association.

We are the largest provincial hospitality association in Canada, and we thank you for selecting ORHMA today. I am here on behalf of approximately 11,000 ORHMA members to address Bill 47. This act, as we all know, is making Ontario open for business. The proposed act would remove the worst burdens that prevent Ontario hospitality businesses from creating jobs, while expanding opportunities for workers. The government is proposing to repeal amendments made by the Fair Workplaces, Better Jobs Act, known as Bill 148, that are causing our employers the most concern and unnecessary burden.

The last few months have not been easy for food service and restaurant owners and operators in this province. Bill 148 brought in sweeping reforms that continue to take a significant toll on many of the businesses. The previous amended labour legislation has impacted our sector by increasing red tape, adding unnecessary costs and making hospitality operations more onerous to operate.

We are truly encouraged that Bill 148 is being repealed by the PC government. We know these proposed changes will reduce red tape and allow businesses in the hospitality industry to catch up on their operating costs, while ensuring they can hire more employees. We advocated and participated in the provincial government review of Bill 148 with consideration given to the impacts on Ontario job creators, and the opportunities for vulnerable workers as well. We brought forward many recommendations for the government to consider and we believe we were heard.

The previous labour policies were costly and changed how our members operate and how they do their business today. They had to cut back on hours for employees and reduce how many new employees they hire. They also had significant increases—all of them—for labour costs, and some had to pass those costs on to the consumer. Many in the hospitality, foodservice and restaurant industry were forced to revise and reduce benefit plans. Many sought to utilize new technology to compensate for labour. Those with liquor-serving wages with tip-pooling practices have been revised and/or removed.

With the revised labour reforms, we'll be able to hire people and grow our business while reducing red tape. We are supportive that the Ford administration is listening to Ontario's hospitality industry, as we were considered among all other sectors in a one-size-fits-all approach to all labour reforms by the previous government.

The hospitality industry is unique. We are not typically a nine-to-five job. We have huge traffic-demand variances, multi-task responsibilities, profit-margin differences, a lack of resources and are operating with

significant amounts of red tape. As well, we are an industry that is an entry-level employer for many of the youth, seniors, immigrants and non-skilled.

We support that the labour laws are being amended to support both employees and employers. ORHMA membership will have the opportunity to hire and grow their businesses here in Ontario. We strongly support the intent of the legislation and look forward to working with government for smooth implementation for both the employees and employers. We'd like to thank the PC government for taking the time to listen to the hospitality and food service industry concerns. We appreciate taking any questions at this time.

The Chair (Mr. Stephen Crawford): Okay, thank you very much. We'll start out with the questions from the opposition side: Ms. Fife.

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Ms. Catherine Fife: Thank you, Chair. During the two years of the original consultation on Bill 148, we did hear from ORHMA a lot, and we met with ORHMA. Because of the timing and the lack of time, I think that we're going to pass on our questions. But thank you very much for your written deputation, as well.

Ms. Leslie Smejkal: Thank you.

The Chair (Mr. Stephen Crawford): I'll go to the government side, please.

Mrs. Gila Martow: We've heard a lot of presentations today, and different points of view, of course. But I think that even those people who were saying that they didn't support Bill 47, for different reasons, the repeal of a lot of things in Bill 148—we kept a lot of Bill 148 that supported the most vulnerable workers in Ontario. What it comes down to is that I think everybody has a reasonable understanding that we have to find the right balance between protecting workers and supporting workers, and ensuring that our businesses can stay in business, can keep those jobs and, in fact, grow jobs, and not just minimum-wage-paying jobs but good jobs.

Maybe if you could speak to that a little bit, about what your sector needs to see in order to create good-paying, long-term jobs that people enjoy.

Ms. Leslie Smejkal: Our sector is known for the entry level, so we actually bring in those who might have their first job in the hospitality industry, whether you're working for a restaurant or an hotelier.

There was significant job loss, and the youth were impacted greatly by the previous legislation. We believe this new legislation will give the opportunity for employers to hire more youth and see more youth come into our industry. We do have a labour shortage. We are about fairness to our employees, and we always have been.

We continue to see the opportunity of reducing the red tape, to allow owners and operators to utilize their profits to hire more people. I think that's an opportunity for our industry.

