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**Official Report
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(Hansard)**

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**Journal
des débats
(Hansard)**

F-40

**Standing Committee on
Finance and Economic Affairs**

COVID-19 study

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

Étude sur la COVID-19

1st Session
42nd Parliament
Monday 13 July 2020

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42^e législature
Lundi 13 juillet 2020

Chair: Amarjot Sandhu
Clerk: Julia Douglas

Président : Amarjot Sandhu
Greffière : Julia Douglas

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LEGISLATIVE ASSEMBLY OF ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

Monday 13 July 2020

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

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

Lundi 13 juillet 2020

The committee met at 0900 in room 151 and by video conference.

COVID-19 STUDY

ÉTUDE SUR LA COVID-19

The Chair (Mr. Amarjot Sandhu): Good morning, everyone. I call this meeting to order now. We're meeting for hearings on the municipalities, construction and building sector, as part of the study of the recommendations relating to the Economic and Fiscal Update Act, 2020, and the impacts of the COVID-19 crisis on certain sectors of the economy.

We have the following members in the room with us: MPP Burch, MPP Crawford, MPP McDonell and Minister Steve Clark. The following members are participating remotely: MPP Arthur, MPP Mamakwa, MPP Roberts, MPP Schreiner, MPP Smith, MPP Hunter, MPP Blais, MPP Khanjin, MPP Pang, MPP Barrett and MPP Rakocevic.

We are also joined by staff from legislative research, Hansard, interpretation and broadcasting and recording.

To make sure that everyone can understand what is going on, it is important that all participants speak slowly and clearly. Please wait until I recognize you before starting to speak. Are there any questions before we begin?

**MINISTRY OF MUNICIPAL AFFAIRS
AND HOUSING**

**MINISTÈRE DES AFFAIRES MUNICIPALES
ET DU LOGEMENT**

The Chair (Mr. Amarjot Sandhu): Seeing none, I will now call on the Honourable Steve Clark, Minister of Municipal Affairs and Housing, to please come forward. You will have 15 minutes for your presentation, followed by 45 minutes of questions from the members of the committee. The questions will be divided into two rotations of seven minutes and 30 seconds for each of the government, the official opposition and the independent members as a group. I'll give the members reminders of the time remaining during the questions.

Minister, the floor is yours.

Hon. Steve Clark: Thank you, Chair. Good morning, members. It's a pleasure for me to be here. I'm here today along with my deputy minister, Kate Manson-Smith. Also, my chief of staff, Alex Beduz, is here. As you know, a

member of the committee is one of my two parliamentary assistants, Jim McDonell.

I want to start by taking this opportunity to thank all of our health care heroes and essential workers from the bottom of my heart. We owe each and every one of them a great deal of gratitude. J'aimerais remercier du fond du coeur tous les travailleurs essentiels et les héros qui prodiguent des soins de santé. Nous devons toute notre gratitude à chacun d'entre eux.

I'd also like to thank all Ontarians who did their part and are continuing to do their part by following public health advice, such as physical distancing, wearing a mask and regularly washing hands. It is because of every single Ontarian that we have been able to avoid the worst-case projections and instead chart a path to reopening and recovery.

I'm grateful for the opportunity to provide the committee with an update of our government's work to support our municipal partners as well as the construction and building sectors during this unprecedented time.

Early on, COVID-19 pushed families, businesses and all levels of government into uncharted territory. We knew we had to act quickly to ensure that municipalities could continue to make decisions and provide services that their residents rely on. Back in March, we worked with all parties to both introduce and pass the Municipal Emergency Act. It was passed with unanimous consent by only 26 MPPs, and it was the first session of its kind in Ontario history, an important early demonstration on how we can all work together, including members who are present in the committee today, throughout the pandemic.

Our municipal partners also needed flexibility in their meetings so that they could do their important work. But at the time, a quorum, 50% plus one of municipal councillors were needed to be physically present to conduct business. This didn't make sense at a time that required self-isolation and restricted gatherings. That's why we made amendments to allow members of councils to meet electronically and be counted for the purposes of quorum during emergencies. In other words, they could choose not to meet in person. These changes supported the continuity of operations and helped councils make timely decisions. And, Chair, here's a stat: Over 70% of municipalities, so out of Ontario's 444 municipalities, 70% opted to meet electronically during the emergency. We've heard that in many, many cases, it boosted public participation at their council meetings.

We also found that some municipal noise bylaws were unintentionally preventing the timely delivery of goods and interfering with our critical supply chains. So the Municipal Emergency Act also included measures to support 24-hour delivery of goods like food, medication and household items. This change ensured that shelves remained stocked and Ontarians continued to get the medicine that they rely on.

Those were some of the early steps that our government took in March to help municipalities, but we didn't stop there. We also provided municipalities with the flexibility to redeploy certain staff to critical municipal services during the outbreak. This included child care, bylaw enforcement and public health services, so that local resources could be focused on jobs that help keep people safe.

We also announced a temporary pandemic pay increase for front-line workers who helped deliver services in places like emergency shelters and supportive housing facilities. We wanted to recognize their dedication, the long hours and the increased risk of working to contain the COVID-19 outbreak.

We've also temporarily suspended certain decision-making timelines under the Planning Act for municipalities and planning boards so that they could focus on local public health needs.

From the onset of the outbreak, we made it a priority to engage our municipal partners on a regular basis and keep those very critical lines of communication open. I held many, many conference calls and Zoom meetings with mayors across the province—

The Chair (Mr. Amarjot Sandhu): Ten minutes.

Hon. Steve Clark: Pardon?

The Chair (Mr. Amarjot Sandhu): Ten minutes left.

Hon. Steve Clark: Ten minutes left; thank you—to hear their concerns and better understand how we could support them. We also established a technical table with the Association of Municipalities of Ontario and the city of Toronto to discuss issues related to COVID-19 and to identify any possible solutions.

Collaboration with municipalities was key to our response to COVID-19 in the early days and continues to be extremely important today. We'll keep working with our municipal partners to support local decision-making, strengthen our communities and maintain important local services that both residents and businesses rely on.

We've also joined the Federation of Canadian Municipalities in calling on the federal government for emergency funding. Given the national scale and magnitude of the shortfalls facing Canadian municipalities, it is imperative that the federal government join us in developing a plan to help our municipalities recover from the impacts of COVID-19.

Étant donné la portée nationale et l'ampleur du manque à gagner auquel les municipalités du Canada sont confrontés, le gouvernement fédéral doit impérativement collaborer avec nous pour élaborer un plan visant à aider nos municipalités à se remettre des effets de la COVID-19.

Our government took decisive action to ensure essential construction projects could continue while protecting the health and safety of workers during the outbreak. The

Ministry of Labour released guidance documents to help employers better understand their responsibilities and what is needed to prevent the spread of COVID-19. These guides addressed specific items to the construction sector, including on-site sanitation, tracking and monitoring workers, and the importance of practising social distancing on the job site.

In April, my ministry took further action to support the industry by temporarily limiting municipal noise bylaws to extend construction hours. This allowed for safer, staggered shifts for construction workers for projects and services related to health care—builds like hospital expansions and COVID-19 assessment centres. Work on health-care-related projects was allowed any time of the day or night to help ensure the necessary infrastructure was in place to properly care for patients.

We also introduced an emergency order that made it possible to build urgently needed temporary health and shelter facilities across the province. This reduced pressure on our health care facilities and provided shelters with more space to maintain physical distancing. We also made changes to the building code to ensure that local building officials could keep reviewing building permits and conducting inspections so construction of new hospitals and housing projects could continue.

0910

In May, we started to ease restrictions on essential construction and allowed more people to get back to work. We made changes to permit below-grade, multi-unit residential construction projects to begin, like apartments and condominiums, and existing above-grade projects to continue. With these measures, we protected the health and safety of construction workers and ensured that essential construction projects could continue. Later, as the conditions improved, and based off of the advice of the Chief Medical Officer of Health, we allowed all construction to continue to help support and speed up the economic recovery to get Ontarians back to work.

We're currently proposing changes to the Building Code Act to enable the future creation of an administrative authority to help deliver faster and better services. We are still working on those details of what the new organization would look like and what services that organization would provide, but we remain committed to having discussions further with our building sector partners.

Chair, as we all know, housing is an important determinant of health. In this fight against COVID-19, keeping families at home has been our primary defence against its spread. We suspended residential evictions in March to make sure that people could stay in their homes. We also announced \$200 million in initial social service relief funding; \$148 million of that was given to service managers and to our Indigenous program administrators to strengthen community programs, including their housing and their homelessness systems. They use this funding to find ways to help people self-isolate, such as using hotels and motels; they hired extra staff for homeless shelters; and they bought a significant amount of protective equipment. In fact, over \$26.5 million was used to secure hotels, motels and emergency shelters for our most vulnerable.

The Chair (Mr. Amarjot Sandhu): Five minutes.

Hon. Steve Clark: Almost \$31 million was used for short-term rental assistance, cleaning and providing personal protective equipment, and also housing allowances.

Through this initial funding and working with my colleagues across government on the COVID-19 Action Plan for Vulnerable People, we helped protect front-line workers and we saved lives. But the work we're doing to keep Ontario's most vulnerable safe is far from over. That's why I'm pleased that we announced that we are doubling our investment for housing and homelessness supports under the social services relief fund with an additional \$150 million. Our government is now providing \$350 million in social service relief funding to our housing providers.

The additional funds are critical for two reasons. First, service managers have told us that the initial investment is helping to save lives. This new funding will help them continue to respond to COVID-19 right now. Second, this funding can also be used to help create longer-term, innovative and more sustainable solutions by building on some of the great ideas that are already out there.

Chair, I'm going to give you an example. In Toronto, they were pursuing an innovative approach to modular construction of supportive housing that would provide those longer-term solutions, and recently, I made two ministerial zoning orders to help the city move forward and get this idea moving quickly. One project is going to result in 56 bachelor units in a three-storey structure on Macey Avenue and the other will bring 44 bachelor units to a three-storey structure on Harrison Street. I'm looking forward to seeing the results of the next phase of funding through the social services relief fund.

I've said this many times: local service managers know what their communities need. We'll be looking for their best advice when we launch applications for this funding in the coming weeks. Les gestionnaires de services locaux savent ce dont leur collectivité a besoin, et nous solliciterons leurs meilleurs conseils lorsque nous lancerons le processus de demande lié à ces fonds au cours des prochaines semaines.

We know that municipalities will be a key part of our economic recovery. Their success is Ontario's success, and that's why the COVID-19 Economic Recovery Act includes specific changes to help our municipal partners. Our government has been clear that we're committed to supporting municipalities by helping to create jobs, build housing and attract business investments. That's why we're proposing to enhance the existing minister's zoning order authority so that we can work with our partners to reduce approval delays on key projects that local communities need, like those that will support our economic recovery and leverage our transit investments.

But I want to stress that our commitment to protecting the greenbelt has not changed. We will not consider any requests for development within the greenbelt.

The enhancement would also help create more affordable housing by allowing us to require affordable housing units in new developments through inclusionary zoning.

We're also allowing for the development of transit-oriented communities, to help bring affordable home ownership within reach for more people.

Nous permettons aussi l'aménagement de collectivités axées sur les transports en commun—

The Chair (Mr. Amarjot Sandhu): One minute.

Hon. Steve Clark: —afin de faciliter l'accès à la propriété abordable pour davantage de personnes.

We have proposed changes to make the upfront costs of building new housing and the revenues collected by municipalities more predictable, so they can pay for the infrastructure and services our growing communities need. We have proposed to make it easier to make changes to the building code when we're responding to urgent public safety matters and to achieve the cross-country harmonization and timely adoption of construction codes as committed under the Canadian Free Trade Agreement.

Chair, municipalities need the flexibility to make local decisions quickly and effectively, and we have seen how critical that's been over the last few months. That's why we have proposed changes that will give municipal councils and their local boards the option to meet electronically at any time, not just during emergencies. Municipal councils would also have the choice to allow their members to vote by proxy in certain limited circumstances. These proposed changes would help ensure our municipal partners have more flexibility to provide the services that people and businesses rely on.

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize, Minister.

Hon. Steve Clark: It's okay. I could keep going too; don't worry.

The Chair (Mr. Amarjot Sandhu): All right. So we'll start with the questioning now, and we'll start the first round of questions with the opposition. MPP Burch.

Mr. Jeff Burch: Good morning, Minister.

Hon. Steve Clark: Good morning.

Mr. Jeff Burch: You mentioned a number of initiatives that the Legislature has worked on together. We've passed a number of things to help municipalities make things more amenable during the crisis, but we didn't mention helping municipalities with operating funding. I'm sure you've heard from many municipalities across Ontario how crucial it is that they get some help with their operational emergencies.

Can you tell us what is the status of any negotiations with the federal government concerning operational funding relief for municipalities and municipal transit agencies?

Hon. Steve Clark: Thanks, MPP Burch. Through you, Chair: I think one of the greatest champions we have for our municipalities in Ontario has been Premier Ford. He has consistently brought this up with the other Premiers and the Prime Minister.

Just after I tabled the COVID-19 Economic Recovery Act, we had a call with all 444 heads of council, with Premier Ford and I. We talked to them about the status of the negotiations and, as I think everyone in this committee knows, we haven't yet completed the negotiations with the

federal government. We certainly support the federal government coming to the table. We think, as I said in my remarks, that given the scale and the magnitude—it doesn't just face Ontario municipalities but Canadian municipalities. We all agree that the federal government needs to come forward with some significant dollars.

I know that the issue is one that, if you talk to local mayors, they want that money as soon as possible, if not yesterday. But at the same time, as the Premier said last week, we also want a good deal for Ontarians. We deserve our fair share of the money that's being offered. We deserve a per capita share, and we're just not there yet with the federal government.

We're going to continue to work diligently from all parts. I've had a number of conference calls with my colleagues in other provinces and territories, and they feel the same way, that the federal government needs to come forward.

0920

Minister Phillips has worked very hard speaking to Minister Morneau. The Premier has been, to use his words about some of us, a true champion when it comes to the conversations around the table with the Prime Minister and the other Premiers. He has provided tremendous leadership to ensure that the Prime Minister and the federal ministers know exactly where we're at. We're not there yet, MPP Burch, but I hope that we'll be there soon.

Mr. Jeff Burch: So FCM, CUPE and AMO put out a joint letter. Everyone is pretty much in agreement that there needs to be a joint agreement between the federal and provincial governments, and everyone agrees that both should have some skin in the game. Do you believe that the province should be putting money on the table as well, or are you just depending on the federal government to cover the entire cost of any kind of relief package?

Hon. Steve Clark: All of us around the table, I firmly believe, support the AMO, CUPE and FCM ask. The Premier and I have been crystal clear that we need to put dollars on the table as well, but we really need that fair commitment by the federal government moving forward.

The Premier was asked on our telephone town hall with other mayors about the status of the negotiations, and he was very honest, that he will not sign a deal that short-changes our province. He believes very strongly, as do I, that while we need to put dollars on the table, we can't do it alone. I think every province and territory feels the exact same way, that, without a federal contribution, our municipalities will not be in a position to lead the recovery as I firmly believe, and I think everyone around this table agrees with me, that municipalities will be leading the recovery in communities right across this province. I'm very supportive of that.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Jeff Burch: So what will you, as minister, and your government do if the provincial and federal governments continue to not have an agreement on how to provide adequate operational funding and relief for municipalities and transit agencies? Will the province step forward and fill that gap if there is no agreement?

Hon. Steve Clark: We've put dollars on the table so far. We have put \$450 million on the table for our municipal partners right now: \$350 million, as I said in my remarks, are part of our Ontario Social Services Relief Fund. We've also provided \$100 million to municipalities for some of the public health expenditures they've had under COVID-19. Again, we are helping municipalities by working collaboratively with them to kick-start the economy.

I talked about the ministerial zoning order. Every time I've done one to date, I've done it with a municipal council resolution, so I've worked collaboratively with municipalities. I'll continue to do it. We won't be able to do this without a federal contribution.

I think the challenge we have is the federal dollars that are on the table. We acknowledge that they're probably not enough, but we're willing to accept the \$14 billion that the federal government is putting on the table. We've been clear that we think we should have some control over those dollars because those dollars could help with some of those operating challenges that you spoke of.

We've committed that we are going to be there for municipalities. We're going to continue to work with them. My deputy has worked very hard with the Association of Municipalities of Ontario and the city of Toronto on the technical working table. We've identified some of those costs—

The Chair (Mr. Amarjot Sandhu): One minute.

Hon. Steve Clark:—that you've indicated. I know the transit piece, especially for larger communities, is of particular interest to Minister Mulroney, and she has brought it up with her provincial and territorial colleagues as well, as well as the federal Minister of Transport.

We are collectively working with our federal counterparts. Obviously, I don't have a federal counterpart. There is no federal minister of municipal affairs. Maybe that's something we can collectively ask for, all parties, but we'll continue to work through the Premier and other Premiers and the Prime Minister. I think we're getting very close.

Mr. Jeff Burch: How much time do I have left?

The Chair (Mr. Amarjot Sandhu): Fifteen seconds. I will come back to you in the second round.

We'll go to the independent members now. MPP Schreiner.

Mr. Mike Schreiner: Thank you, Mr. Clark, for being here today. I appreciate it. I think all parties would probably agree that we'd like to see the federal government step up and provide some support to municipalities. But since municipalities are clearly under the jurisdiction of the province, is the government prepared to put money on the table even if a deal with the federal government cannot be reached?

Hon. Steve Clark: As I said, MPP Schreiner, and I'll reiterate it, we have committed dollars to date. We will continue to support municipalities with dollars. But I hope everyone on this call agrees that, given what's happening not just in Ontario but right across this country, every province and territory will require—regardless of whose jurisdiction it is, we need the federal government to come

to the table. They've indicated that there is a package, and again, I would hope that everyone on this committee would agree that our province deserves its fair share.

I don't think there is an issue with the federal government contributing. I think the challenge we have is that we're not in a place where we agree that we're getting our fair share. I don't want to confuse—your question sort of made it sound as if the federal government isn't giving us any money. I think we all agree; the federal government has committed to a series of dollars Canada-wide, but we've got to get our fair share for our municipalities. We can't shortchange our towns, our cities, our townships and our regions, our counties, our districts. We have to ensure that all 444 know that we went to bat for them and we tried to get Ontario's share.

Mr. Mike Schreiner: If I could just shift direction for a second. I think tenants certainly appreciate the fact that there was a temporary non-enforcement of evictions, but there is deep concern that evictions are going to escalate, particularly if Bill 184 passes. I'm just wondering what steps the government is prepared to take to protect those tenants who have been unable to pay their rent due to conditions outside of their control caused by the pandemic, while obviously keeping landlords, particularly small landlords, whole as well.

Hon. Steve Clark: That's a great question. It gives me an opportunity to talk about Bill 184 and to try to dispel some of the misinformation that's been out there. We tabled the bill before we declared a state of emergency. However, we had extensive consultation a year ago, as part of the Housing Supply Action Plan. As members of the committee will remember, we went out and consulted Ontarians on five themes: speed, cost, mix, rent and innovation.

Our first bill, as part of the Housing Supply Action Plan, was the More Homes, More Choice Act, where we dealt with four of those themes. The one theme that we didn't deal with at that time was the rent side. We decided to have a separate stand-alone piece of legislation so that we could provide longer protections for tenants who—for example, members like yourself brought forward renovations that were taking place in their community. People were asked and forced to leave for reasons that were beyond their control. So in that bill, we proposed to provide some increased protections.

The Attorney General also went to the court and received a court order to press the pause button on evictions. I know that Attorney General Downey has had conversations with the Landlord and Tenant Board and Tribunals Ontario about how we move forward. I think very strongly that Bill 184 does provide an opportunity for us to have some collaboration and co-operation between—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Hon. Steve Clark: —the tenants and landlords. The fact that we are promoting alternatives like mediation in advance of a formal Landlord and Tenant Board hearing, where appropriate, I think makes the process better for both sides. Tenants can still choose to have their landlord's application heard by the board. In response to COVID-19,

we want to ensure that individuals and families are able to stay in their homes during this difficult time and can put their health and others' health first.

0930

We understand the urgency of having stable housing. I hope people will understand the measures in Bill 184 that we're putting in to strengthen community housing. This was a system that was largely neglected by the previous government, and we're implementing 2017 Auditor General recommendations. It's supported by a number of your deputants. A number of your deputants support our Community Housing Renewal Strategy. This is all part of working collaboratively. Again, the eviction piece is something that both myself and the Attorney General are very concerned about, but I'm encouraged by the opportunity that we can have a mediation aspect like, I think, six or seven provinces have already brought in to their systems.

Mr. Mike Schreiner: Thank you.

Hon. Steve Clark: In many ways, we're bringing it forward.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Mike Schreiner: I think MPP Blais is going to ask the next question.

The Chair (Mr. Amarjot Sandhu): MPP Blais.

Mr. Stephen Blais: Good morning, Minister. Thanks for your participation this morning.

About a month ago, the Prime Minister put \$14 billion on the table. We've yet to hear what you and your government are going to put on the table, and so I'm wondering if you could clarify for us exactly what you and the Premier believe is the fair deal you are negotiating for.

Hon. Steve Clark: Well, as I said earlier, we believe that the federal contribution—we should get our fair per capita share.

Mr. Stephen Blais: So, a fair per capita share of \$14 billion is going to be just shy of \$5 billion. Are you prepared to match dollar for dollar the federal government's contribution to support cities and towns across Ontario?

Hon. Steve Clark: Well, we're not finished the negotiations, MPP Blais. To be quite honest, we have to finish the negotiations. We're not going to negotiate with the federal government through the Standing Committee on Finance and Economic Affairs—

The Chair (Mr. Amarjot Sandhu): Thank you. Minister, sorry to cut you off. We'll move to the government members now. MPP Crawford.

Mr. Stephen Crawford: Thank you, Minister Clark, for being able to appear today at the committee, and thank you to you and your staff for bringing in the Municipal Emergency Act through a very difficult time. I know it must have taken a lot of work to put that through, but we've got unanimous approval on that.

My first question is related to municipal affairs. There were quite a few initiatives, such as the Municipal Emergency Act, that came through over this period of the last few months. I know one of the key themes of our government has been on transparency, accountability and consultation, so I just want to get a sense of what type of

consultation you've had, in bringing these forward, with groups such as AMO and ROMA.

Hon. Steve Clark: That's a great question, MPP Crawford. I'm going to let the deputy take part of that and then I'll jump in after.

Ms. Kate Manson-Smith: Great. Thanks, Minister, and thanks for the question. In my experience at the ministry—I've been an executive in the ministry for seven years and was with the ministry prior—I think the level of consultation between the government and municipalities is really at a historic high and functioning so effectively, and I think AMO and Toronto would indicate the same. We have, of course, the memorandum of understanding between the province of Ontario and the municipal sector, and then a comparable agreement with the city of Toronto that goes by the name of the T-OCCA agreement. Those forums have been meeting very regularly. We've had the longest meetings I can recall because there have been so many important areas for discussion, many of which the minister has talked about today.

Underneath that, we've built a technical table where senior officials, so deputy ministers and assistant deputy ministers from the province of Ontario from many, many ministries—health in particular, finance, Treasury Board, infrastructure—have been engaging with municipal senior officials, like their CAOs or, for example, their public works commissioners through that forum as well. I think that's sort of at a broad level.

Then, there have been detailed consultation efforts on some of the specific initiatives that are included in the legislation. For example, on the work on development charges and community benefits, I think the minister, at one point, committed to 140 days of consultation. I was talking to the director responsible for that this morning, and it's vastly more than that in terms of the number of consecutive days of consultation, not just through the AMO MOU but also through tables with technicians and other stakeholders to really be able to get into those details, so that it's not just that the policy sounds good, but that it's implementable and that we have worked through all of those details with the municipal sector as well.

I think we would say we're doing broad consultation. We're doing detailed technical consultation as well in support of that, because it has never been more important to make sure that we're able to quickly implement things to support the government's response to COVID.

Hon. Steve Clark: The deputy raised a good point about the development charges piece in the COVID-19 Economic Recovery Act. There were a lot of stakeholders who were very concerned after Bill 108, the More Homes, More Choice Act, was passed, because they felt that we would make the changes within 30 days of receiving royal assent. The deputy is absolutely right. We committed to 100 days of consultation. I remember attending the AMO conference last year, and the day after AMO was the deadline to submit deputations on our proposed framework for a community benefits charge. Now you fast-forward, and we've had over 300 days.

When I was first a mayor a number of years ago, and also a former CAO, this was the way that government

worked, where you would put down a parameter of programs, get consultation, table a bill and then, as you're developing the regulations, have further consultations and adjust.

Where we're at today, with that development charge and community benefits charge piece, is one that I think is a true testament to your question. We've engaged with municipalities, we've engaged with our stakeholders in the construction sector and we've now been able to package a set of reforms that really is responsive to their needs.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Hon. Steve Clark: That's what a government needs to do. They need to talk to their stakeholders and be responsive to the concerns that they express. We've been able to do that throughout the pandemic.

Mr. Stephen Crawford: Okay. I appreciate that. That's certainly important to get that feedback.

Moving on to more of the construction industry—this committee is focused on economic recovery, right? That's the priority of coming through the COVID pandemic that we're currently in.

With that, we have a lot of regulations in this province. In fact, we have more regulations than any jurisdiction in the world: 380,000 regulations. We've set up a ministry to reduce red tape. Are there examples of red tape that you see right now that we can tackle that are obviously not related to health and safety, but are barriers to business that we can maybe remove or change so that we can get the economic recovery in place that we so badly need?

Hon. Steve Clark: That's a great question. I'll also ask the deputy to respond as well. But even something as simple as the electronic meeting piece to allow councils to continue to use Zoom or other methods outside of the pandemic really allows them to continue their very important business. We worked very closely with municipalities regarding some of the challenges that they needed to create temporary field hospitals, to have expansions to their local hospital.

My own community was in the middle of a hospital expansion that desperately needed that 24-hour, seven-day-a-week construction piece that we added to the emergency orders so that they could keep that on track. In fact, they're essentially on track because of that regulation. Even something as simple as the MZO I did for the city of Toronto that allowed them to deal with their patios, the CaféTO initiative: That was a very small piece of red tape that we—

The Chair (Mr. Amarjot Sandhu): One minute.

Hon. Steve Clark: —dealt with from an MZO, and it ends up having a great economic benefit for the city.

Deputy.

Ms. Kate Manson-Smith: Minister, I agree. We've had great feedback from municipalities about the facilitation of patios, allowing them to cut through the red tape there, given the need to get patios up and running so restaurants can make some money over the course of the summer.

The other example that I'd point to, perhaps, MPP Crawford, is that provisions in the recovery legislation allow us to harmonize the provincial building code with

the National Building Code of Canada. There is a lot of duplication between those two codes, and we will be able to get development happening faster if we can streamline, and these legislative provisions will allow Ontario to move to that harmonization faster. At the same time, there are provisions that allow Ontario to maintain things where Ontario is in advance of the rest of the country. For example—

The Chair (Mr. Amarjot Sandhu): Thank you. We'll start the second round with the independent members now. MPP Blais.

0940

Mr. Stephen Blais: Minister, you indicated that the government has committed a little over \$400 million to municipalities so far. That's less than 10% of what you expect from a federal contribution. I'm wondering why the government hasn't come out and just said, "This is how much money we're going to support our municipalities with."

Hon. Steve Clark: Well, negotiations aren't finished at the federal level. But all provinces have consensus. Every single province and territory agrees that the federal government needs to put dollars on the table. No province, no territory has put a final amount on their municipal support. We are all collectively, in every province and every territory, still negotiating with the federal government. We're working collaboratively together, and I never said that the \$450 million is all we're doing.

Minister Phillips indicated after the economic statement he tabled earlier this year that there would be a budget in the fall. We're going to continue to work with our municipal partners moving forward, but there is definitely consensus from every province and every territory that the federal government needs to move forward with their commitment to municipalities, and they need to do it on a timely basis.

Mr. Stephen Blais: Well, certainly I think there's consensus probably from the Legislature that that needs to happen as well, and I'm sure there's consensus that a month ago the Prime Minister announced \$14 billion for municipalities. The Premier often talks about the leadership role Ontario plays in any number of sectors, and I'm wondering why Ontario isn't playing a leadership role in this particular instance by demonstrating to Ontario cities just exactly how much it will support them over the coming months.

Hon. Steve Clark: In the economic statement in the spring, we also did a number of deferrals to help municipalities. We've done not just the dollar figures, the \$450 million, but we've also taken other measures.

Again, the negotiations haven't finished, and I would hope that everyone on this committee would agree with me and agree with the Premier that we don't want to sign a bad deal that shortchanges municipalities. Our population is very significant in our country and we want our fair share. I can't for the life of me think why anyone around this table or who is connecting with this meeting would disagree with that negotiating premise.

Mr. Stephen Blais: I don't think anyone disagrees with getting their fair share, Minister. I think we disagree with there being no commitment from your government.

I'll pass it on to MPP Hunter, who has some questions.

The Chair (Mr. Amarjot Sandhu): MPP Hunter.

Ms. Mitzie Hunter: Thank you, Minister, for joining us this morning. I would like to have a bit of clarification on the assistance to municipalities and whether or not the province will also be matching any portion of the \$14-billion commitment from the federal government.

Hon. Steve Clark: Earlier, when questioned by MPP Burch, we indicated—and the Premier indicated last week—that certainly we're going to be at the table, but we need the fair percentage from the federal government.

Ms. Mitzie Hunter: Right. And, Minister, that would be new dollars for municipalities from the province?

Hon. Steve Clark: Again, MPP Hunter, I'm not going to continue to negotiate a federal agreement here around the committee table. We've indicated on several occasions—the Premier himself has said that negotiations haven't finished. No province, no territory has been in a position where they have indicated what their final offer to their municipalities is. We are united across Canada. At my level, Ministers of Municipal Affairs and Housing—and I think most Premiers—have been vocal as well that we need to finish this conversation at the federal level to ensure that we have maximum flexibility to help, in our case, Ontario's 444 municipalities.

Ms. Mitzie Hunter: Minister, you indicated that there have been deferrals that you've granted to municipalities, and I'm sure that's been helpful in the time of crisis. We've heard repeatedly from renters that they have not seen support. I know the moratorium on evictions has now been put in place as of May, but what about assistance to renters? BC, for instance, provided a \$500 support to renters. What is Ontario doing for renters?

Hon. Steve Clark: I'll pass it over to the deputy to talk about—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Hon. Steve Clark:—what some of the social services relief fund was used for and also our historic Canada-Ontario Housing Benefit, where we were the first in the country to sign this collaborative agreement with the federal government. Those are helping people right today.

Ms. Kate Manson-Smith: Thanks, Minister. The minister talked a little bit earlier about the social services relief fund. The initial funds that were flowed were \$150 million. The province has now committed to doubling that funding.

Within that funding, some of that funding is being used for things like the minister talked about in terms of support to shelters, things like PPE, extra cleaning, but those funds are flowed through our municipal service manager partners and those municipal service manager partners can use those funds to take action locally to help renters.

For example, almost all service managers—perhaps all of them—have rent banks and so they can assist people who need help with rent, with arrears, with first and last, if they need to move, with debts on utilities. Utilities can

also be paid for through those programs. Many municipalities also do things like furniture banks, and they can provide funding through this social services relief fund for those types of services.

In addition, members may recall that when Minister Clark announced the social services relief fund, he announced it together with his colleague the minister of MCCSS, and that additional funds are flowing through Ontario Works to support Ontarians as well at the time of crisis, and that can provide assistance with rent as well.

Finally—

Ms. Mitzie Hunter: Can I—yes, go ahead with your final. Go ahead.

Ms. Kate Manson-Smith: Sorry. I was just going to say that the province was also the first province to sign the Canada-Ontario Housing Benefit. We're in the process of working with our municipal partners to roll that out. That's going to provide a portable rent benefit to Ontarians—tens of thousands of rent benefits. So we're working as hard as we can with our service manager partners, knowing that now is the time to get those funds out into the world to help people who have rent arrears as well. Thank you.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Mitzie Hunter: Minister, Bill 184 makes it easier for evictions, and many people are very concerned about the insecurity that this provides to tenants during a time of a pandemic emergency. What are you doing to provide greater confidence for renters that they won't be facing those evictions?

I know at the committee, when the bill was being considered, there were suggestions, for instance, to limit renovations by requiring building permits or even construction plans so that people are not feeling a greater sense of insecurity because they're staring down a possible eviction that has been made easier by Bill 184.

Hon. Steve Clark: The number one thing that I've been trying to do is dispel all the false statements that have been made about Bill 184. The fact that people have characterized it as a quick eviction bill, which couldn't be farther from the truth—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry, Minister. Sorry to cut you off.

We'll move to the government members now for their second round. MPP Khanjin.

Ms. Andrea Khanjin: Thank you, Minister, for coming to see us today. I wanted to ask you—as you know, my riding of Barrie–Innisfil is very diverse; you've got rural and urban. I'd like to ask you the importance of really listening to both levels of municipalities. We don't have a one-size-fits-all solution, but—

The Chair (Mr. Amarjot Sandhu): MPP Khanjin, can you unmute yourself, please?

Hon. Steve Clark: We lost the back end of that question, MPP Khanjin.

Ms. Andrea Khanjin: Sorry. So the secondary part of the question was just the amount of investments that were given to municipalities before COVID-19, and if you can talk about how that put them in maybe better shape going

into this pandemic—especially, I think of the announcement we made at the town of Innisfil as well.

Hon. Steve Clark: That's a great question. I want to thank you for your leadership. I think you quoted your mayor of Innisfil very well when you said that one size doesn't fit all. Mayor Dollin has said that to me probably a million times since I first met her.

0950

You're absolutely right. We did provide significant money for a number of small, rural and northern municipalities under the Municipal Modernization Fund. In the announcement we made in your riding—for Innisfil alone—I think it was around \$600,000. It did provide them the opportunity to use those dollars to make themselves more efficient. They could use it for modernization of their IT service. They could do a service delivery review, change the way that they deliver a level of service to try make them more efficient. And in fact, many of Ontario's municipalities use that Municipal Modernization Fund to look at their development process and try to streamline the development process to allow development to take place faster and more efficiently.

One thing we've learned from COVID-19 is there's an incredible desire at the municipal level to modernize and provide services online; the electronic meeting piece is just one section of that. There are a number of municipalities that are looking at upgrading their IT services or perhaps adding some of their registration services online. That's the conversation that the deputy and I and PA McDonnell and PA Gill and some of my colleagues are having, about what does the next version of the Municipal Modernization Fund, and for those larger urban communities, the Audit and Accountability Fund—how will that look in a post-COVID environment? I think what we'll see is an incredible uptake in terms of trying to help the development approval process be faster, the permitting process be faster, perhaps a more automated process. We've received some great ideas to date.

But the key is exactly what you said: One size doesn't fit all. We need to be flexible, and we need to understand that what may be good in your riding might not work in urban Ontario, might not work in northern Ontario, so we have to listen to our municipal partners.

Ms. Andrea Khanjin: Thank you, Minister.