Mrs. Gila Martow: Ms. Skelly?

The Chair (Mr. Stephen Crawford): Ms. Skelly.

Ms. Donna Skelly: Thank you. I want you to expand on that, because I think that throughout this entire

conversation, critics who are so adamant that Bill 148 should not be repealed don't believe that there is a place in society and Ontario for a minimum wage job. I think that there isn't a person in this room who didn't start out at one point with a minimum wage job.

When we talk about kids having debt that they're accumulating as they go through post-secondary education, or people who simply want an extra income to help them get ahead—I want you to expand on the value of that place in the workplace as well.

Ms. Leslie Smejkal: I don't know what the exact value would be. But having a job and getting the opportunity to move up—if you look at many of the national brands that we represent, many of the CEOs worked their way through the chain. They started off washing dishes. They started off behind the scenes.

The entry level: Can I quantify it? It's a huge opportunity. It's a stepping stone in the right direction for accountability and responsibility. For those who come to Canada, there's an opportunity for working in our industry and moving forward in many positions, whether you're in hotel or accommodation or a restaurant or foodservice industry.

For us, the opportunity to hire people is what we need. We have a labour shortage. Many of our jobs do start off at minimum wage. It's \$14 for a dishwasher. There's a need for dishwashers in the city of Toronto in many restaurants. If anyone's interested, we're looking.

But having said that, it's an entry-level job that blossoms into a corporate career, potentially, or into other skill sets that take you either into politics or some other industry.

I think it's unbelievable that our industry has to struggle to find labour when there's great opportunity ahead.

Ms. Donna Skelly: And—

The Chair (Mr. Stephen Crawford): Mr. Parsa.

Ms. Donna Skelly: No, go ahead.

Mr. Michael Parsa: Go ahead, and I'll finish up after.

The Chair (Mr. Stephen Crawford): You have the floor, Mr. Parsa.

Mr. Michael Parsa: Bill 148: When we were doing round tables and consulting with small businesses in particular—some from your industry—it was described as adversarial, as a bill that would pit employees against employers, and that it was counterproductive, in contrast to Bill 47, which many of them are supporting. You have already indicated your support for it as well.

You already acknowledged the fact that we lost a lot of jobs as a result, and many of them could have been in your industry, which we know they were. Do you see that, as a result of Bill 47—once it has passed, do you see these jobs coming back?

Ms. Leslie Smejkal: I think there are two answers to your question. With the amount of increase in wages, it had a reciprocal effect on our industry. If someone was already making \$14 or \$15 and they were a supervisor, you had to then pay your minimum-wage base employee and you had to increase all your wages. So it had a huge impact on the business bottom line for many, whether you're a

small business or a franchise owner, which we put in the same bucket.

I think the opportunity for looking at what we can do with that effect is saying, “Okay, well”—

The Chair (Mr. Stephen Crawford): Thank you very much. I apologize. We do have to finish, but thank you.

COALITION OF CONCERNED
MANUFACTURERS
AND BUSINESSES OF CANADA

The Chair (Mr. Stephen Crawford): We’ll now move on to our next speaking group, the Coalition of Concerned Manufacturers and Businesses of Canada. If you could please come up and introduce yourselves for the record—your names. You can please start right away.

Mr. Peter Gossmann: Good afternoon. I’m Peter Gossmann. I’m from the Coalition of Concerned Manufacturers and Businesses of Canada and I’m a business owner in Richmond Hill.

Ms. Jocelyn Bamford: My name is Jocelyn Bamford. I am the founder of the Coalition of Concerned Manufacturers and Businesses of Canada. We have a family business in Scarborough, Ontario, called Automatic Coating Ltd.

Mr. Peter Gossmann: I’ll start, and then Jocelyn will finish.

Jocelyn and I actually testified here at the hearings in November 2017 for Bill 148, and we laid out our position as to why we thought that many of those things were not conducive to business. We viewed that as the third nail in the coffin for business after the excessive hydro mess and the impending cap-and-trade and carbon tax, all of those things making it very difficult for us to be in business in Ontario, and it made many of us look elsewhere, outside of Ontario, to expand or to move to.