Even though we're at the provincial level, we get a lot of complaints about high property taxes. What has the province done to alleviate the burden on municipalities when it comes to property taxes?

Hon. Steve Clark: Some of the deferrals that we've put forward in terms of the school board were welcomed by municipalities. To some, it was a small measure—MPP Burch might tell me it was a small measure—but it was a recognition from our part that we needed to do not one thing but many things at the municipal level to assist them. The one thing that has really come forward is a willingness from municipalities to share data.

I'll turn it over to the deputy, because I really value this municipal technical working table with AMO and the city

of Toronto. It's really providing some exceptional data for us to move forward on.

I'll just pass it over to Deputy Manson-Smith.

Ms. Kate Manson-Smith: Thanks, Minister, and thank you for the question, MPP Khanjin.

Through the technical table, we've been able to glean more information from, as you said, the diversity of Ontario's different types of municipalities.

The Acting Chair (Mr. Kaleed Rasheed): Three minutes.

Ms. Kate Manson-Smith: I think your point is very well taken—their pre-COVID situation but also the impacts of COVID on them.

We've been also undertaking work in that regard through our municipal services offices, which are located in different regions of Ontario. They've been looking at municipalities, the financial impacts of COVID, and ensuring that we're able to monitor those at a provincial level.

If I might, Minister, I'll just add one thing to your points about the burden on property taxpayers: The steps the government has taken with respect to development charges and community benefits charges will also ensure that growth pays for growth, and the critical social infrastructure, as we might describe it, can be paid for through development charges rather than through the property tax base. That is something that I know I've heard from CAOs in municipalities is very much appreciated, that ability to continue to maintain revenues through the development charges stream as well.

Ms. Andrea Khanjin: Thank you. I'm just going to pass it on to my colleague MPP McDonell.

The Acting Chair (Mr. Kaleed Rasheed): MPP McDonell.

Mr. Jim McDonell: I've heard over the committee period numerous times the opposition talk about a loss of the renovations. Maybe you could just review the right of the tenant to have a hearing.

Hon. Steve Clark: It's a very good question. The tenants do deserve and continue to have the right for a hearing at the Landlord and Tenant Board. We've added mediation as an alternative to be used where appropriate, to make the process a bit easier for both landlords and tenants, but tenants can still choose to have their landlord's application heard by the board.

You are right. We are providing increased protections to those tenants who are renovicted, forced to leave for reasons beyond their control. We're proposing to increase fines—

The Acting Chair (Mr. Kaleed Rasheed): One minute.

Hon. Steve Clark:—for landlords who have broken the law. In particular, the changes would protect tenants—I'll give you three examples: We will require landlords of small buildings to give their tenants one month's rent in compensation for evictions for both renovations and for repair, or when they evict a tenant for someone who wants to use the unit for themselves. This was not in the act before. We're also going to increase the maximum fines in the Residential Tenancies Act for offences to \$50,000 for an individual and \$250,000 for a corporation. We're also going to require landlords to disclose to the Landlord and

Tenant Board that they've previously filed for an eviction so that they could move into or renovate the unit, because we want to develop those patterns. Many times we've heard, from opposition and government members, for example, that this has been an issue.

The Acting Chair (Mr. Kaleed Rasheed): Apologies, Minister. The time is up. My apologies for cutting you off. We are now going to move to the opposition side. MPP Burch, please go ahead.

Mr. Jeff Burch: Minister, the issue of deferrals has been brought up a number of times. I'm sure municipalities appreciated that initiative, although it is kicking the can down the road.

I'm sure you're aware that AMO and FCM have been quite emphatic that using debt to cover an operational funding shortfall will only prolong the problem, leaving municipalities burdened with long-term financing costs that will obviously mean unfair service cuts and unaffordable tax increases.

Can you confirm that you've ruled out allowing municipalities to run deficits as a solution to pandemic-related operational budget shortfalls?

Hon. Steve Clark: As you know, as a former municipal councillor, when a municipality has a deficit, they carry it over into the next year and the first item on the budget agenda is to pay back that deficit. We heard from a number of municipalities that indicated that they were interested in adding additional years into that file.

However, you will have no doubt read Bill 197 to date—and I know it's a big bill, so I appreciate that we gave you a few days to look at the bill before we came to committee. We have not added any changes to the act to vary from that existing opportunity for municipalities. The existing legislation, which would require a municipal council to pay back that deficit in the next budget year: That is our movement forward.

Deputy, did you have anything to add to that?

Ms. Kate Manson-Smith: No, Minister, I think that was very accurate. The current laws with respect to the Municipal Act and the City of Toronto Act stand. The government has made no change with respect to the amount of time that municipalities have to pay back any in-year operating deficits. Municipalities can of course borrow, and do borrow, for capital.

Mr. Jeff Burch: So you would agree, Minister, that allowing municipalities to run deficits is not a solution to the pandemic-related operating budget shortfalls?

Hon. Steve Clark: No. I've been clear from the start that you can't—the way the question was framed to me prior to Bill 197 was, was that the solution that I was proposing? I indicated as a former CAO that that can't be on its own a solution to the pandemic.

Do I worry about some small rural municipalities that might not have ample reserves? Am I worried about their fiscal situation because of COVID-19? Obviously, I am. What we're trying to do, in our fiscal environment, when we give municipalities the dollars to try to respond—and I'll use the first phase of the social services relief fund as an example. We made it very flexible for them. We imposed very few restrictions on that fund. We wanted them

to be able to respond quickly to the pandemic moving forward.

In terms of the next budget cycle, we haven't made any changes to the act, and that's a very substantial piece of legislation, as you know. But we're not contemplating making any other changes at this time.

Mr. Jeff Burch: I'm sure your ministry is assessing the situation that municipalities are finding themselves in. Would you commit to providing, within two weeks, a report of the ministry's assessment of estimated cost increases or revenue shortfalls facing Ontario municipalities as a result of the pandemic, and breaking these costs and shortfalls down by municipality and municipal service?

Hon. Steve Clark: I'm not sure of the reason for the two-week parameter, but we have been sitting with AMO, and I know AMO has made some of those costs public, as has the city of Toronto.

The Acting Chair (Mr. Kaleed Rasheed): Three minutes.

Hon. Steve Clark: This is exactly why we established the technical table. It was very important that the ministry have that direct conversation with Ontario's 444 municipalities to be able to assess some of the cost challenges, some of the revenue shortfalls, so that we could craft a plan to be nimble.

In terms of your two-week suggestion, I'm not sure at this time. We'll have to get back to you on the time frame, but I know that AMO has made some of their findings public to their members. I'll pass it over to the deputy.

Ms. Kate Manson-Smith: So, Minister, if I might, I think you're correct: AMO and the province have both spoken to FCM's ask in terms of what the impacts are on municipalities, so that is Ontario's position in agreement with AMO, and AMO then in agreement with the Federation of Canadian Municipalities.

I would also just point out to members, municipalities, as they're doing budget work, do that in a very transparent way. They post information on their websites about their work as it's underway. I think what we would say is municipalities are in the process of doing that work and it's ongoing in each of Ontario's 444 municipalities every day. So, Minister, if I might be so bold, municipalities do make that information public. They are the best source of that information, and it changes in real time every day as they assess the impacts and as they communicate with their citizens about their plans.

For us in the ministry, if we, as the minister said, would like to know about Toronto's impacts, they're making information available. Of course, we have further conversations with them as well. But municipalities really are best positioned to speak to both the impacts and their plans to address those impacts—if I might, Minister.

Hon. Steve Clark: The AMO conference is next month, although it's—

The Acting Chair (Mr. Kaleed Rasheed): One minute.

Hon. Steve Clark:—a virtual conference. I know that, given my conversations on a regular basis with them through the AMO MOU table, I think we all acknowledge that what has happened to municipalities during the pandemic is going to be a major topic of conversation, if not

the topic of conversation at the AMO conference next month.

We look forward to continuing to work with them. Obviously, they'll be here at some point at the committee, and members of their association will be here presenting from the list that I've seen to date. It's a good ongoing conversation we can have.

Mr. Jeff Burch: So let's forget about the two weeks. Will you provide whatever assessment that you have and share it with us? I'm sure going into negotiations—

Hon. Steve Clark: I think AMO will share it with all of us. We'll follow up with AMO, but I believe that they will—

The Acting Chair (Mr. Kaleed Rasheed): Thank you very much. Apologies to cut you off, Minister. Thank you so much for your presentation this morning.

Hon. Steve Clark: Thank you very much. I appreciate the opportunity, so thank you, Chair.

The Acting Chair (Mr. Kaleed Rasheed): Seeing the time, this committee now stands in recess until 1 p.m. Thank you.

The committee recessed from 1004 to 1300.

The Acting Chair (Mr. Kaleed Rasheed): Good afternoon, everyone. The remainder of our presenters today have been grouped into threes for each one-hour time slot. Each presenter will have seven minutes for their presentation, and after we have heard from all three presenters, the remaining 39 minutes of the time slot will be for questions from members of the committee. This time for questions will be broken down into two rotations of six minutes and 30 seconds for each of the government, the opposition and the independent members as a group. Are there any questions?

CARPENTERS' DISTRICT
COUNCIL OF ONTARIO

ONTARIO BUILDING OFFICIALS
ASSOCIATION

INDWELL

The Acting Chair (Mr. Kaleed Rasheed): Seeing none, I will now call on Carpenters' District Council of Ontario. You will have seven minutes for your presentation. Please state your name for Hansard, and you may begin. Thank you.

Interjection.

The Acting Chair (Mr. Kaleed Rasheed): Do we have representatives from Carpenters' District of Ontario?

Interjection.

The Acting Chair (Mr. Kaleed Rasheed): Okay. It's just going to be a few seconds while we wait for the presenters to join.

Do we have representatives from Carpenters' District Council of Ontario? Can you please unmute yourself?

Mr. Mike Yorke: Yes, I've just done so.

The Acting Chair (Mr. Kaleed Rasheed): Awesome. Please state your name for Hansard, and you may begin your presentation.

Mr. Mike Yorke: My name is Mike Yorke. I'm the president of the Carpenters' District Council of Ontario, and my colleague is Mark Lewis, who I also believe is online.

The Acting Chair (Mr. Kaleed Rasheed): Okay. Yes. We have him as well. Please go ahead.

Mr. Mike Yorke: I don't know if he's online or not. Mark?

The Acting Chair (Mr. Kaleed Rasheed): Mark, can you please confirm? Mark, can you please unmute yourself?

Interjection.

The Acting Chair (Mr. Kaleed Rasheed): My apologies. This is cutting into your time of presentation of seven minutes.

Mr. Mike Yorke: Okay. I'm here now with Mark. The host has not been allowed to unmute. Mark, do you want to use this phone?

The Acting Chair (Mr. Kaleed Rasheed): Yes, he's un-muted.

Mr. Mark Lewis: They're telling me that I'm supposed to speak, but I'm not being allowed to unmute.

The Acting Chair (Mr. Kaleed Rasheed): Mark has to unmute himself.

Mr. Mike Yorke: Why don't we just use my phone, Mark.

Mr. Mark Lewis: Are we still on?

Mr. Mike Yorke: Yes. You know what we're going to do? Mark is going to read the presentation from my phone, and that will be just momentarily.

The Acting Chair (Mr. Kaleed Rasheed): Sure.

Mr. Mark Lewis: Thank you very much. I'm not sure what happened there in terms of our technological links.

We are the carpenters' union of Ontario. We have about 30,000 skilled tradesmen and -women across this province. Our focus will primarily be on jobs and the economic implications that we see for our industry, and the possibilities that we see for our industry and the province coming out of the COVID-19 crisis.

We think the construction industry has done well vis-à-vis other industries in the COVID-19 crisis; parts of it have operated or continued to operate throughout. It is now all going, and I think with some very, very good leadership from the Minister of Labour, we now have the cleanest and safest, healthiest construction job sites most construction workers in Ontario have ever seen. We'd urge the government to make sure, as it transitions this province into the future as we live with COVID, that the inspections, the safe work orders and, if necessary, the closing of job sites continue with a transitory workforce. If there are outbreaks, they can go from site to site. The industry has been doing very well with the ministry inspectors to try to make sure that where there have been outbreaks on job sites—and there have been a few—they've been identified quickly and they haven't spread. We urge the ministry to keep doing that.

In terms of the short term, anything that the government could do to try to urge municipalities to speed up building

permits and other regulatory permits necessary for construction projects would be helpful. There are a number of projects which are on hold because municipalities across the province, I suppose, have other priorities, and their staff have been unable to work at complete capacity. That is slowing down certain construction projects.

Then in terms of our main focus—and I'm not sure how much of our seven minutes we have left—what we would urge the government to do in terms of economic recovery coming out of COVID-19 is to maintain and, to the extent possible, increase infrastructure spending. We know everybody in this province is going to want money, and there isn't a bottomless pit. But we believe that correctly done, infrastructure spending can have multiplier effects.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Mark Lewis: Firstly, it can provide infrastructure that we actually need anyway, and also related to COVID-19. So for example, transit we need generally. With COVID-19, we will need to do revamps of certain long-term care or hospitals, given what we've seen. But more importantly, if the government puts in place mechanisms which require training initiatives and the hiring of local people who have been impacted in other industries which haven't done so well and might not do so well in the future—retail, hospitality—and helps them transition into construction trades—we have a real need for skilled trades in this province.

The industry, unions, and its employer partners have a training infrastructure which is there. To the extent that the government can help industry and give an incentive to those companies who are willing to train workers from their local communities across this province, whether that's on big projects in the city of Toronto, smaller projects, everywhere across this province—community centres, arenas, hospitals are everywhere. If we can encourage our young people to get training to help build the communities that they live in, that could be a major bonus for our province as we try and come out of the economic crisis which the health crisis has forced upon us.

I think that's my time. I'm not sure if I have any more?

The Chair (Mr. Amarjot Sandhu): Thirty seconds.

Mr. Mark Lewis: The only other thing I would say, in terms of infrastructure and government building, is there are other industries that could be helped. One of the problems we've had in this latest crisis is that we've been hindered in building in Ontario, in that we're not able to get products from other parts of Canada or America. If we could encourage, for example, building up the Ontario infrastructure in terms of value-added products from our timber and lumber industries, building the capacity to introduce mass timber, that would greatly help us and assist other parts of the province that haven't been doing so well.

The Chair (Mr. Amarjot Sandhu): Thank you. We'll move along to our next presenter, the Ontario Building Officials Association. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Grant Brouwer: Hello. My name is Grant Brouwer. I'm the president of the OBOA.

1310

Good afternoon. My name is Grant Brouwer. I'm the president of the Ontario Building Officials Association, also known as the OBOA. I'm also the director of building and development for the town of St. Marys. I'm pleased to be here today on behalf of the Ontario Building Officials Association to discuss our experience during COVID-19 and provide some recommendations to the committee and its members.

Joining me today from the OBOA are Andy Jones, who is current vice-president, as well as Matt Farrell, who is the immediate past-president.

I'd like to begin by acknowledging the tremendous work of the government and the members of the opposition in ensuring the safety of the citizens of this province and your efforts to keep stakeholders informed on the crisis as it evolved. For those of you who are not familiar with the OBOA, it is our goal to promote safe building, effective building code enforcement and high standards of practice for chief building officials, building inspectors, permit technicians and plans examiners. For more than 60 years, the OBOA has been an industry leader in providing training, certification and up-to-date information over the 2,200 members in the regulatory administration industry, and building code knowledge.

The OBOA has long called for changes in the Building Code Act that would improve the services the province provides to the municipalities and building officials, in turn improving the services we deliver to the construction industry. We were, therefore, thrilled when the province launched a public consultation campaign last fall to explore the issues in this area.

In November 2019, we also released the OBOA Solution, which included proposals that would give all Ontarians the confidence of knowing that the buildings that they live, work and play in are safe. In our opinion, making the building code more user-friendly and maintaining public trust in the system, especially with a high level of growth on the horizon, should be a priority for all of those involved in the industry.

Some of our recommendations for achieving these goals include:

- re-establishing the province's authoritative role in interpreting the building code;
- a new regulatory model with government and sector partners, such as the OBOA;
- providing the OBOA with further administrative responsibilities through legislative changes; and
- enabling our organization to certify all building officials and provide services to its members and other sector professionals.

For the last 30 years, a certified building code official designation has ensured that our members have met a high bar, including education, comprehension and experience in the requirements far beyond today's minimal testing set out by the province. This recommendation would build on OBOA's existing role and resources and would ensure that only highly skilled and knowledgeable building officials are responsible for overseeing the construction of buildings throughout the province.

Perhaps the most relevant out of our conversation today: We would recommend introducing regulatory changes that would allow municipalities to adopt a digital-first approach. A digital-first approach would help support the province's public commitment to enhance the development approvals by: (1) improving the information sharing between all approval agencies related to the development process; (2) increasing clarity and transparency across the applicable law approval system; and (3) streamlining and standardizing service delivery to the public.

In our opinion, a true modernization of any public service means adopting a digital-first approach. This was particularly evident through COVID-19 as the COVID-19 crisis worsened.

Aided by the OBOA's leadership in an eight-week time frame, 95% of the municipalities were able to adapt their building department procedures to ensure a continuity of services in and when the offices were closed.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Grant Brouwer: Municipalities moved from 90% paper-based permitting to electronic or e-permitting. Many building departments are also providing online or digital approval services so applicants can make submissions from their homes. Some inspections are being performed virtually, through the use of communication tools, similar to how I am talking to you today.

During the peak of the COVID crisis, our members, as well as our industry partners, looked to the OBOA for guidance in interpreting that construction activities were considered essential by the province. This helped to ensure that the construction of care facilities could continue and housing would be completed in time for those in desperate need.