Our opposition to Bill 148 was observed as—it seemed as though the previous government, in the 18 months leading up to the election, was offering a free gift every month, either to buy votes or to gain favour with various organizations, unions in particular, that spent hundreds of thousands of dollars on attack ads in favour of that government and against opposition at the time. I think that the voters ignored those dangling carrots presented by the previous government and voted with their heads to give a clear mandate to stop the gravy train. The fact that people don’t like it now means, really, that they’re out of touch with what the people of Ontario gave this government a mandate to do.

Things that, thank God, didn’t get passed on, like free drugs, free university, free daycare, all of these things that this province can’t afford—I brought some statistics. This is from Stats Canada. It’s very significant that in 2001, 42% of the population of Ontario worked in the private sector. Today, that’s dropped to 34%. During the same time period, the public sector increased by a percentage from 8.3% to 8.7%, but significant to that is that health care dropped from 2.5% down to 1.7%. We got rid of a lot of people in the health care sector in favour of other people

in government, and that went from 5.8% up to 7% of the population.

Those statistics are very significant in that the tax base is disappearing. We’re trading high-paying manufacturing and tech jobs for minimum wage jobs. I can certainly sympathize with anybody trying to live on minimum wage. I don’t think anybody in our coalition had a problem with it being increased to \$14 an hour. However, the rest of the components of Bill 148 that are being repealed now were just insult to injury.

Sick days—we call them “sick days.” They weren’t sick days; they were vacation days, because it didn’t require you to prove that you were sick. This year, many of the members in our coalition experienced that by the end of February or mid-March, everyone had taken those days, most of them just after the Super Bowl.

There are things that we can afford and things that we can’t afford. The debt is astronomical in this province and the deficit has to be dealt with. We have to do that by bringing back jobs to the province, and those jobs will increase that tax base to pay for that debt.

The Chair (Mr. Stephen Crawford): One minute.

Ms. Jocelyn Bamford: The Coalition of Concerned Manufacturers and Businesses of Canada supports the Ford government’s announcement of reversing the unmanageable parts of Bill 148 with Bill 47. The coalition recognizes that 92% of businesses in this country are 100 people or less, not large corporations with record profits.

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We understand the struggles of supporting both jobs, workers and the survivability of our companies. These companies are the economic engine of our economy and have been severely damaged by past poor government policies for the last 14 years. Bill 148 was just too much too soon and left companies that were already faced with three times the electricity rate due to the green energy plan and extra costs from cap-and-trade, the federal attack on passive investments—which we utilize to get us through those lean times, so we don’t have to lay off employees—onerous regulations and the challenges of global competitiveness—

The Chair (Mr. Stephen Crawford): Thank you. We’re going to have to move to questioning now. I’ll start with the government side. Ms. Skelly.

Ms. Donna Skelly: Thank you for your presentation. I’ve been travelling across the province, speaking to hundreds of manufacturers, and they have shared with me that they are working in an environment where the previous government has created an uncompetitive environment. Earlier today, we had a spokesperson say that there isn’t a day that goes by that he doesn’t receive a phone call from somebody representing an economic development organization south of the border offering him enticements to move his operation.

If you could, just fairly concisely, tell us the worst impediments facing manufacturing in this province today.

Ms. Jocelyn Bamford: Electricity rates. We pay three times the electricity rates. I pay between 18 and 21 cents a kilowatt hour. I could move my business to the United

States and save \$250,000, plus be given a free building, a tax incentive, and the list goes on and on. Peter has made the decision that instead of having his growth here—and there are many in our coalition, hundreds and hundreds of jobs. Instead of growing here, they've decided that it's better to grow south of the border, not because they want to, but because they need to do that for the viability of the company.

The one thing that really concerns me is that we work it out with our employees. When you have a small company, the biggest lesson I learned—and I came from corporate Canada before I married into a family business—is that my husband said to me, “What don't you get? We don't make decisions for you and me. We make decisions for you and me and our employees and all of their families.” That is a lesson that I live with every day.

The amount of companies in our market space—when we have employees who are sick, and they're truly sick, we give them the time off. We had an employee whose wife was dying of cancer. We worked it out amongst ourselves. He came in for a couple of hours, he went home and looked after her, and he came back in a couple of hours. We had that, and that was for over a year. He was paid full-time because he was a great employee. That's our biggest struggle: to keep and maintain good employees.