A digital-first approach is the way of the future. By 2022, we estimate that 70% of all municipalities will have adopted some sort of online submission option. Since local municipalities have already invested in these services, we recommend that the province focus on its efforts towards an agency-wide approach to enable the free flow of standardized information between provincial, municipal and other regulatory bodies that are part of the development approval system. This will not only improve service delivery, but will also help break down institutional silos.

This year at our annual meeting, our training sessions will take place virtually, and one of our key discussion points will be the need for digital transformation and provincial leadership in the e-permitting space. Please take this as your first invitation to join us in September. We'd be thrilled to have you all there.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Grant Brouwer: There are just a few examples of what the OBOA and other sector agencies have been able to accomplish in the past few years, and particularly in the last few months. We know there is more work to be done; it needs to be done quickly. And we've played our part in helping the construction industry lead the way to Ontario's economy.

I thank you for your time and look forward to your questions.

The Chair (Mr. Amarjot Sandhu): Thank you so much. Our next presenter is Indwell. If you could please state your name for the record, and you can get right into your presentation.

Mr. Graham Cubitt: My name is Graham Cubitt. I'm the director of projects and development at Indwell. I do have a few slides here; I'll try to share, if possible, so just bear with me for one second. Is that visible?

The Chair (Mr. Amarjot Sandhu): Yes, it is.

Mr. Graham Cubitt: Okay. As I said, my name is Graham Cubitt. I'm the director of projects and development at Indwell. For those of you who aren't familiar with us, we are Hamilton-based, but a provincial organization providing affordable housing with supports.

Over the last number of years, we have been able to take a leading role in communities across Ontario in developing supportive housing for people who are living with a mental illness, an addiction issue, or actually many other circumstances which leave them with very low income. We are transforming lives through supportive housing, and it's permanent, affordable housing.

We are currently in five municipalities: Hamilton, Hal-dimand-Norfolk and Simcoe; we're in Woodstock in Oxford county; we're in London; and we're constructing in Mississauga and Kitchener. Here are a couple of examples that we have already.

We really believe that the investments that we make in supportive housing are very important because they not only compound the value of the infrastructure that we're creating, but they extend the value of what tenants and the rest of our social services are making.

Our proposal is that you continue the great work that you're doing as a province, that we're doing as a province, to limit the spread of COVID-19. It's very important that we continue to see resilient solutions for particularly the affordable housing side of things. We know that for the congregate care model, street homelessness is a big problem. Obviously, a lot of communities investing in hotel rooms or renting arenas and other things like that is a very stopgap emergency response. We believe that a much more resilient and long-term solution would be to build supportive housing.

We have a number of proposals that are possible to start this year with 305 new apartments, but if we shift, as a province, to start making investments in new construction, we actually can create a lot of jobs, as we've heard from our other presenters today, and really see much more resilient long-term solutions that benefit both public health and make for safer communities. They also have a much higher impact on leveraging the integrated supports that many other ministries, health or community and social services, are making in things like homelessness.

We believe and we know that construction is a strong economic driver here in the province, and we know that, with some of the new initiatives around made-in-Ontario, that it's very possible for us to build new housing that has a multiplier impact here in the province. We believe strongly in that approach. Some of our products, we believe even close to 50% of the products, could be made in Ontario. We can only increase that if we work together.

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Pandemic-safe housing is very, very important. We know that people who are homeless are experiencing the inability to stay home, to stay safe, through the messaging we're getting from public health officials. When people have their own apartment and they're able to be provided with supports in place, the risk of transference of things like COVID-19 drops dramatically. Also, the costs for other things like emergency responses drop dramatically as well.

I do apologize. It looks like my battery connection, my plug connection, was weak, so let me just readjust my power supply.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Graham Cubitt: I do apologize for that. It seems that that power bar has failed.

We do believe, as I was saying, in the multiplier impact of new construction. As we heard from the code officials, this kind of work can actually have a dramatic impact on improving not only our economy, but the resilience of our social housing and our social safety nets.

We do see that this is an opportunity across the province. This isn't just in the communities that we're working in, because we see many municipalities where the service manager is really struggling with how to deal with homelessness and how to deal with the shortfall of community services that have all closed during the pandemic. As a strategy to increase the availability and the quality of affordable housing alternatives, we really believe in and would encourage a strong investment in new supportive housing across the province. Thank you.

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll start with the questions, but before we do that I need to do an attendance check. MPP West, if you could please confirm your attendance.

Mr. Jamie West: Thank you, Chair. I'm calling in from Noëlville, Ontario.

The Chair (Mr. Amarjot Sandhu): Thank you. MPP Stiles?

Ms. Marit Stiles: Thank you, Chair. I'm here in Toronto, Ontario.

The Chair (Mr. Amarjot Sandhu): Thank you.

We'll start the first turn of questions with the government side. Who wants to go first? MPP Piccini?

Interjection.

The Chair (Mr. Amarjot Sandhu): Can you unmute, please?

Mr. David Piccini: Yes, it just took a while for the host to unmute me.

Thank you very much to all the presenters for your presentations today. My question is on skilled trades, and I'm going to direct it to Mike. Mike, I don't think the importance of skilled trades can ever be underscored enough. Given the context of COVID-19 and the effect that it has had on our economy, Mike, can you speak to the importance of encouraging our next generation to get involved in the skilled trades and the important role that you and your team can play in encouraging and fostering a next generation of skilled tradespeople and getting shovels in the ground?

Mr. Mike Yorke: Certainly. That's a great question. That's one of the main focuses of our organization for the last 140 years in Toronto, working with the next generation. As you'll know, we have an established process of apprenticeship within the carpenters, but in fact within all of the skilled trades. There's a real component of mentorship, where older workers on a job site will teach the young people the correct way, the safe way and the proper way to complete the project. That's something we're very engaged in. We're working with communities across Ontario, and we actually have a great outreach program for many young people to bring them into the skilled trades.

Our organization—look, our industry—really does need that new blood, that new generation coming in. There's a lot of retirement, so this is an incredible time for young people to come into an industry that's exciting, that offers them an excellent career path and offers them, really, a way to build a future, because as a skilled trades worker there are so many other doors that open for you.

I think we're well established in that, and the thing is, there are also great support mechanisms within the trades for young people, whether it's around the mentorship, as I mentioned—but there's a great system of schooling, bringing young people along. It really is a win-win scenario.

Our society, our communities, really need infrastructure investment, so there are many jobs for young people. For me, that's a great career path for the next generation. In fact, right now, you may have seen some of our CP24 ads. We've got ads all across Ontario, bringing in young people. When I came in this morning, at the hiring hall, there were maybe eight or 10 or a dozen young men and women lining up, joining the union. We have the track record, and the proof is there that that really creates—

Mr. David Piccini: If I could build on that, just two-fold: One, do you support the government's focus on the skilled trades? I know we've been talking about it at great length. Secondly, do you have any other recommendations on things we can better do to support your industry?

Mr. Mike Yorke: I may need to have you repeat the question. We just had a bit of a blockage there.

Mr. David Piccini: No, that's okay. Do you support the government's focus on the skilled trades in our K-to-12 and in our post-secondary? What more can we do? Any recommendations for your industry?

The Chair (Mr. Amarjot Sandhu): Two minutes.

Mr. Mike Yorke: Yes, I've been in touch with the minister and have said, "Yes, we support the initiatives." We look for opportunities to collaborate.

One of the things that Mark has alluded to: We like what's established and we've been in support on that, but we recognize that if we're going into a post-COVID economy, we want to drive recovery post-COVID. We believe that the construction industry can lead that, but training has got to be key. We need to bring people in from jobs—as Mark has alluded to—from hospitality, restaurants, retail. Those will be some of the jobs that are the last to recover. If we could put together training programs to put people out on to the job site safely so they have some health and safety training and if they also have some basic

skills development, we'll do the rest out in the field. But we really need some training to put that together so they enter the job site in a safe manner.

Mark?

Mr. Mark Lewis: On a very practical note, what we would encourage is if the government could make, as part of the tender package for infrastructure projects, employers say how they are going to recruit new entrants into the trades from their local communities. Make that one of the components which goes into judging which is the best bid. That way Ontario can make its money work twice as hard. You can get both the advantage of the infrastructure that these young people are building, and they are learning the trade as they earn money and get themselves on the path to an economic future, which is a good future.

Mr. David Piccini: Yes, that's an excellent point on local impact. I just made note of that. Thank you both very much.

I'll turn it over to any of my other colleagues if they want to ask questions.

The Chair (Mr. Amarjot Sandhu): MPP McDonell.

Mr. Jim McDonell: Just a question for the OBOA: You've been a great partner with us in the harmonization of the building code and actually upgrading.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Jim McDonell: Maybe you could expand on your digital suggestions, moving ahead: inspections, virtual inspections, that type of thing.

Mr. Grant Brouwer: Thank you. If you would have asked me in January or February where this whole electronic platform was going, my answer would have been different than what it is today. What we see is that COVID-19 has really given us a lot of what we're calling "lessons learned" on how fast we can integrate into those platforms when we need to. If you want to talk about digital inspections back then as well, that would have been a whole new area that a lot of building departments were uncomfortable with. But now COVID-19 has really forced us to make those changes, allowed us to make those changes—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off.

Mr. Jim McDonell: Thank you.

The Chair (Mr. Amarjot Sandhu): We'll have to move to the opposition side for their first round. MPP Shaw.

Ms. Sandy Shaw: My question is for Graham Cubitt of Indwell. Hello, Graham. It's nice to see you. Graham and I have known each other for a very long time. The work that you have been doing in our community and in all of Ontario is phenomenal.

I would like to address the fact that it's not just construction or providing housing; you focus on a double bottom line. So there's housing, but then there's social supports. And just like Mike Yorke from the Carpenters' says, it's not just construction, but it's the idea that we can include everyone in the economy by training people.

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I wonder if you could talk a little bit about, in the work that you do, that provides people with—helps them in their other parts of their life, especially in light of the horrific

things we're seeing with COVID. Here in Hamilton, we have homelessness encampments, we know that people are suffering from COVID beyond just losing their jobs; people are losing their homes. If you could just talk about the work you have done, but going forward, the additional need that we have, not just for housing, but the kinds of supports people need to get back to their lives, post-COVID.

Mr. Graham Cubitt: Thank you, MPP Shaw. The reality is that supportive housing is extremely effective at dealing with issues like COVID. We have just over 600 tenants right now. We have another 400 apartments in development. We have zero cases of COVID across our organization. And these are tenants who historically have been very marginalized, very often homeless, very vulnerable, living in congregate living settings etc. So we're very thankful for the safety that they've experienced.

But it does point to the extremely cost-effective nature that supportive housing can provide, much different from congregate living, homeless shelters, homeless camps etc. So we see that the value of investing in supportive housing is very direct in terms of the construction-related spinoffs. Our projects, we calculate, create one full-time year of employment per apartment, and so a 50-unit project would create 50 person-years of employment. So it's a direct and immediate impact and obviously the knock-on for construction as well.

But also, in terms of the ability as a community to create resilient results, we know that there are many people who are already investing, whether it's the voluntary sector, whether it's the non-profit or charitable sector, whether it's government-supported investments in addictions, mental health etc. Many of these services actually rely on someone having a stable place to live in order for medication to be effective, food security to be effective. So many other things really are anchored in having a stable home. And when we can provide that—whether we, as Indwell, or as a community—when we can provide that, the investments we're making are multiplied many, many times over. I'm not sure if that fully answered your question.

Ms. Sandy Shaw: Thank you very much, and we're short of time, so I will pass this on to my other colleagues, but thank you, Graham, for the work you do.

Mr. Graham Cubitt: You're welcome.

The Chair (Mr. Amarjot Sandhu): MPP Stiles.

Ms. Marit Stiles: Thank you, everybody who is joining us today. I very much appreciate all of your comments.

I'm going to ask my question to Brothers Mike Yorke and Mark Lewis. Thank you so much for being here today. I have to say, it has always been a great pleasure of mine to get out to the training centre and see the amazing—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Marit Stiles: —work that you all do. It's very much appreciated. Just a couple of comments, and maybe I could get your response to them. One was, I want to thank you and your members for really putting some significant, I would say pressure, in a good way, to make sure that your workplaces were safe and healthy throughout. I know I

received many, many calls from family members, folks working on construction sites, particularly in the early days of the pandemic. I think that the efforts to ensure that those workers were protected were very much appreciated. I know people in my community are very impacted, so thank you for that.

You talked a lot about the—really, I thought which were quite bold ideas. I've been thinking about it, like the new deal for economic recovery, that now is the time to be bold, to invest in infrastructure, to revamp, and that this would create really great opportunities; obviously, creating jobs, but also opportunities to train people up in trades where we know they're so needed. One of the things we've been proposing is things like building the new schools that we were so behind on, working toward more child care centres, creating more space generally.

But I did want to ask you, do you think that when you talk about training local people and all that, do you see that as sort of like a community benefit agreement type of model, or do you have something else particularly in mind?

Mr. Mike Yorke: That's a model that we have used in the past, and we do believe that that may not be applicable for every situation. But in fact, actually it has been very beneficial to a lot of young people. I'll give you an example. Along the Eglinton Crosstown—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Mike Yorke: The Eglinton Crosstown has been fantastic. We have engaged so many young people from local communities, from Weston out to Scarborough and Kennedy Road in the east end, and many young people have started their careers. That would be a benchmark of a working program of engaging young people and the next generation into major infrastructure projects.

The Chair (Mr. Amarjot Sandhu): Thank you. We'll go to the independent members now. MPP Blais.

Mr. Stephen Blais: Thank you, everyone, for your participation this afternoon.

I'd like to start with Mike and Mark from the carpenters' association. You mentioned the challenges in recruiting new tradespeople. I'm wondering if there are any specific measures you think can be included in recommendations to the government, coming out of COVID, on how we might be able to encourage more young people to get into the trades.

Mr. Mark Lewis: As we said before, one of the principal ways is to put the responsibility on the industry. If the government requires contractors when they're bidding on government jobs to set out how they are going to try to attract new blood into our industry from young people in the communities involved, that would help. Anything the government can do in terms of advertising and making people aware of the skilled trades is good. I know that over the last year and a half, there has been more emphasis on the skilled trades, and that's brilliant. We all kind of got side-swiped by COVID-19, but to get back into it would be good.

The other thing is, conceivably, we could have some co-operation with the federal government and the various economic programs that have been put in place. If we

could get access or a registry or direction from people who are on CERB or on some of the student benefits, they could be informed that there are jobs for them in the trades, where they can earn while they learn. I was intrigued by the comments from social housing, that every apartment is a one-year construction job. It would be brilliant if it not only was a one-year construction job, but it was also one year of education for a young person while they were actually doing the job.

The main thing is to just keep repeating the message to the world that there are good jobs in the trades and get our industry to start focusing on drawing more people in, as opposed to relying on immigration, which is one of the ways that Ontario and Canada have traditionally done it.

Mr. Stephen Blais: Thank you for that. I do like the idea of the local tradespeople as part of the tender packages. That's very interesting. Do you know if that has been done in any jurisdictions in North America? Are there examples that we could build upon?

Mr. Mike Yorke: I think there have been a number, and as has been mentioned earlier in this discussion around community benefits, they really do call for the community benefits agreements. Our organization has been open to that. I mentioned earlier the example of the Eglinton Crosstown. Many young people have come into our organization through that process.

One thing I might also mention, and Mark alluded to this earlier—this is about the opportunity and the impact of infrastructure spending, job creation in the GTA, in the city, that it can really benefit northern Ontario. If we look at use of raw resources on the timber side from northern Ontario—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Mike Yorke:—we believe that infrastructure investment development in the GTA can really have a positive benefit for a maximum amount of people around the province. That's something that we'd like to put out on the table, because we recognize that we have a responsibility. We believe that in our organization, it can really drive economic diversity and economic inclusion in other parts of the province.

Mr. Stephen Blais: Thank you. I appreciate that.

I have a similar question to the building officials association. We've seen a shortage of trained professionals to do inspections, whether it's in the private sector or—in some cities like Ottawa, there's a shortage of building officials. I'm wondering, how can we get more certified building officials and inspectors in the system faster, to accelerate some of the challenges with approvals that the carpenters mentioned in their presentations?

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Mr. Grant Brouwer: Thank you for your question—good question. One of the things that we have done as a building officials association is that we've partnered with local community colleges to ensure that the information is basically not getting Toronto-centric. It's being spread out to community colleges across the province to ensure that students or our youth are able to take some of that training to be able to help their communities and help their areas where they are.

Mr. Stephen Blais: Sure, fair enough. So advertising and promotion, basically getting the word out—is that—

Mr. Grant Brouwer: That is our big one. That is the main part of it. But also, since historically all of our training has been classroom-based, now we are basically going virtual-based. That's going to help with getting more people within the virtual classroom to help us with those, to help keep those people trained.

Mr. Stephen Blais: Yes, perfect. Thank you. I liked the conversation about e-certification—or e-permitting, I should say; excuse me.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Stephen Blais: Are there municipalities that have not moved forward with e-permitting because of the costs associated with the technology?

Mr. Grant Brouwer: Yes, there have been. Small-town Ontario is having trouble with those costs because of what it costs to get those things: the amount of permits that they issue within a year versus the money to pay for that.

Mr. Stephen Blais: Sure. So would some kind of government program to facilitate the purchase, installation and training of the technology—this would obviously expedite their adoption of it and then would have benefits across the system?

Mr. Grant Brouwer: Yes, it would. That would be probably the easiest way to get the “yes,” to have something, some sort of stimulus to help with that program.

The Chair (Mr. Amarjot Sandhu): Thank you.

Mr. Stephen Blais: Thank you.

The Chair (Mr. Amarjot Sandhu): We'll start the second round with the opposition. I'll go to MPP Rakocevic.