A lot of the legislation doesn't recognize that 92% of businesses are 100 people and less, and that we need skilled workers and will do whatever we can to keep those skilled workers.

Ms. Donna Skelly: When you heard that the Ford government was going to put forward legislation to repeal Bill 148, what did you think?

Ms. Jocelyn Bamford: We were happy, because it was the first sign that somebody understood the struggles that we face as employers and recognized that we do try to balance the best for our workers and for our companies. It's a balance. If you can't make any profit or you're losing money, something has to give, and that something that has to give is moving or closing.

The biggest phenomenon that people don't understand is that a lot of small to medium-size companies are selling out to large multinationals which are owned by foreign companies, so we are going to have an economy that's completely organized and managed by outside forces. We make decisions because we don't want to lay off somebody who has worked for us for 20 years. Larger companies are removed, and they make those decisions on the bottom line. So I would think that if we want to have a mutually beneficial environment in this province, we have to look after the small and medium-size businesses and make sure everybody's interests are taken care of.

Ms. Donna Skelly: Does anybody else—

Mr. Michael Parsa: Yes.

The Chair (Mr. Stephen Crawford): Mr. Parsa?

Mr. Michael Parsa: You mentioned some of the variables and some of the reasons as to why we're losing so many manufacturing jobs. We know we lost hundreds of thousands of jobs already, and the previous administration pretty much washed their hands and said, “Well,

they're gone. It's done.” We're not. We've made it very clear that we're going to fight for those manufacturing jobs. We want to bring those good-paying jobs back. We want our employees to make a good living, away from minimum wage.

The Chair (Mr. Stephen Crawford): One minute.

Mr. Michael Parsa: Thank you, Chair.

Could you please share some of the specifics that you have heard from your members as to why they're closing here—in particular around Bill 148—and why they're going to the States? I know they're rolling out the red carpet, but—

Mr. Peter Gossmann: Sure. Cost aside, I think most of the people in our coalition are like myself: Five years ago, 30% of my sales were US and 70% Canadian. It's reversed now. Some 70% of everything I make goes to the US and only 30% is Canadian, and that means the Canadian companies are shrinking and the US is taking off. That's one of the big reasons to locate down there.

Cost aside, I'll save 20% on my overhead costs just by going down there, with hydro—and that doesn't include wages. The wages and benefits, the health care, will be the same there as they are here. It's all the other costs—

Mr. Michael Parsa: Sorry to interrupt there. I know he's going to cut me off any second, but do you see, with us repealing it and introducing Bill 47—

The Chair (Mr. Stephen Crawford): I am unfortunately going to have to cut you off, Mr. Parsa.

We're going to move now to the opposition side. Ms. Fife.

Ms. Catherine Fife: Thank you, Chair, and thank you, Jocelyn and Peter, for coming in and for bringing the letters from your members. It's helpful for us to have. However, during the two years, we also heard from the coalition and from your members, so in the interest of time, Chair, once again we're going to not offer any questions to the delegation. But we do thank you for coming in.

The Chair (Mr. Stephen Crawford): Okay. Thank you very much.

MR. ABDULLAHI BARRE

The Chair (Mr. Stephen Crawford): We'll move on to our next speaker. If you could come up, please, Abdullahi Barre. I'm not sure if I got the name. Hi. If you could please introduce yourself for the record, and please start speaking right away, that would be great.

Mr. Abdullahi Barre: My name is Abdullahi Barre. I am one of the Somali community leaders who live in Etobicoke North. Premier Doug Ford is our MPP.

Let me tell you that Bill 47 is not good for our community at all. The majority of our community, the Somali community, live in Etobicoke North and York South-Weston. Thousands of people in my community are very worried and concerned about Bill 47. We want you to withdraw this bill, Mr. Chairman. We need paid sick days, equal pay for equal work, and scheduling rights. These are basic protections that help us at work.

On behalf of Imam Sheikh Abukar from the Khalid Bin Al-Walid Mosque, the largest Somali mosque in Etobicoke North, the leader of our leaders supports Bill 148 and he is very concerned about the delay of the \$15 minimum wage until 2025. In addition, many in our community voted for Mr. Ford. The Premier said that “change was needed to help the people.” We are the people. For that, they want the government to listen to the people and make sure they get the minimum wage to \$15 by January, 2019.