Mr. Tom Rakocevic: Hello. Thank you. I thought we were going back to the government. I have a quick comment for the OBOA. I had the pleasure of speaking to them in the general government committee recently. I just want to let you know that I did question you about an amendment that we had put forward on Bill 159 that would have seen, basically, Tarion—or I guess in this case, HCRA—passing on information on problematic builders to municipalities. That amendment was voted down, so it's not going to happen, unfortunately. I thought it would have been useful.

My question, actually, is for the carpenters: hello, Mike; hello, Mark. I've had the pleasure of working on community benefit arrangements in my past experiences. One of the challenges we face in the northwest corner of Toronto is that many marginalized communities may not have family members in the trades. We know that if you have an uncle, your dad, your mom, your aunt—it doesn't matter—in a trade, you are subjected to it, you experience it as a young person and it's easy to get into that trade. I wanted you to comment on how we could help improve those opportunities.

The last thing is, one of the issues with community benefits, I've found, is that once the project opens and it's ready and there's a call to go out there and get people to come in, if we don't do enough planning in advance, then by the time the call goes out, we're not able to deal with it [*inaudible*]. Do you have any comments on both of those?

Mr. Mike Yorke: Tom, thank you very much. Thanks for the question, and I'll get to the second one first. I agree with you 100%. The success of any venture really depends on the amount of groundwork you do upfront. So you've got to really plan things. You've got to collaborate with the community. To use a carpenter's note, you hit the nail on the head there, because really, that's the success of any project. I agree: Get your work done upfront; do your collaborations.

To go back to the first part of your question, in terms of our outreach: The carpenters, we do come from every country in the world, and many of the building trades do, but we cannot do it all on our own, so that's where we go to the community. That's where we do the outreach to community representatives.

In the instance of Eglinton, I'll give you an example: It would be the Toronto Community Benefits Network. Whenever we do a program with, let's say, 16 students for our concrete forming, five or six or seven will come from TCBN. That's how we're doing our outreach. That's just going on and on. When we work at San Romanoway, we work with the communities. The community has the grass-roots, so that's where the success of our project is really driven by that collaboration beyond our own organization.

Mark might have a comment, as well.

Mr. Mark Lewis: I just wanted to say one thing, because I don't want anybody to think that we are all about or just about Toronto. One important aspect that could work well for us is that the more we can work with guidance counsellors in high schools across the province in all sorts of communities big and small, various aspect groups, to expose the trades—a lot of people, as you say, don't have relatives in the trades, so that hinders them getting in, but also, they don't know about the opportunities—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Mark Lewis: —and the more we can expose that, the better.

One of the things that we've had some success with doing, which has been quite phenomenal, is that we've been trying to get some of our younger first-time apprentices to invite their old guidance counsellors to come and see them on a job site, particularly on a payday, and they take pictures with their guidance counsellors and their pay-cheques, which can then get distributed on social media.

If we can get the word out to every type of person—you don't have to be an Italian male to be successful in our industry. We have a pathway forward through our apprenticeship program, which we're trying to make as neutral as possible, so that young people know what the milestones are, what goals they have to hit and how they can go on to a great career that will help them for the rest of their lives. We just want to expand as best we can, and any help we can get from the government to make our industry bring more people in, the better we like it.

Mr. Tom Rakocevic: All right, then. That's good. Thank you so much for all the work you do. I really appreciate it. Thank you for the answers to the questions and all the opportunities you've given to my community.

I'll pass it off to MPP West.

The Chair (Mr. Amarjot Sandhu): MPP West.

Mr. Jamie West: I'm still getting—
Failure of sound system.

The Chair (Mr. Amarjot Sandhu): Can you unmute yourself, please?

Mr. Jamie West: Oh, come on. Okay. Sorry. I thought I did, twice. Can you hear me now?

The Chair (Mr. Amarjot Sandhu): Yes, we can.

Mr. Jamie West: Okay. My question is for Mike and Mark from the Carpenters' as well. If I have time, I'll go on to other ones, because I have questions for all three of our speakers.

I think what you said just recently, Mark, about the guidance counsellors—I was steered away from the trades, went to college, went to university, then got into the trades afterwards on my journeyman, and was making decent money—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Jamie West: —while I was paying off \$20,000 in debt.

I think what's important, and what I'd like you to maybe expand on: When you talked about speeding up permits for construction products, I think that it would be helpful for us as MPPs to understand how weather might be an effect, that if we don't get shovels into the ground early on, weather might delay us for six to eight months before starting a construction project in the future.

Mr. Mike Yorke: Thanks for the question. It's very important. As you will know and as we probably stated, the construction industry is pretty well at full pre-COVID employment right now. But we have numerous smaller contractors, and what they do is, they maybe do three or four projects in the course of the spring, summer and fall. They're telling me, "Mike, we cannot get permits out the door. We can't get through the planning departments. We're basically lucky to do maybe one project instead of three or four this year." It's of crucial importance, and I think the individual from the building department spoke to it earlier. If we could have government support for expediting that and putting—

The Chair (Mr. Amarjot Sandhu): Thank you. I'm sorry to cut you off. The time has come up. We'll have to move to the independent members now.

But before I do that, I need to do an attendance check. MPP Martow, if you can please confirm your attendance.

Mrs. Gila Martow: I'm here.

The Chair (Mr. Amarjot Sandhu): Are you present in Ontario?

Mrs. Gila Martow: Present in Ontario.

The Chair (Mr. Amarjot Sandhu): Thank you.

All right, so the independent members: MPP Schreiner?

Mr. Mike Schreiner: Thank you, Chair, and I thank all three presenters for taking the time to provide such valuable information.

I'm going to direct my first question to Graham at Indwell. I'm a big admirer of the work you've done, just up the highway in Guelph, watching you in Hamilton and other communities. You made some compelling arguments for how investments in supportive housing not only create

jobs and economic activity, but also help protect the most marginalized in our community, which then protects everyone in our community.

You had mentioned that if the province could make some investments in supportive housing, we could look at these multiple benefits. Can you maybe detail out what some of those investments could look like?

Mr. Graham Cubitt: Thank you for that question. Before the pandemic became a reality for us all, we had been talking with a number of the MPPs in the ridings that we are working in and a few others across the province around this issue. The National Housing Strategy is an untapped resource for every community, particularly smaller and rural communities across the province. Because it's not per capita, there's a unique opportunity to actually bring significant federal investment to communities much more dispersed across the province.

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A \$75,000-per-unit contribution by the province literally is the catalyst to create previously unavailable supportive housing outside of the GTA in Ontario. That \$75,000 is the amount we've calculated. It's a generalized number. It could be specific to a project, but it's the kind of amount that would be able to actually create those jobs that we're talking about in construction and be a direct catalyst to the industries that are creating the products in the province, but most significantly create permanent legacy supportive housing in communities that have never had it.

The payback on that amount, because it does have the most impact for the provincial Ministries of Health and Community and Social Services, is roughly 10 times. For projects that we have had in the past that have been supported through the Ministry of Health, we'd get, let's say, \$40 a day to support people who had previously been living in hospital. That may be \$800 today. So there's a very direct payback to the province for creating this kind of housing, but the immediate catalyst effect is in the construction and is in the employment that drives the long-term legacy.

The other reality is that we know that the opioid crisis and many of these addiction issues that are in every community across Ontario are much more effectively dealt with through supportive housing, or when supportive housing is in place. The knock-on effect in some of these other crises that predate COVID is real.

As well, we know that our environmental issues that we want to see advancement in in Ontario's construction sector and in our advanced technology in building products—new housing can be a catalyst for that, as well. We're building all of our housing to Passive House standards. Right now, many of the products that we have to use are coming from Europe, and we can make these things in Ontario. It's not rocket science; it's just a different way of doing some things.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Mike Schreiner: So with that provincial investment that has a 10-times return on investment, would that additionally leverage federal money as well?

Mr. Graham Cubitt: For sure. It would leverage at least \$150,000 in direct investment through the National Housing Strategy, as well as potentially any kind of COVID response that the federal government may be doing.

Mr. Mike Schreiner: Great. Thanks for that.

I'm just going to shift gears quickly to the carpenters, Mike and Mark. One of the things that some economists have talked about is this being a "she-cession," that women are being disproportionately affected, and some economists have suggested that traditional infrastructure and building projects, while great job creators, may not address the fact that a lot of women have lost their jobs. I was really interested in your comments around training, particularly bringing people in from other sectors, so I'm wondering if there are ways that we could attract more women into the trades, particularly through this retraining, to help address the issues around the she-cession that we're facing.

Mr. Mike Yorke: Well, I think initially you're absolutely right. That has to be a priority for all included. If we want an inclusive recovery, we just cannot stand back and let it happen on its own; we have to take some positive steps and some appropriate steps. Mark has highlighted around local hiring: When we work together with the employer and with the client, the buyer of construction, put some documentation into the tendering package that says, "We want this to be as inclusive as possible."

On the other hand, I will say that what we have done is we have a great track record in our organization of reaching out with some contractors such as the Daniels Corp. when we were down at Regent Park. We had specific training programs directed at women in the trades, CRAFT for women, Creating Real Apprenticeships for Toronto women. We had a class.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Mike Yorke: So there are some benchmarks out there, models that can be looked at, but I'm in agreement with you: We have to take a positive step to ensure that that happens.

Mr. Mike Schreiner: And just to clarify: One of the best ways to ensure that is to actually write language into the RFPs for tendering?

Mr. Mark Lewis: Anything that could be put in the tender documents that gets people into our industry from diverse backgrounds, be it women, be it Indigenous communities—conceivably, be it some of the people who are going to live in the supportive housing, which has been talked about by our earlier speakers.

A lot of times, all people need is some help getting into the trade and then they discover they have a real facility for it, and that includes women and that includes all sorts of other people that you might not necessarily think of as—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. The time has come up, and we'll have to go to the government side now for their second round. MPP Barrett?

Mr. Toby Barrett: Am I coming through okay?

The Chair (Mr. Amarjot Sandhu): Yes.

Mr. Toby Barrett: Thank you. I have some questions for Graham Cubitt with respect to Indwell. You mentioned Haldimand–Norfolk, and maybe we could have a discussion through the lens of perhaps one of your latest projects. You are essentially renovating the old Norfolk Inn in downtown Simcoe. I say, “renovating”: Everything is gone except the steel girders. It’s a gigantic building. It’s controversial. You mentioned the opioids, the narcotic analgesics, and unfortunately, that building really, really went downhill, as did downtown Simcoe.

Maybe what would exemplify the controversy: Some funding from the municipality barely passed council. Minister Steve Clark, to his credit, secured several million dollars for the project, and of course, your wonderful fundraisers, the people who donate to your cause. I just wonder, through the lens of this Norfolk Inn project, where are we at now? What are we going to see as far as an impact in primarily the Norfolk area?

Mr. Graham Cubitt: MPP Barrett, thank you for that great question. Thank you for your fantastic support directly on the project there at the Norfolk Inn. The Norfolk Inn is a representative project for many, many communities, particularly a lot of rural communities or smaller communities, where the once-thriving downtowns have been directly impacted by issues of the opioid crisis, of drug use and just economic shifts in our communities.

That project is coming along very well. We have the building fully ripped apart, in terms of a 1950s, 1960s sort of commercial structure that was well built and very poorly maintained over years. We’re building 32 new independent one-bedroom apartments. It’s going to provide a type of supportive housing. As you mentioned, Minister Clark’s support through the Home for Good program was very critical for that.

In the long run—well, by the end of this year, hopefully, that building will be getting close to ready for occupancy, and we’ll have those folks moving in from Norfolk county into new supportive apartments. It’s the kind of opportunity that—many people in our communities are experiencing many challenges; we know that. But particularly when addiction issues, mental health issues and low incomes layer up, it is very difficult to stay close to home, and we see sort of a migration to larger urban centres, where people often get lost or even further victimized.

We see a huge opportunity to see buildings like the Norfolk Inn renovated in communities across the province. Literally, it seems like every day we have a conversation with someone in a new community: Chatham, St. Thomas, Owen Sound, Peterborough, Kingston. Just in the last week, folks were calling from those places, saying, “What can we do to deal with supportive housing?”

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Graham Cubitt: We see that there are many, many buildings that are available and that are right for transformation into new kinds of supportive housing.

Mr. Toby Barrett: Maybe with respect to that particular job site, given the nature of we’re doing everything we

can to get construction going again and continuing—you contracted that out. Maybe just some of the nuts and bolts: How are things going? How do you work with the contractor? Are they having any—hopefully not having any delays?

1400

Mr. Graham Cubitt: We’ve had very good success working with a local company out of Caledonia, Schilthuis Construction. They’ve had a lot of experience in the local trades and in the industry locally. We’ve been able to work very closely with the medical officer of health and have not been delayed throughout the pandemic in terms of being able to continue working, despite the emergency orders. Many things, in terms of safe working—PPE, all of the advised precautions that we’ve had to take—we’ve embraced right from the get-go, so that we could keep people working in the community.

To the comments from the others, from the union and from the builders’ association, we see when we work together as a community that we can succeed. It’s really about everybody bringing their skills to the table. We know that a lot of our work is done by union contractors and trades, and we appreciate of course the support from building officials throughout each community we’re in.

There’s a crisis. The pandemic we’re facing is a unique opportunity to focus all of our attention on immediate impacts that an investment can make that have long-term benefits for the investments we make.

I can concur with so many of the other comments about inclusion, and we’re working with—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Graham Cubitt: —a lot of that mobilizing of young people and inclusion for the Indigenous community etc. throughout our projects.

Mr. Toby Barrett: Your project is located literally almost across the street from two clinics to serve those addicted to narcotic analgesics, probably one of the toughest addictions to break. So beyond supportive housing, what is your challenge, what is your role there with a very serious problem unfortunately right in the centre of the downtown business district?

Mr. Graham Cubitt: The issues of drug use and particularly opioids etc. can be life-destroying, and we really work to empower people to make positive decisions. We do use a harm reduction approach that we say, if you can make better decisions, that is a good idea and we will do whatever we can to help people make better decisions away from using—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. Your time has come up.

Thank you to all three presenters for your time and for your presentations.

Before we move along to our next presenters, I would like to do an attendance check. MPP Gélinas, if you could please confirm your attendance?

M^{me} France Gélinas: Yes. I’m MPP Gélinas, and I’m in beautiful Nickel Belt in Ontario.

The Chair (Mr. Amarjot Sandhu): Thank you. MPP Singh, can you please confirm your attendance also?

Ms. Sara Singh: Yes. Hello, everyone. It's MPP Sara Singh, and I'm in Brampton, Ontario.

The Chair (Mr. Amarjot Sandhu): Thank you.

CORPORATION OF THE MUNICIPALITY
OF SIOUX LOOKOUT

MR. NICOLAS SMIT

The Chair (Mr. Amarjot Sandhu): We'll move to our next group of presenters. First, we'll start with the Corporation of the Municipality of Sioux Lookout. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Doug Lawrance: Thank you. My name is Doug Lawrance. I'm mayor of the municipality of Sioux Lookout. Good afternoon, and thank you very much for the opportunity to present.

Sioux Lookout is the service hub of the northern region with a population of 30,000 in an area the size of Germany. Approximately 6,000 people live in the municipality of Sioux Lookout and 24,000 live in remote First Nations to our north. The majority of the communities are fly-in access only.

Following the announcement of the pandemic by the federal and provincial governments and the subsequent declaration by Premier Ford, like other municipalities, the municipality of Sioux Lookout was required to follow the emergency orders that were put in place.

Since the onset of the emergency orders in March, the municipal, construction and building sectors in Sioux Lookout have been significantly impacted. Approximately \$75 million in infrastructure projects have been delayed due to COVID-19 because most of the contractors and developers are from Manitoba and west, and could not work in Ontario during the months of April, May and June. Projects include apartment buildings, a hotel and restaurants. Construction slowdown is evident in the reduction in revenues and building permits. Revenues are down 87% compared to 2019—a loss of \$76,000 to date.

The \$1.6-billion Watay Power transmission line project was also delayed. This prevented the anticipated municipal economic stimulus from the 250-person base camp which could not be populated and impacted the local food, retail and service industries in Sioux Lookout.

Sioux Lookout is a robust community that has a significant number of businesses that derive their revenues from United States tourists; 90% to 95% of our lodges', outfitters' and floating lodges' revenues come from American clientele, and most of that business comes in the months of May, June and July. The border closures have made it difficult for these businesses.

The option of booking Canadian tourists has also been complicated due to American clients not cancelling their reservations, believing they may still be able to travel after July 21. Also, businesses are hesitant to cancel bookings, as many of their clients are repeat customers and cancelling would risk losing clients in the long term. There are also fears that when the border reopens to tourism, the American tourists will be hesitant to travel for fear of

contracting the virus and having inadequate health care coverage or sick leave coverage in the US.

There is considerable fear that these businesses will not be able to survive the pandemic and will go out of business. An example of one lodge in Sioux Lookout: a \$700,000 loss in repeat-client reservations, plus an additional \$30,000 to \$50,000 in reservations throughout the year. There are about 25 such lodges and operators in the Sioux Lookout area.

The fuel and food industries have also been directly impacted by the lack of tourism to Sioux Lookout. The municipality of Sioux Lookout has several hotels, health care hostels, and one motel. On average, their occupancy rate is 85% to 95%. Some times of the year they are at full capacity. The combined loss of revenues in these hotels is approximately \$3 million from March to July, based on a pandemic occupancy of 35%.

The hostels are run by a First Nation agency, and last year they had 91,000 person-night stays by outpatients getting health care in Sioux Lookout. They typically run at 100% capacity—

The Chair (Mr. Amarjot Sandhu): Two minutes.

Mr. Doug Lawrance: —are about 30% capacity. This loss runs throughout businesses in Sioux Lookout such as food, retail and taxis.

Our municipal airport: pre-pandemic, 40 flights per day, 163,000 passenger movements per year; during the pandemic, eight flights per day. This is a loss of about 80% of our operations, including aviation charges and fuel sales. Our municipal airport operational budget is about \$11 million per year. At the end of June 2020, the airport had an operating deficit of \$35,000, and it is increasing. The airport normally operates at a surplus of several hundred thousand dollars per year.

Municipal operations: With the announcement from the province of the emergency declaration due to the pandemic, the municipality closed our offices and kept essential staff only. The municipality also made adjustments to minimize the impact of the pandemic to our operating and capital budgets. We laid off 50% of our staff. We removed the ice rink from the arena, closed our daycares, cancelled all travel and training, purchased only the essential items and deferred capital projects that could be deferred. Hydro savings to date due to the building closures are in the range of \$88,000.

Starting mid-June, we began to recall staff back to work due to the severance implications that would result if our employees were laid off any longer. Some of the cost savings to date will not continue throughout the remainder of the year due to the recall of staff resources for operations, regular seasonal maintenance and capital projects that must be completed.

The municipality has incurred reductions in revenue due to the closure of buildings and/or programs. Some of the reductions include, but are not limited to:

—we implemented a municipal accommodations tax this year for the first time, 4% starting in January; we anticipate a loss in revenue of \$500,000, and we anticipate losing at least half of that this year;

—the municipality has waived penalty interest on taxes and receivables—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Doug Lawrence: —and anticipates a loss of \$73,000;

—daycare revenue loss, \$320,000;

—building permits, \$76,000;

—recreation losses to date, based on lack of memberships, court closures, socials etc. are closing in on about \$120,000.

Municipal receivables have increased in comparison to this date last year by about \$400,000. The municipality is currently in a negative cash flow position and will be relying on a demand loan to operate for the remainder of the year.

The municipality of Sioux Lookout requests that the provincial government, with or without collaboration from the federal government, provide meaningful, unconditional operational funding assistance to municipalities to recover from the impacts of the COVID-19 pandemic. We also are requesting that non-application-based capital stimulus funding be provided to stimulate the construction industry in Sioux Lookout.

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll move to our next presenter, Nicolas Smit. If you could please state your name for the record, and you can get right into your presentation.

Mr. Nicolas Smit: Hi, everyone. My name is Nicholas Smit. The reason I'm here today is to stress the importance of using PPE, such as P100 respirators, to significantly manage the effects of COVID-19 on various sectors of the Canadian economy.

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Some of you may know that I was able to get Health Canada to approve P100 respirators for health care workers on June 12, and that Doug Ford started an internal investigation of these respirators on June 16, and bought 100,000 respirators from 3M at the end of June. Some of you may also know that I was able to get Carol Hughes, through tax incentives, to increase donations to hospitals from companies that donate PPE to hospitals.

For those of you who have never heard of the P100, I'll explain that later on in the presentation.

Canada currently stands at about 107,000 cases, with Ontario making up about one third of those cases. Here is a breakdown of cases. Most of the cases in Canada are represented by hospitals and long-term-care homes, with the food industry making up a close second. These numbers do not include firefighters, police, EMS and transit workers, border or airport staff, and they also make up a significant portion of these cases in Canada.

The reproductive rate is the number of people that one person with COVID-19 will infect. On June 28, it stood at two and a half, but on average it's about one person will infect one other person.

Moving on to how COVID has directly affected different industries: In the food industry, severe outbreaks at food plants have resulted in millions of animals being euthanized, and farmers have also had to destroy food crops and discard millions of dollars' worth of eggs and

food. This has resulted in a significant increase in food prices.

Besides the increase in food prices, there is a significant increase in community transmission from these areas. A good example of this is a Cargill plant in Alberta that had 947 cases, and another 500 cases directly linked to this food plant.

With migrant workers not being able to practise social distancing and not being provided PPE, there are also a lot of outbreaks among migrant workers.

With the job loss across Canada due to COVID, there has been a large increase in people turning to the food bank.

In the construction industry, companies have either been forced to shut down, since they have not been able to source PPE, or they've had to let staff go. Some companies have also had to take dangerous shortcuts, since they can no longer find PPE, such as using vacuum cleaners to get asbestos out of a P100 filter so they can reuse it.

Since projects take longer to work on and there have been more delays with the supply chain issues and with work permits being harder to find, fewer plants are being able to get their projects worked on, and projects take longer to complete.

In the mining industry, a lot of remote mine sites have had to close down since they are afraid of passing the virus on to local communities every two weeks when their workers go through these sites. The reduction in mines has also decreased the supply chain and increased costs for businesses, and increased job loss as well.

For tourism, most tourists are afraid to go to bigger cities like Toronto for fear of getting COVID, since COVID is prevalent in the larger cities. With tourism in smaller cities, such as Sioux Lookout, locals are sometimes afraid that the tourists going to these areas will bring in COVID, coming from the different communities. For example, if you look at tourists from international areas like the US, this is not being mitigated properly, so they could bring in significant community spread in these areas. If you look at tourism spending, if the virus is contained versus not contained, you will see that Canada could bring an additional \$26 billion in tourism spending, and an extra 187,000 jobs would be able to be returned to the economy.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Nicolas Smit: Other problems due to COVID are: Schools are closed, so parents have to take time away from work. This puts an extra strain on businesses they work at.

In the prison system, prisoners face lengthy delays, adding additional court costs to the provincial government to keep them incarcerated. This prevents individuals from having a fair and speedy trial. Also, since PPE is not being supplied properly in prisons, outbreaks are occurring among inmates and staff.

For health care workers: Health care workers make up one in five cases since they do not have adequate PPE protection. A good example of the lack of protection is that 30 paramedics in Ottawa were removed from duty on July 11 due to the lack of N95 respirators.

Solutions: By providing PPE, such as N95 or P100 respirators, to large areas where outbreaks are occurring, this

would make a significant reduction in cases across Canada by at least 30%. Providing migrant workers and staff at food plants with PPE would reduce food shortages, because plants would no longer need to close, and this would bring a decrease in food prices. Providing airport staff and passengers with proper PPE would prevent community spread from coast to coast and from international travel, and would also reduce the fear of people travelling on an airline, because they would be properly protected.

If we were able to properly provide every single health care worker in Canada with their own respirator, we would also reduce one in five cases. If mass production of PPE were started, such as more P100 respirators, companies like construction companies would not have to lay off staff and would be able to finish projects on time. With less people being sick, as well, there would be less sick days needed so companies would save money from having to pay for replacing those workers.

For schools, if we were able to convert gymnasiums, libraries, theatres and parts of cafeterias into makeshift classrooms, this would allow for much greater social distancing. Holding classes outside, such as gym or theatre class—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Nicolas Smit: —would also further maximize the distancing.

P100 respirators: For those who do not know what a P100 respirator is, these are respirators that are rated to stop 99.97% of airborne particles. N95 respirators, for example, stop only 95% of those particles.

The CDC and NIOSH have recommended P100 respirators as the top choice for health care workers for COVID-19. On April 20 they issued guidelines to help health care workers use these respirators properly. The CDC has also used P100 respirators since 1996 to protect health care workers from viruses. American hospitals used these respirators in 2009 to protect health care workers from H1N1, then stored them away for 10 years and are taking them out this year to start protecting health care workers from COVID-19. Unlike N95s, P100s are built to be reused for years, and one respirator could provide a health care worker with protection for the rest of this pandemic.

Mario Possamai, who was the lead investigator and is currently leading the investigation for the Canadian Federation of Nurses Unions, explained to MPs—

The Chair (Mr. Amarjot Sandhu): Thank you. Your time has come up.

We'll have to start with the questions now. This round of questions will start with the independent members. MPP Blais?

Mr. Stephen Blais: Thank you, Nicolas, and Mayor Lawrance for your presentations.

Your Worship, you were describing the challenge that you've had with some infrastructure projects as a result of not being able to, in effect, import labour from Manitoba and other jurisdictions. I'm wondering, has that changed as a result of various aspects opening up or are you still facing that challenge today?

Mr. Doug Lawrance: The Watay project has gradually gotten under way and those workers are largely from

western Canada. They're highly skilled tradespeople doing the gridline construction.

The other projects are not underway yet. Some of them are in their development stage, and it involves engineers and developers coming as well as contractors, so that has not rolled in yet.

Mr. Stephen Blais: Is the decline in revenue from the airport and other sources going to affect your ability to actually get in on the ground on some of those infrastructure projects?

Mr. Doug Lawrance: The decline in revenue from the airport? No, the airport is owned by the municipality. It's run as a separate corporation. Generally we have the second-busiest airport in northwestern Ontario. First Nations are in lockdown, and I believe the First Nations will remain in lockdown perhaps longer than we do. Normally we would have about 400 high school students here, and we have other training facilities here. These are all northern First Nations students coming.

Health care is the biggest employer in our community, with great losses there. We invested \$15 million in our airport last year, expanding the terminal, the final phase of a 10-year plan. Right now we will be in difficulty paying back these loans.

Mr. Stephen Blais: Fair enough. It's obviously a very challenging situation.

You mentioned your municipal accommodation tax and that, with the lack of tourists, you're not seeing revenue from that. Do you know, did your RTO give up RTO funding in exchange for the tax or are you still receiving RTO funding at the same time?

Mr. Doug Lawrance: We don't have, as far as I know, RTO funding here at all.

Mr. Stephen Blais: Okay, fair enough. You also mentioned your desire to see some kind of operating transfer from the province to help you offset your deficit. What is your projection on a municipal deficit this year?

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Mr. Doug Lawrance: These numbers that I've presented here are sort of hot off the press. At this time, I think we're projecting in the range of—revenue losses are now at close to \$900,000. Some of our savings would be in the range of \$500,000, but that's going to flip some of the things when we have to bring staff back. I'm guessing that we'll be getting close to \$1 million if things proceed the way they are. Our tax-generated budget here is \$11 million from tax revenue, so this represents about 10% of our tax-generated budget.

Mr. Stephen Blais: Yes, 10% is enormous. This morning, the minister indicated that they might be considering allowing municipalities to offset deficits over the course of many years, as opposed to paying for it the next year.

The Chair (Mr. Amarjot Sandhu): Two minutes.

Mr. Stephen Blais: Do you see that as a potential option for Sioux Lookout?

Mr. Doug Lawrance: If the Premier says it's an option, I guess it might become an option.

Mr. Stephen Blais: I mean a real financial option.

Mr. Doug Lawrance: Sure. We're in a reasonably good financial position in terms of debt, but it would increase our debt load, which would decrease our ability to do projects and all the infrastructure stimulus spending etc. There won't be any municipal requirement to put money in, I'm guessing, and if we're paying that back as a loan, it makes it very difficult to ever make progress.

Mr. Stephen Blais: Of course. I just wanted to catch it right: Your recommendation to the government was for basically a no-strings operating transfer to help you this year, as well as some kind of capital program to kick-start things. Is that correct?

Mr. Doug Lawrance: That's correct, yes. It could be in addition to the Ontario provincial municipal fund, doing it that way—and the stimulus funding for construction, absolutely. Keeping in mind that once things start back up, construction in remote communities is much more expensive—it's more expensive anyway, but now there's a premium because the contractors will be all working in the larger cities. So that needs to be kept in mind.

Mr. Stephen Blais: I think that's absolutely bang on. In most provincial or federal, even, infrastructure programs, there is a list of eligible and ineligible expenses. Would you think that, given the emergency, all expenses related to infrastructure should be eligible for the provincial transfer?

Mr. Doug Lawrance: I would think so, and I would think there needs to be great flexibility in letting the municipalities decide what is infrastructure and what is not.

Mr. Stephen Blais: Yes. From your perspective, I think the minister said that—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Stephen Blais: —[inaudible] on a conference call in the last number of days with him or the Premier. From your perspective, where do things sit, in terms of understanding when that provincial money might flow?

Mr. Doug Lawrance: I have no understanding, sorry. I don't know.

Mr. Stephen Blais: That's what we're hearing from a lot of people. Are there social or other non-hard projects you might use direct provincial funding for to help the economic situation in Sioux Lookout?

Mr. Doug Lawrance: Absolutely. As the service hub for a vast northern region of the most marginalized population in Ontario on the remote First Nations, we're beginning to see people making their way back into our town due to mental health and addictions issues overcrowding in their communities. They're showing up in our streets. We need funding to run programs to help those people.

Mr. Stephen Blais: I appreciate it. Thank you very much.

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll go to the government side now for the first round. MPP Martow.

Mrs. Gila Martow: Hi. Thank you very much, Mayor Lawrance, for speaking with us today. What this whole Zoom committee meeting and unfortunately the pandemic has shown us is how close we can be, even with Sioux Lookout, with good Internet, and I'm assuming you have some type of satellite or something up there to help you

communicate with us today. One of our priorities, not just because of the pandemic, but even before—but that has really pushed it up the list—is to get proper broadband throughout the province of Ontario. I wonder how that would help in terms of the delivery of support for mental health and addictions.

We all know that there's a lot of help that is being given virtually that I even hear from some clinicians is better than face to face. A lot of times, people feel uncomfortable pouring their heart out face to face. So it's just the delivery of that type of service to drive up the—bringing Sioux Lookout to show the world what you have to offer, once tourism can get back up and running.

How important is that to you and your constituents, that we get that broadband, that good Internet, up to your municipality?

Mr. Doug Lawrance: It's extremely important. Thank you for that. At the municipal office, where I'm sitting now, we're connected through K-Net, which is a First Nations agency, and we're very fortunate to have a very good connection. Many residents in Sioux Lookout don't have that.

I take your comments about the virtual counselling and virtual meetings very well; I think that's great. But many of the clients we have don't have an Internet account; they don't have a device. We need hard housing where people can live and be connected with counselling. For people who are basically homeless or in a drifting state or in poverty or marginalized, the virtual counselling isn't going to happen. They don't carry Daytimers. They don't carry devices like that. They don't have somewhere to sit to do that. We need the hard physical facilities, and then you can put virtual counselling into those places.

Mrs. Gila Martow: Right. So more like—would you see community centres? We're seeing now libraries being used very differently from what they were used for a few decades ago. Libraries are now becoming hubs of connectivity. People who don't have connections where they live or don't have the hardware, as you said, are able to go to a community centre or a library and are able to have the support. Do you have those kinds of hubs? Is that something that could be useful?

Mr. Doug Lawrance: Yes, our library, which I can look out my window and see, is very innovative and is in fact a bit of a key, because we're so underserved in terms of emergency shelters, warming shelters, cooling centres etc. The library is a hub. People do go there who may not have access to Internet, but through the library they can. But it wouldn't be a location for counselling where you conduct private—

Mrs. Gila Martow: It's not private.

Mr. Doug Lawrance: No.

Mrs. Gila Martow: Yes, I understand. It's not private enough. France Gélinas was a health care professional, and I was an optometrist previous to getting elected, and I think that everybody who's online with us right now understands the need for privacy when getting counselling and getting help. It's a big, big challenge. I think we're all here to support your community, and I'm so glad that you were able to speak to us today.

I just want to mention to Nicolas Smit that he gave a fantastic presentation, and we appreciate everything he's advocating for and everything that his company is doing to keep Ontarians safe.

Just back to Mayor Lawrance: What else can you share with us in terms of your tourism sector? Because now we're getting into stage 3 and that's a big challenge, that the tourism and hospitality sectors seem to be the hardest hit and are going to take the longest to recover. Where would your tourists come from? Would they come from across Canada, out of province? Would they come from the US, from Europe? What challenges do you foresee in terms of getting the tourists back to Sioux Lookout?

Mr. Doug Lawrance: So I look at it as we have two markets for tourism. One is the United States, and that's our hunting and fishing. It's prime, pristine country for hunting and fishing, and 95% of the traditional type of tourism is from the United States. It's going to be very difficult for that industry to recover here. I think there's going to be a reluctance among Americans to travel, and we don't know how those restrictions will work.

Another part of it: I know that there have been programs put out there to help, but they're not grants; they're loans. So what the tourist outfitters are asking for is, don't make it a three-year payback; make it a 10-year payback. They're going to be recovering so slowly. There's not going to be a big bounce back. It's going to be a very gradual bounce back. So extending that loan repayment over a longer term would be very beneficial.

On the other side of tourism, it's health care and education tourism, and that 70% of the economic activity—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Doug Lawrance: —is directly related to servicing First Nations and First Nations people. Some health care will be required and mandatory, but I believe the First Nations are much more careful of COVID transmission, especially given crowded housing conditions and a history of disease going into communities from the south. That will also be a long, slower recovery for here.

Our tourism isn't really in Canada or in Ontario. It's in Canada for the health care for the remote First Nations, health care and education, and from the northern United States, largely, the Midwest, for the tourist outfitters. I hope that answers it.

1430

Mrs. Gila Martow: Thank you so, so much. Once again, I want to thank Mayor Lawrance and Mr. Smit for their presentations and for joining us today.

The Chair (Mr. Amarjot Sandhu): Okay, we'll go to the opposition side now for their first round. I'll start with MPP Gélinas.

M^{me} France Gélinas: Thank you, Mayor Lawrance and thank you, Mr. Smit.

I was wondering, Mr. Smit, if you would be interested in finishing your presentation, as well as if you have brought a picture of what a P100 looks like. In and around Sudbury and Nickel Belt, they are used widely by the mining industry. Some people who work for the mines have to carry them with them at all times because of the

risk of contamination of air where they work. All of us in and around Sudbury, we have seen them before because they carry them around their necks. We see them at Tim Hortons etc. But I'm sure there are some people on the line who have never seen a P100, if you wanted to show them, Mr. Smit.