Imam Abukar, who is the leader of our leaders and is the imam of the largest Somali mosque in Etobicoke North, is one of the hundreds of faith leaders across Ontario who have publicly spoken in support of a \$15 minimum wage, paid sick days, equal pay for equal work, and other fairer labour laws that were brought in by Bill 148, Fair Workplaces, Better Jobs Act.

Let me also tell you that all our community leaders are very concerned about the paid sick days and the stress on the families of our community, working long hours with no family life.

When the Ontario Parliament passed Bill 148, you cannot imagine and believe the happiness our community had expressed. Until now, you can read it from their faces. From January, workers got a much-needed increase of \$2.40 per hour. This has been critical in helping our communities who are dealing with low wages.

Many in our community have been facing bad working conditions. Most of them are temp agency workers with no fixed schedule and health benefits. Equal pay for equal work is so important. Many of us are stuck in temp work, with no access to permanent jobs. People are paid less, get no benefits and can't get ahead. In my situation, for the last 10 years I was forced to hold two full-time jobs just to put food on the table and pay for my housing.

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When the minimum wage was at \$11.60, my community members could not afford to pay their bills. For that, they were forced to hold—

The Chair (Mr. Stephen Crawford): One minute.

Mr. Abdullahi Barre: —two or three different jobs.

Things got a little easier when the wage went up. But \$14 is not enough. We are still living in poverty. Can we live with \$14 per hour? People are still having to work multiple jobs. By doing so, they are not only compromising their health, but they also don't have time to stay with their kids and enjoy time with their families. They are forced to go from job to job to job only to pay their bills. Above all, they are always in a rush; they eat little, sleep less, and go back daily to this never-ending journey.

When they are sick, many of them have to go to work and spread their illnesses to their co-workers; otherwise, they will not get paid.

The Chair (Mr. Stephen Crawford): Okay. Thank you, Mr. Barre. We'll now go to the opposition side to start questions. Ms. Sattler?

Ms. Peggy Sattler: Thank you so much for coming here today on behalf of the Somali community, and also on behalf of people who live in Doug Ford's riding. That's very helpful.

I think that you had some more to say. I wondered if you would like to finish your presentation.

Mr. Abdullahi Barre: Okay. We have found that people are giving more money. When the minimum wage was increased to \$14, our community was giving more money to charities and sending more money back home, which is desperately needed. In Somalia, the civil war is still going on. When the minimum wage increased to \$14, they started to send back home more money and they paid into more charities. For that, you can understand the increased spending power of our community.

Our small business owners are booming because the minimum wage earners are spending their money. Istar Restaurant—you can go there, at 235 Dixon Road—it's operating 24 hours. Before, it used to close at 12 midnight. But now they open it 24 hours because our community is spending. Many other restaurants are like that.

Because of these conditions, our community wants the increase of minimum wage to \$15 in 2019—not, Mr. Chairman, 2025—please, more paid sick days, and equal pay for equal work.

We strongly urge you to withdraw this bill and do not let our community suffer with poor working conditions, no sick days and poverty wages. Do not allow this to pass.

Ms. Peggy Sattler: Thank you very much. One of the points that you made in your presentation, we haven't heard yet today. You talked about the imam and the faith community.

Mr. Abdullahi Barre: Yes.

Ms. Peggy Sattler: Faith leaders are supporting a \$15 minimum wage and fair protections for workers. Can you elaborate a little bit about why faith leaders would feel so strongly about the minimum wage?

Mr. Abdullahi Barre: Because in our community, when the minimum wage was increased, they started to pay more donations to the mosques and send more money back home, which is desperately needed.

Ms. Peggy Sattler: Thank you.

Mr. Jamie West: You talked about being from Doug Ford's riding. You said that, “We are the people,” which is part of their slogan. With Bill 47, do you feel that this is a government that's representing the people?

Mr. Abdullahi Barre: No, not at all. Bill 47 is very bad, not just for our community but for all minimum wage earners in all of Ontario.

Mr. Jamie West: You also mentioned that many people from the Somali community voted for that government. Do you think this will be an election issue?

Mr. Abdullahi Barre: Yes, because Doug Ford promised that this government will help the people, and we are the people, so we are asking the Premier and the Conservative MPPs to withdraw this badly crafted bill.