Mr. Nicolas Smit: Sure. Well, thank you, France, and thank you for your help getting the government to look at these in March.

First of all, I'd like people to know I do not represent a company; I'm just an individual. I did this on my own and not on behalf of any company. I want people to know there's no conflict of interest.

I'll try to quickly finish the presentation. Can you guys see the screen right now?

The Chair (Mr. Amarjot Sandhu): No, we can't.

M^{me} France Gélinas: Not yet, but it should come.

Mr. Nicolas Smit: Okay. Sorry, I'll try again.

The Chair (Mr. Amarjot Sandhu): Yes, we can see it now.

M^{me} France Gélinas: All good.

Mr. Nicolas Smit: All right.

So Mario Possamai was the lead investigator for the SARS investigation and is currently leading the investigation for the Canadian Federation of Nurses Unions. He explained to the MPs at the House of Commons meeting on Monday at Canada's COVID response that Canada needs to stop assuming N95s are the end-all solution, and they should start looking at buying more P100 respirators. This is a graph of cases in Ontario from the time our government first looked at using P100 respirators. As you can see, the cases have constantly gone up. There have been quite a few missed opportunities to be able to get these approved.

By April 2, the government had known that these would protect users, but they were afraid because they didn't know how to protect people from the air leaving the exhaust valves, since they were made for industrial settings, so it only protects the person using it.

What CDC hospitals have been using for decades is a surgical mask. That's a quick and easy solution, but the government did not realize this, so until June they were saying that these P100 respirators were too dangerous to use under any circumstance and they also prevented hospitals from using their stocks.

I forwarded the committee an email from Doug Ford's office, which showed the internal investigation from my email stemming from June 16, which resulted in Doug Ford purchasing these respirators from 3M for 100,000 health care workers. Now, 3M is not the only manufacturer; there are over 20 manufacturers that could provide these P100 respirators to health care workers in other industries that need them.

For health care workers, they vary between \$16 and \$30 apiece, and to supply every single health care worker would only cost \$8 million to \$15 million, depending on the manufacturer. I don't want to show a conflict of interest, so I'd like the government, if they were to purchase these, to contact different manufacturers.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Nicolas Smit: The only manufacturer that has so far been contacted is 3M. Companies like GVS, MSA Safety and Dorma have yet to be contacted by the government, even though they each have enough P100 respirators to provide every health care worker in Canada with their own. Also, they could provide them to people like paramedics in Ottawa, so that instead of having to take 30 front-line paramedics away, since they don't have N95s, they can be provided with these P100 respirators.

Firefighters have been using these as well in Manitoba, since Manitoba and Quebec have been more familiar with these respirators. Since April, paramedics and firefighters have used these. Even a week after Health Canada approved these, firefighters in Mississauga were begging Ford's government for help since they ran out of N95s and they did not realize P100 was even an option until MSA Safety contacted them.

I've tried to get the government to be transparent and asked Doug Ford to let the public and the media know about the problems, since they've prevented health care workers from using these, even when health care workers had no other option. And that is one of the reasons why health care workers in Canada represent such high numbers: because they do not have the PPE they need to stay safe. A lot of times, they're only given a surgical mask which, as most of you know, is not safe enough protection when you're working on COVID patients.

I can try and provide you with pictures. I tried to send PDFs to the committee meeting yesterday, although, I'm not sure if you received it. Some of those are the New York Times articles describing P100 respirators. There are also medical studies that I provided the committee as well that show 2,000 health care workers in Pennsylvania and Mississauga used P100 respirators for four weeks in April and May, and after the four weeks were done, not a single person wanted to return to N95 because of how effective they were.

They're also a significant cost reduction. Since they could be reused, one respirator could provide a health care worker or a food worker or a migrant worker or a tourism worker enough protection for the rest of the pandemic at a fraction of the cost of what the government is trying to do to fix problems.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Nicolas Smit: I'm hoping that one of you guys on the committee today can talk to Ford and ask him to finally let the media know. I have had the media try to speak to the government. Kate Rutherford from CBC News had tried to reach out for over four weeks to Ford. But since Ford has made so many mistakes in the early approval process, he does not want to admit those, so he's not returning any calls to the media.

So that is something that maybe health care critics like France Gélinas could do in Parliament: Ask Doug Ford why he decided to purchase these respirators and still keep the public in the dark.

Now GVS is only able to supply health care workers in Canada, but other companies like MSA Safety and Dorma can provide construction companies, so they no longer have to shut down their projects. They could provide prisoners

with these, as well, so that there are no more outbreaks in prisons, and they could provide airport staff—

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize to cut you off.

We'll have to move to the government side for the second round now. MPP Smith.

Mr. Dave Smith: First off, I'd like to correct a statement that MPP Blais made. Never, at any point, has Minister Clark said that we were going to extend the length of time that a municipality could carry debt; in fact, we introduced legislation just in the last couple of days, and it wasn't included in that. He was very clear about that earlier today.

Mayor Lawrance, one of the things that I've heard is—I'm on the northern Ontario jobs and recovery team, looking at what we can do to open up the economy for northern Ontario. One of the things that has come back to us has been some of the challenges that construction companies have had with respect to apprenticeships and projects not being long enough for them to have an apprentice there. They made a request for us to allow multiple companies to sponsor the same apprentice. Are you finding in Sioux Lookout that there's a challenge for the construction industry to get apprentices, because some of the projects don't extend long enough?

Mr. Doug Lawrance: In Sioux Lookout, we largely depend for larger projects—first of all, out-of-town contractors come in. The projects are different, so we have local subtrades that will work on apprenticeships. We have some First Nations training agencies that take advantage of programs to get apprentices on projects, but the nature of the ones you're speaking of, that would be the larger contractors that come in from Thunder Bay or Winnipeg and places beyond that. So I can't answer your question or give you an informed answer.

Mr. Dave Smith: When those companies are coming in, are they able to attract some of the people from Sioux Lookout on those projects? There has been a suggestion that we should be looking at putting in some scoring on RFPs to allow for more local content, with respect to employees being brought in. Would that be beneficial in Sioux Lookout?

Mr. Doug Lawrance: No, that would probably be detrimental. If you want to work in Sioux Lookout, you're working. We have a very low unemployment rate. It would be something that might work in a larger context in northern Ontario, but in Sioux Lookout, we have—one third of the job openings in northwestern Ontario currently are in Sioux Lookout. There are tremendous opportunities for employment here. That would not be beneficial. That kind of score might be detrimental.

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Mr. Dave Smith: Detrimental for you as a municipality?

Mr. Doug Lawrance: Because it would box us in. If you look at the map and all the dots in the northwest, so in northern Ontario, they're not all the same. Municipalities aren't the same. We're unique in different ways: one, because we service the north so intently; and another,

because of the high employment rate in our community. There aren't people lining up looking for jobs. We have employers who are looking for employees; it has been reversed.

Mr. Dave Smith: Thank you very much. I'm going to turn it over to my colleague MPP Khanjin.

The Chair (Mr. Amarjot Sandhu): MPP Khanjin.

Ms. Andrea Khanjin: Thank you, both, for your presentations. I was interested to hear about the respirators. I actually have some being made in Barrie with O2 and Jomi, and for them it's an additional medical device. They were saying how, yes, it can stop particulate matter and you can put a medical mask on top. It really is there to help people breathe. So for them, they're really working to get that into the medical field, and I know they've been working with the military as well on that, and they're well on their way. They've been working with the Ontario Together website and put in their submission and things are going fine. There is obviously a process for that.

I wanted to ask perhaps Doug, and then, Nicolas, you can comment on it: We had the Minister of Municipal Affairs here this morning just talking about the economic impacts of what we can do to invest in our communities. I just wanted to ask you both, from an infrastructure and municipality perspective, what your thoughts are on the measures we've put in, to date, to help them find savings and efficiencies.

Before COVID happened, a lot of funds were given to municipalities; for example, Innisfil has a stationing dock to repair their ambulances and police vehicles and whatnot all in one hub, and that really benefited them. So just to comment on some of those initial measures that were made and how you've seen those impacts to date; and then of course additional funds were given to municipalities with the COVID-19 financial economic update, and how that's going to impact the economy and sectors, in your opinion.

Mr. Doug Lawrance: Sorry, you're asking me that? Was that question for—

Ms. Andrea Khanjin: You could start, Doug, if you don't mind. Thank you.

Mr. Doug Lawrance: Yes, Sioux Lookout is in the north. We're a relatively small community. We're probably right about the median size of Ontario municipalities: 5,000 to 6,000. We don't have a transit system. For police, we contract the OPP. We have a volunteer fire department.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Doug Lawrance: So in terms of what you mentioned, that wouldn't have had much impact on us. There were some small things put in place, and because we don't have those budgets, initially our accounts were lower. We're seeing costs building up because of declining taxes and also the failure of tourism businesses and the lack of the MAT tax because we're so dependent on people coming and going from our municipality. Airport operations are slowing down. In terms of those things, it's just a direct cash replacement—

Ms. Andrea Khanjin: If I could just ask: You would agree that we could have a one-size-fits-Sioux solution, right? That's one of the things he mentioned this morning. For example, Innisfil has volunteer firefighters as well.

We don't have public transit; we use Uber. And so the point we were making this morning is that you can't have a one-size-fits-all solution for all municipalities, and just to get your feedback and advice on that.

Mr. Doug Lawrance: Oh, absolutely. That's the point I think I was making in the previous question, too: Don't look at all the dots and assume they're all the same. Don't look at the First Nation dots on the map and think they're all the same either. They're all in different places and have different capacities. So the municipalities, certainly in the northwest, are very different. You can't solve the problems for Sioux Lookout in Kenora or Thunder Bay—

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize to cut you off. We'll have to move to the opposition side for their second round now. MPP Mamakwa.

Mr. Sol Mamakwa: Good afternoon. Thank you, Mayor Lawrance, for your presentation, and also Nicolas.

I know we were talking about economic recovery, especially—I'll direct my question to Doug Lawrance. I know it's almost as if, when we talk about economic recovery, the impacts on the municipality of Sioux Lookout, it's on both sides. When we talk about First Nations, when they have their travel restrictions to do business in Sioux Lookout, whether it's access to health care, access to child welfare services or tribal council services or basically doing business, and then also on the south of the border, when the border is closed, when we have tourism—it's almost a double whammy.

I know I have some suggestions on how it could be supported. Is there anything else that—and I know that with the construction and all that and with the jobs that are required—of course I'm from Sioux Lookout as well—how tough it is to find accommodations or housing. Can you talk about that a bit?

Mr. Doug Lawrance: Certainly. It's nice to see you, MPP Mamakwa. Thanks for being here. Housing has always been at a premium in Sioux Lookout. The costs are high because of the demand, in part, and because of construction costs and because of the pressure on the municipality, in part because of the amount of business and activity that's going on in our community related to the northern First Nations, who are very active and it's worth coming for health care. They're coming for education and coming for business and investing in business in our community, so housing is at a premium, as are our hotels rooms.

Airport travel, I think, in 1985 was probably 10,000 passenger movements per year. Last year, it was 163,000 passenger movements per year. On a per capita basis, we're busier than the Pearson airport plus the island airport put together. They have 40 million passenger movements per year for a population of about 8 million, and we have 160,000 for a population of 5,000. We're about three times busier on a per capita basis. It just speaks to the hub nature of Sioux Lookout. There are so many jobs here and so many jobs that people can't fill because of the lack of housing.

Certainly, we have a long list of projects, both on the social service side and on the private side, that need an impetus, and that's where we would like to have some control over it, if there is to be stimulus funding, so that it

goes into projects that make sense for the long-term development of our municipality.

Mr. Sol Mamakwa: Earlier too, you spoke about mental health and addictions, and also people without homes. I know over the last couple of years—I think it was in 2018—there were a number of people without homes that had passed away in Sioux Lookout. Sometimes I refer to them as the “voice of the voiceless.” Are there specific projects that can address that, whether it’s addressing mental health, addictions and also perhaps helping people without homes?

Mr. Doug Lawrance: Absolutely.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Doug Lawrance: We have the busiest OPP officers here in Sioux Lookout. We have the highest cost per property for policing, and it’s related to mental health and addictions and the lack of services and facilities we have here for the people. We’re criminalizing behaviours that we should be addressing through services such as detox, through addictions treatment, through proper supportive housing, transitional housing and through a properly funded, fully funded emergency health centre for people to go to and access counselling. Those are the projects.

If there is stimulus funding, it needs to be available through different ministries to stimulate the projects, which we haven’t had, in line with what we need. That might not be seen as infrastructure, but they’re highly important for the infrastructure of the people of Sioux Lookout and the people coming here for service.

Mr. Sol Mamakwa: Okay. Again, we talk about the support, what the support would look like when we talk about economic packages or economic recovery for Sioux Lookout. You spoke about some of these projects. You spoke about some of the big projects: the Wataynikaneyap, which is the one that is going to hook up the northern fly-in First Nations on the grid. I know there are companies coming in from the west. Is there an opportunity to train First Nations from the North as well? I just want to see what your thoughts on that are.

Mr. Doug Lawrance: Absolutely. We’re working with agencies such as the Sioux Lookout Area Aboriginal Management Board, the SLAAMB, and that is a huge opportunity. I know at the Watay—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Doug Lawrance: The Watay is training people and employing people in the northern First Nations. Absolutely. It’s tremendous.

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When we built the new hospital, the Meno Ya Win Health Centre in Sioux Lookout, we built into the contract that there were training and apprenticeship-type programs in that \$135-million project that specifically targeted First Nation people. That can easily be done, and it’s a tremendous opportunity that shouldn’t be overlooked.

Mr. Sol Mamakwa: What about long-term-care facilities? Can you talk about long-term-care facilities?

Mr. Doug Lawrance: We are grossly underserved for a population of 30,000. We have 20 beds, so that’s two thirds of a bed per 1,000, which is 10% of the provincial average for long-term-care beds.

We need long-term care desperately. People are being forced to go up from Big Trout Lake to Thunder Bay or Fort Frances, from Sioux Lookout to Kenora or Thunder Bay—hundreds upon hundreds with no transit system for family to visit. We have 20 beds for a population of 30,000; we should have in the range of 130 beds.

The Chair (Mr. Amarjot Sandhu): Thank you so much.

Mr. Sol Mamakwa: Thank you.

Mr. Doug Lawrance: Thank you.

The Chair (Mr. Amarjot Sandhu): We’ll go to the independent members for their time of questioning. MPP Blais.

Mr. Stephen Blais: If the minister made any commitments this morning, that’s news to me, because it sounded very non-committal. I am concerned, though, at the implication that if something is not in Bill 195 or Bill 197, it won’t be considered by the government. It’s very concerning, because it really calls into question the whole purpose of these hearings.

Quickly, for Mayor Lawrence, you mentioned that the municipal airport is set up as a municipal services corporation, I think. Does it typically provide a dividend to the corporation?

Mr. Doug Lawrance: No. Any surplus gets funnelled back into the investment in the airport. About 15 years ago, our 10-year plan was determined, which took 10 or 15 years to undertake, but it was constantly reinvesting and matching funds for the ACAP funding etc. We’ve reinvested; we’re beginning a new cycle, a new 10-year master plan. So there are no dividends for the municipality; it’s reinvested into the airport.

Mr. Stephen Blais: Sure. And the debt that you incurred to do the expansion that you were talking about: Was that debt from your municipality, or was that private debt or bonds?

Mr. Doug Lawrance: That last piece of our 10-year plan was the expansion and upgrades to the airport terminal. That is, I think, a \$16-million project with FedNor and NOHFC—one third, one third, one third. Of course, as projects do, it ran over, and the municipal portion I think ended up being about \$7 million, which is all long-term debt.

Mr. Stephen Blais: Okay. And the absence of the revenues because of the lack of operations and lower operations: That’s going to impact your ability to repay those debts?

Mr. Doug Lawrance: Yes. That was built into the airport business plan, but now the business plan is out the window and the airport, as a municipal corporation, will come to the municipality for assistance.

Mr. Stephen Blais: I appreciate that. Thank you.

I think MPP Hunter has some questions.

The Chair (Mr. Amarjot Sandhu): MPP Hunter.

Ms. Mitzie Hunter: I want to thank both presenters. Thank you, Nicolas Smit and also Mayor Lawrence, for coming to committee and for giving us your ideas and your suggestions.

I do want to continue on with Mayor Lawrence. It’s good to see you. I know the last time I was in Sioux Lookout,

I definitely saw the importance of the investments in the airport as a hub for the region—just essential, really. We've had, through weeks of hearings, people who have come forward to talk about the decline in flights to the north, the concerns for disruption of supply chains and, of course, for local economies, and it's a huge issue. Now that we are in the recovery stage, we have to find ways of attracting people to the region again, for the good of the economy.

You talked about the need for in-person services. It reminds me of the hub that I visited in Sioux North High School and all of those adjacent services that are there and how important it is for people and for individuals.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Mitzie Hunter: Can you talk a little bit about what you're seeing in terms of the mental health and well-being needs in the region, and what types of investments are needed at this time?

Mr. Doug Lawrance: Thank you. It's nice to see you again, MPP Hunter.

You have to take into account the cultural differences that we're talking about for the vast number of people in our area. Virtual meetings would certainly be out of culture. The telehealth and whatever—there are certain areas where it can work, where it's a little bit more of a technical function, but in terms of mental health counselling, I'm not an expert here, but I do believe that person to person, face to face would be much better.

You have to also factor in the extreme overcrowding in the northern communities, and even overcrowding in housing here in Sioux Lookout. To find a private space for that counselling would be very, very difficult. Some of the things that are being discussed—much of it is interfamily, and you want to get out of that setting to have those conversations.