Mr. Jamie West: One of the other things that you said was about having two or three jobs. We heard a lot today about job creation. Do you think it would make sense for the government to talk more about career creation—

The Chair (Mr. Stephen Crawford): One minute.

Mr. Jamie West: —because we do currently have people working multiple jobs and not making ends meet.

Wouldn't it make more sense to have good-paying career jobs?

Mr. Abdullahi Barre: We are compromising our health because, with only one job, we cannot afford to pay our bills—understand? So we have to go from job to job. We cannot stay with our kids. We cannot enjoy with our families. We cannot enjoy going out with our friends—understand? Job to job—when you come home, you eat a little, sleep less and go back to work.

Mr. Jamie West: Thank you very much for sharing your story.

The Chair (Mr. Stephen Crawford): We'll go to the government side: Mr. Piccini.

Mr. David Piccini: Thank you, Mr. Barre, for coming today, and thank you for sharing your perspective. I know that in my community there are a number of Somali business owners. As someone of Italian descent, in my family as well there are small business owners, so I appreciate you sharing that perspective. I appreciate you coming in.

I know that a large portion of this—and Mr. West touched on the fact that you're from Ford nation, in Etobicoke. You mention that a lot of people in your community supported Doug Ford. Were you one of them who had supported Doug Ford?

Mr. Abdullahi Barre: No, many of them.

Mr. David Piccini: Were you one of them who had supported Doug Ford? In your community, were you one from within your community who had supported Doug Ford?

Mr. Abdullahi Barre: Many of them support him, yes.

Mr. David Piccini: Do you know any of the other presenters here today?

Mr. Abdullahi Barre: Imam Abukar, who is the director of the largest Somali community mosque in Etobicoke North—it was too late. I got the email for this presentation—

Mr. David Piccini: And he was too late?

Mr. Abdullahi Barre: —late last night. I got it late. He delegated me.

Mr. David Piccini: I appreciate him delegating and getting, as they said, the faith perspective. I appreciate that.

When I saw you were on the list not from a group, but as an individual, I did some googling just to understand, of course. I came across an article which did elaborate on many from your community supporting Doug Ford, and then, with respect to Bill 148 and now Bill 47, having concerns.

When I googled you just to understand where you were coming from, I came across a number of events in 2016 that you attended that were—an event for \$15 and Fairness. Is that correct? You did?

Mr. Abdullahi Barre: Yes.

Mr. David Piccini: Okay. Given that you attended that event in 2016 and you've been actively informed on this issue, on Bill 148, for at least two years, I think you would also know that our government's position has been quite clear. Premier Ford and our Progressive Conservative

Party have been clear on this issue. In 2017, the PC Party voted against Bill 148. Premier Ford has been very clear from day one on his position on this.

So I was a little confused in seeing you supported—given that we've been clear on this issue; however, not quite as confused given that you've been involved in a number of rallies with \$15 and Fairness, Unifor and Ontario Federation of Labour. That helped me understand where you were coming from.

Would you just acknowledge, though, that our party has been consistent in our position on this issue for the past two years?

Mr. Abdullahi Barre: Those of our community who voted for Doug Ford were waiting for the government and their MPPs to help the people—understand? That's why they voted for him. Many of them voted for him, and now they are waiting for this help. He promised that he would help the people—understand? We are waiting for this help.

Mr. David Piccini: But would you acknowledge that over the last two years our party has been very clear on the position on Bill 148 and the repeal?

Mr. Abdullahi Barre: Your party, the Conservative Party?

Mr. David Piccini: Yes.

Mr. Abdullahi Barre: I was listening to the radio and the news. But those of our community who voted for Doug Ford were waiting for this help, because they belong to the people. We are the people, and we need help from you.

The Chair (Mr. Stephen Crawford): Mr. Parsa?

Mr. Michael Parsa: Mr. Barre, thank you very much for coming in.

The Chair (Mr. Stephen Crawford): One minute.

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Mr. Michael Parsa: Yes, thank you. I get always the one minute.

Thank you for coming. I just want to tell you, I grew up with a family—one of my friends, a Somali family. They came to Canada with very little. They built a business. They have a small business on their own—very proud, very hard-working people. I know your community; I know how hard you work.

Yes, they probably voted for either side. But do you know what, Mr. Barre? The message I guess we can give you, and if you can also talk to the members of your community, we're looking at—you mentioned that there are people that are working two jobs to make ends meet. That's what we want to get away from. We want to get away from an economy that promotes minimum wage. We want good-paying jobs back in Ontario. We want jobs in Ontario where members of your community and all other communities don't have to work two or three jobs to make ends meet. That's what Bill 148 and the previous administration was perhaps going towards; that's what they were doing. That's not what we want. We want good jobs to come back. When new Canadians come in and existing Canadians come in, we want them to have the best-paying jobs, careers built, so they don't have to work these long hours. That's what our message is.

Yes, he did talk about—

The Chair (Mr. Stephen Crawford): Thank you, Mr. Parsa; I appreciate your comments.

Thank you, sir, for your comments.

Mr. Abdullahi Barre: Thank you very much.

TORONTO AND YORK REGION
LABOUR COUNCIL

The Chair (Mr. Stephen Crawford): We have our last speaker, from the Toronto and York Region Labour Council. If you could please state your name for the record, and you can get right into your presentation.

Mr. John Cartwright: Sure. My name is John Cartwright. I'm the president of the Toronto and York Region Labour Council, which represents 200,000 women and men that work in every sector of the economy. I've been here a number of times, and it's quite interesting, the contrast between the five hours that your government is giving to review this and the three years of careful thought that went into the Changing Workplaces Review.

They heard submissions from hundreds of people. They went around this entire province and listened to not just small business people but working people from all kinds of occupations about what needed to change in our economy, because our economy is changing dramatically.

What those two experts—one of them was a corporate-side labour lawyer, by the way—John Murray and Michael Mitchell, discovered is the dramatic increase in precarious work in our province and in our country, what they called a fissured workplace, which is the new norm, not the career, like when I got out of high school and I could have walked into a place and had a job at any good shop for most of my life. They tried to grapple with: How do you resolve this change, a change where more and more of our neighbours are saying that their reality is working two and three jobs?

I'm a construction worker. When our labour council led the fight for a \$10 minimum wage, every time, at 10 different low-income communities, I'd sit beside somebody who was talking about working two or three jobs. I had no idea that that was the reality for so many people. And it has gotten far, far worse.

What we object to in Bill 47 is that you are rewarding companies that want to make poverty wages their main business model. You are reducing fines for companies that are breaking the law. For a party that says you believe in law and order, it's absolutely mind-boggling that you would dramatically reduce the consequences for somebody who willingly and repeatedly will break the law.

You are happy to take away the equal-pay part of this bill that would limit, to some degree, the explosion of temp agency jobs. You've heard today about temp agency work. Yes, I was at Fiera Foods, where that man was killed—the fourth man killed at Fiera Foods's places as a temp agent. I've been at many funerals of workers that have been killed and many funerals of workers that have died of industrial diseases. When you remove any opportunity for people to have a voice at work and you make it harder for them to get a union and you have a workplace full of temp

agency workers who have zero rights, then all of the stuff in the health and safety law—and I notice that none of you are really paying attention to this, but I'm just saying to you, all of the stuff in our health and safety act that protects workers is meaningless when temp agencies dominate the workplace.

I will talk about unions for a minute, because somebody said that you come from an Italian community. So you understand that in the 1950s, construction jobs were poverty-wage jobs in this province and in this city, and that in the 1920s and 1930s, manufacturing jobs were poverty-wage jobs. You just have to go to the monument at Villa Colombo and see over 1,000 Italian immigrants who were killed at work to understand what happens when people don't have a voice at work and rights to enforce that.

You're taking away the rights of people to get their job back if they've been on strike for more than six months. Why on earth would you do that? Crown Packaging put people on a picket line for 23 months and said, "You no longer have the right to come back to a job, because we were asking you to allow the next generation to have their wages cut in half." Those workers stood on that picket line, and you want to punish people like that.

The Chair (Mr. Stephen Crawford): One minute.

Mr. John Cartwright: You want to take Bill 47 and say that people like RBI, Restaurant Brands International, the people running the franchises for Tim's, can come back and tell people, "For the rest of your lives, it's poverty-wage jobs." I don't believe, and we do not believe, that you can build Ontario on the basis of companies paying poverty wages. The reality is that the vast majority of low-income workers, low-wage workers, in this province aren't working for mom-and-pop shops like you've had a few of here. They're working for billion-dollar companies like Walmart, RBI, McDonald's, Wendy's—

Mr. David Piccini: Not true.

Mr. John Cartwright: Yes, that is in fact true, if you look at the stats.

You will understand why the notion of building a province where you're rewarding the 1% and hurting working people, taking away their rights and taking away a minimum wage that's still a minimum wage, is wrong.

The Chair (Mr. Stephen Crawford): Thank you. We'll go to questions now.

Mr. John Cartwright: Certainly.

The Chair (Mr. Stephen Crawford): We'll go to the government side. Who would like to start out with questions? Ms. Martow.

Mrs. Gila Martow: So what we've sort of surmised a little bit today is that part of the problem is that it's not just about rules and regulations—and, obviously, differing points of view; it's tough to reconcile—but it's about creating that culture of mutual respect, of employers who respect employees and value their employees. We believe that the vast majority of businesses in Ontario—we've been meeting with a lot of them—really value their employees. Most of the employees that I speak to really respect their employer and want the business to succeed.

I think that what I would say to you is this: What do you think is the best way to create that culture where employers value their employees and employees value the business that they're working for and want that business to succeed and grow so that they can pay them a higher wage and have mutual success?

Mr. John Cartwright: The best way is to create a framework where those who are treating people fairly succeed but they are not undercut by bottom-feeders. When you have a company trying to do the right thing and pay people a living wage—and 15 bucks ain't a living wage; none of you can tell me how somebody working only one job at \$14 an hour can put a roof over their head in this city or in any other large city. You can't. They've got to be working two jobs.

But if there are companies that are misclassifying people, calling them independent contractors, bringing in temp agency workers and having that work devalued, that then undercuts people who want to run a business fairly. So you need strong rules for everybody, and that includes rules against the massive explosion of temp agency work.

One of your colleagues talked about manufacturing. The reality is that most manufacturing companies today in Ontario, or certainly in the GTHA, don't hire employees. They hire temp agency workers, and then maybe after months and months and months—I'll give you a quote. The third-largest by revenue in this country right now is Magna International. You don't work for Magna; you go working for Magna as a temp agency. After nine months, maybe you get a job. If you took the incentive away from devaluing that work by saying that you had to pay people directly and have them as employees with full rights, then you would make the playing field better for those companies who want to be fair to employees. But if you're Ron Joyce sending a note from Florida, your winter home, and you're a multi-millionaire saying, "Take coffee breaks away from the people who serve coffee"—

Mrs. Gila Martow: Okay, I'm going to—I'm sorry—
Mr. John Cartwright: —then you're not respecting workers, and that's why we need strong rules.

Mrs. Gila Martow: I wanted to move on to another question. I'm so sorry to interrupt you. I want to ask you your opinion on the College of Trades. We hear that there's a real shortage of skilled workers. I think you said you worked in construction and you still like to work in construction—how to best create those skilled workers that we need? We know the baby boomers are retiring. Do you have any recommendations or thoughts on that?

Mr. John Cartwright: Absolutely. The change to the 1-to-1 ratio is going to be a ticking time bomb. We've seen what happened. I come out of the building trades. We saw what happened when they busted up the apprenticeship systems in Alberta, British Columbia and the southern United States. After the people we trained in the union side through our apprenticeship programs were retired, they no longer had the people to run the jobs. They had fouled their own nest by trying to get cheap labour, bringing people in and not giving them proper qualifications.

What will happen is that those companies who have a true training culture, as in the unionized sector in the greater Toronto area, will continue to have decent ratios, but they will be undercut by those who want to—

The Chair (Mr. Stephen Crawford): Okay, I'm sorry to cut you off—thank you. Thank you for your presentation. It's now 6 p.m.

As a reminder, the deadline to file amendments to the bill with the Clerk of the Committee is 4 p.m. on Friday, November 26, 2018—tomorrow. Amendments must be filed in hard copy.

The committee will meet for clause-by-clause consideration of this bill on Monday, November 19, in committee room 1.

I call this meeting adjourned.

The committee adjourned at 1800.

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