The extreme need in young females for counselling services and help in our community in the north—we have mothers with children fleeing violence. That kind of counselling I don't think can be done except with another person.

Ms. Mitzie Hunter: Thank you, Mayor. I'm wondering if you have any thoughts on the school reopening at all, and what is needed. Any thoughts on the reopening for parents coming back to school?

Mr. Doug Lawrance: Listen to your public health experts and the experts in the field. Don't listen to me. That's what I would say.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Doug Lawrance: I'm just looking for the best advice that's going to come.

Ms. Mitzie Hunter: Yes, I agree that it is the best advice. I'm hearing, though, that moving beyond the school buildings themselves and out into the community as a way to help provide creative space for a full return back to school is something that is going to be needed in some instances for physical distancing, and just for that safe return. I just wondered if that's something that you've heard at all.

Mr. Doug Lawrance: I think when you consider a small community such as ours, we don't have a lot of facilities,

so if you move out, I'm not sure where we're moving to. And just the personal differences from student to student—my daughter has my two grandchildren, a 15-year-old and a 13-year-old, completely different. One is an introvert, extremely happy with the learning at home, and the other is absolutely out of kilter, can't learn anything via that setting—

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize to cut you off. That concludes our time. Thank you to both of the presenters for your time and for your presentation.

CO-OPERATIVE HOUSING FEDERATION
OF CANADA
REGION OF PEEL
TOWNSHIP OF EAR FALLS

The Chair (Mr. Amarjot Sandhu): Moving along to our next group of presenters, first we will start with the township of Ear Falls. If you could please state your name for the record, and you will have seven minutes for your presentation.

Is he here?

Interjection.

The Chair (Mr. Amarjot Sandhu): All right, so we'll move to our next presenter, the Co-operative Housing Federation of Canada. If you could please state your name for the record, and you can get right into your presentation.

Mr. Harvey Cooper: And unmute myself. Thank you.

The Chair (Mr. Amarjot Sandhu): Yes, thank you.

Mr. Harvey Cooper: Thank you very much, Chair. My name is Harvey Cooper. I'm the deputy executive director of the Co-operative Housing Federation of Canada. I'm joined by Dillon Waldron, our government relations coordinator.

CHF Canada is the national voice of co-operative housing, representing over 550 housing co-operatives in Ontario, proudly home to some 125,000 people across the province. I'm very pleased to speak to the committee today about how COVID-19 has impacted Ontario's housing co-ops and how the co-operative sector can play an absolutely vital role in Ontario's economic recovery.

CHF Canada's top priority has been the health and safety of our members and ensuring that all public health guidelines are being well communicated to housing co-ops throughout the province. I'm pleased to report that housing co-ops are demonstrating their very strong community resiliency, and to date they have weathered the storm. According to our tracking, we understand that by and large rent arrears have remained low for the last number of months. We believe this is evidence that CERB and other income supports are working. They're reaching people in need to help them pay for rent and other necessities.

I'd also like to take this opportunity to recognize the work the provincial government has taken, as well as all MPPs, to contain the spread of COVID-19 and support the people of Ontario. In particular, the government's social services relief fund, which provided an initial \$148 million

and an additional \$150 million, announced on July 2, has helped municipalities provide support to community organizations and individuals in need in response to the pandemic.

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Our submission goes into much more detail, but today, at the committee, I'd just like to outline a few actions that the province can do to reach the government's vision that all Ontarians can find a home that meets their needs and their budget, and stimulate the economy.

Our first recommendation is to invest in affordable housing. With all levels of government, the private and the community sectors pushing to stimulate the economy and get people back to work, now is an opportune time for Ontario to pursue solutions that build up both affordable housing and regional economies. Over the next 10 years, the province needs to support the development of 69,000 permanent affordable housing units, particularly for those most in need. This can be accomplished through pre-development assistance, grants and loans to catalyze the development for more mixed-income, non-profit housing, like housing co-ops.

The connections between affordable housing investment and economic growth are very well recognized. According to the Canada Mortgage and Housing Corp., for every \$1 million invested in residential housing development, it creates between 10 and 12 jobs. The Toronto Region Board of Trade has said that a lack of affordable housing is also a very significant barrier to attracting and keeping employees across the GTA. Affordable housing must be a pivotal component of Ontario's economic recovery. It will strengthen our province long-term and help move Ontario forward.

I will now pass it over to my colleague Dillon Waldron.

Mr. Dillon Waldron: Thanks, Harvey.

Our second recommendation is maintaining the existing affordable co-op stock. This must be accomplished by addressing the end-of-mortgage issue for HSA housing providers. Ontario's community housing sector provides affordable homes to 250 households. However, the majority of these buildings are about 30 years old and are coming up to the end of their mortgage. This presents a unique opportunity for co-ops and non-profits to leverage their mortgage savings for needed capital repairs without requiring provincial funding. Outdated funding regulations—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Dillon Waldron:—under the Housing Services Act prevent co-ops from reinvesting in themselves. Community-based housing providers will not be able to access their mortgage savings, as, according to the current funding formula, the bulk of these funds may go to municipal service managers. This makes them more reliant on government funding and thwarts the sector from being more entrepreneurial, innovative and businesslike.

Without these mortgage savings, co-ops will not be able to do the necessary capital work and will force housing providers to go, cap in hand, to government to access capital needs. CHF Canada recommends, as part of the regulatory framework of Bill 148, that once a co-op reaches

the end of its mortgage, the operating subsidy portion of the funding be set to zero. No provincial financial contribution is necessary to make this regulatory change.

Our third recommendation: We encourage the province to take a housing-first approach to government surplus land. CHF Canada has long advocated for the release of surplus public land to build affordable housing. We're pleased to hear the province's commitment to build transit-oriented communities atop or adjacent to stations on future subway and GO stations. However, details matter. In order to ensure that permanent affordable housing is built for low- and medium-income families, we recommend that the province include the terms of sale that at least 20% of residential units developed are affordable and delivered as turnkey to community-based providers. The Auditor General has found that co-ops and non-profits provide—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Dillon Waldron:—affordable rentals in a more cost-efficient manner than private developers, and build much-needed larger units at a lower cost per unit.

In conclusion, the co-op sector is well poised to work closely with our public, private and non-profit partners to build the crucial social infrastructure to meet the pre-existing and growing needs of our community. With significant levels of public sector spending in response to COVID-19, investing in long-term solutions such as permanent affordable housing must be a top priority in the economic recovery plan.

Thank you, and we look forward to hearing the committee's questions.

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll move to our next presenter, the Region of Peel. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Nando Iannicca: Thank you, Chair Sandhu. I'm hoping you can hear me.

The Chair (Mr. Amarjot Sandhu): Yes, we can.

Mr. Nando Iannicca: Chair Sandhu, good to see you. This is Nando Iannicca, chair from the region of Peel. I'm also here with my interim CAO, Nancy Polsinelli, who will be speaking a little bit later.

First of all, Chair, let me thank you for hosting us and for hearing our thoughts. Thanks also to the government, the Premier, the MPPs, the ministers and everybody. It has been a great collaborative and a great working relationship we've had, and we're very grateful to you and to all governments under these very challenging times. I am pleased to have this opportunity to offer Peel's perspective on the challenges facing municipal governments as a result of COVID-19 and the recovery as it begins.

During this crisis, municipalities worked effectively with other levels of government, as I said, to get support to the people who need it most, especially amongst the vulnerable. The municipal level operates closest to the people and delivers the essential services that Ontario residents continue to need. Recovery will also rely on strong partnerships among municipalities and other levels of government.

Ms. Polsinelli will now provide some context for this discussion by outlining the economic and fiscal impacts of COVID-19 for Peel. Nancy, over to you.

Ms. Nancy Polsinelli: Thank you, Chair Iannicca, and good afternoon, committee members. Like other municipal governments, the COVID-19 pandemic has been very costly for municipalities in the immediate term and raises important financial questions over the long term.

As you know, the measures needed to mitigate community transmission of this virus had profound economic impacts on people, businesses and communities. As of June 2020, approximately 137,800 Peel residents lost their jobs due to COVID-19. This raised Peel's three-month average unemployment rate to 15.7%, more than doubling since June of last year. At the region, we've been collecting this statistic since 2006, and this has been the highest rate we've seen since then. For businesses, we expect to see a rise in insolvencies. As well, lower levels of immigration will limit growth in many areas of the economy, for example, in residential construction.

The region of Peel itself is facing significant and immediate financial challenges. Currently, we're seeing increased operating costs for critical front-line services, and those are those essential services to our community which make up over 75% of the region's mandate. At the same time, we're also seeing reduced operating revenues. The total impact for 2020 is now estimated at \$67 million. In response, we have undertaken some cost-saving measures and efficiencies. Taking these savings into consideration, we are projecting a \$39-million deficit.

As I mentioned, we anticipate financial impacts beyond this current year. The pandemic is affecting the region's development charge revenues, which are required to pay for growth-related infrastructure. The region is forecasting a shortfall of between \$600 million to \$700 million in development charge revenues between 2020 and 2024. This shortfall means more debt. This will put pressure on our credit rating, and servicing more debt would create cash flow pressures in future years. Most importantly, this would negatively impact services, those services that impact the lives of our Peel residents.

To avoid this outcome, municipal governments like ours would need external funding support. Without this—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Nancy Polsinelli: —we would need to significantly reduce capital expenditures, which in turn limits future growth.

These are some of the considerations as we in Peel design a recovery that maintains the progress made in containing the spread of COVID-19. The region's recovery plan, which speaks to the short-, medium- and long-term planning, is anchored in three pillars: delivering valued services and community supports; creating safe environments and healthy workers; and redesigning regional operations for a new normal, one that continues its commitment to the community. Successfully implementing this plan and ensuring economic growth and fiscal recovery will require a coordinated approach among our partners within Peel and in strong partnership with other levels of government.

1510

I will now turn it back to Chair Iannicca to highlight how such a partnership with the province can best support both the people and the businesses in Peel. Chair Iannicca?

Mr. Nando Iannicca: Nancy, thank you.

First, on behalf of Peel region, I would like to thank the federal and provincial governments for their quick and decisive actions in the pandemic crisis. We're in a position to discuss recovery because the emergency measures and everyone's collective efforts got us back to a place of relative stability. I say that after watching the morning news and seeing what's happening to our friends in the south, in the United States. Without saying so, I think what a lot of people are saying is, "We told you so." We may have gotten that right through all the medical authorities.

Now, our challenge is to maintain the vigilance while supporting economic recovery and addressing ongoing fiscal pressures. This will require an open and meaningful discussion regarding municipal support from senior governments. The Federation of Canadian Municipalities has called for \$10 billion in emergency operating funds for the municipalities, \$4 billion of which would benefit Ontario municipalities.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Nando Iannicca: The region of Peel, together with other municipalities and sector associations, agrees that this short-term measure is needed. Without this support, municipalities will be forced to choose between unsustainable property tax increases and substantial cuts to front-line services. Such measures would only hurt the very same people who we are currently relying on federal and provincial support programs during this very crisis.

We also call on the federal and provincial governments to accelerate infrastructure funding to stimulate economic recovery. While we expect funding will be available this fall through the Investing in Canada Infrastructure Program, we simply cannot afford to wait.

In addition to these intermediate supports, the crisis is added urgently to reviewing provincial-municipal responsibilities for income tax redistribution programs. We should be discussing, for example, the goal of removing affordable housing and homelessness from the property tax base. The Institute on Municipal Finance and Governance has also argued for such a review. Over the long term, we recommend that the province engage municipalities in discussions to update municipal revenue sources and tools.

COVID-19 has clearly exposed the limitations of the land-based revenue sources that municipalities are forced to rely on. Municipalities manage approximately 60%—

The Chair (Mr. Amarjot Sandhu): Sorry. I apologize to cut you off. Your time has come up now. We have to move to the next presenter.

Our next presenter is the township of Ear Falls. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Kevin Kahoot: My name is Mayor Kevin Kahoot, from the township of Ear Falls. First of all, I'd like to thank you for allowing me to present today.

Municipalities across northern Ontario are struggling with the fallout of the COVID-19 pandemic, but we were also struggling prior to it. In order to improve our community's long-term sustainability, we have to have broader control of land within our municipalities.

For those who may be unaware, in northern Ontario, our single-tier municipalities have significant quantities of crown land within our municipal boundaries, but we have no control over that land. We're interested in changing that to improve the long-term economic success for our communities and for the whole region.

There are a number of economic areas that this would address without upfront cash outlay by our provincial government. The first would be land development. Municipalities could use existing land-use planning tools such as official plans to guide this development. Official plans are vetted by the provincial ministries to ensure compliance with the provincial policy statement and their internal mandates. This would enable municipalities to work within their boundaries without any additional red tape.

The second would be tourism. Control of this land would enable municipalities to encourage greater Canadian tourism through cottage lot development and ecotourism opportunities for families. The tourism sector is stressed at the moment, and they're heavily reliant on US travellers. We need opportunities to improve these tourist efforts.

The third one would be economic development. Spin-offs associated with development have positive impacts on tertiary businesses such as their local restaurants, gas stations, hardware stores and lumberyards. Many of these people right now are in a stressed state due to the downturn in the tourist industry with COVID-19 and the borders being shut down, so this would be a huge boon to local economics.

The fourth one would be resource development. Our communities in the north here are rich in resource development, whether it would be forestry, mining or hunting and fishing camps. We want to protect our environment while ensuring that the economy can maintain stability in the long term. Forest management is an area that the MNR demonstrates widespread consultation with a regimented and time-sensitive process.

Finally, and one that is big for northern Ontario, would be job creation. All of these areas, from land to resource development, result in job creation, which is exactly what we need. This would create jobs in many, many sectors from the trades—carpenters, plumbers, electricians—land developers and also the many spinoff jobs in restaurants and storefronts in our local areas.

The province of Ontario has a single tool for municipalities to use for development on crown land. It is known as A Guide to Cottage Lot Development on Crown Land. This document provides a summary of the land disposition process and the role that the municipality and various government ministries and agencies play. As the mayor of the township of Ear Falls, and president of the Kenora District Municipal Association, I am aware of the challenges that municipalities face in struggling through this program. I use the word "struggle" quite purposefully. This program is very onerous, and primarily because there is no one

spearheading it from the provincial side. The MNR is responsible for administering this program, but does not appear to have a mandate to tangibly or effectively help municipalities get through it. There is no accountability, timelines or leadership resources granted to the guide.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Kevin Kahoot: In my community, we are working with a private developer to create waterfront lots within the municipal boundary in order to increase our local tax base. This process has taken on eight-plus years, as of now, to get to the point where a notice of decision should be soon made on whether a crown land use policy atlas amendment will be granted to permit the municipality to submit an application for cottage lot development. We are simply seeking control over these lands within our municipal boundaries so that we can make decisions nimbly to improve our local economies and recover swiftly.

Again, I want to reiterate that this is an opportunity for the province, without coming forth with any kind of cheques, grants or monies to the communities, to allow a community like ours, and a lot in northern Ontario, to be able to raise money through taxes and boost their economy. It's win-win, I believe, for the province and all municipalities. Thank you very much.

The Chair (Mr. Amarjot Sandhu): We'll start with the questions now. We'll start the first set of questions with the official opposition. MPP Morrison?

Ms. Suze Morrison: Thank you so much. I would like to direct my first round of questioning to Harvey and Dillon from the co-op housing federation.

Welcome to you both. It's good to see both of you again. I think I'd like to start with the piece that you mentioned around the rent arrears being low across the co-op sector, which doesn't particularly surprise me. I know that co-ops play a really important role in providing affordable housing, specifically. Knowing that folks who may be particularly cash-strapped—I think about here in Toronto where average market rents are more than even CERB was providing, leaving folks pinched between a rock and a hard place—do you have any data around the rent arrears piece in the co-op sector, and how much more stable the housing you've been able to provide for folks during this difficult time has been?

Mr. Harvey Cooper: Thank you again, MPP Morrison, for your question, your comments and your ongoing support of the 27 housing co-ops in the riding of Toronto Centre. You were remiss to mention, the most co-ops of any riding across—

Ms. Suze Morrison: I know. I usually try to work that one in, but I know you know it and I know it, so it's—

1520

Mr. Harvey Cooper: I've used a couple of precious seconds of my time to horn it in.

Maybe I'll just start in terms of the COVID response. We, like many, were very worried. That isn't to say that—a lot of folks are struggling. I heard the data from the region of Peel in terms of unemployment rates, and certainly our housing co-ops are made up primarily of low- and modest-income individuals. Certainly, for the time

being, with the supports—the CERB program, the provincial and municipal supports—people seem to be making a priority of paying for their housing first. This is what we’ve found. Will that continue? Hard to say.

There are a lot of informal supports in the co-op housing sector. We’ve been delighted to see neighbours supporting neighbours, checking in on seniors, looking after kids, doing food runs. I think it’s where the real community fabric has shown itself.

In terms of data, one of the big advantages that people that who are living in affordable housing have that a lot of citizens who are in, perhaps, the private rental sector—a percentage are already getting housing assistance, be it a housing allowance, a rent supplement. In terms of our membership, as I mentioned at the outset, we’ve got about 125,000 households, about 44,000 units of housing. About half are provincial, half are federal. I won’t break it down too much further, but maybe close to 50% of those residents receive some type of rental assistance. That makes things go easier in these challenging times.

I’ll stop there. I might have missed some of the other parts of your question, MPP Morrison.

Ms. Suze Morrison: Part of the piece you touched on was going to be one of my next questions as well, the piece that you just spoke about in terms of community fabric. I know that when I think about the co-ops in my riding—and as you said, I do in fact have the highest concentration of co-ops in Toronto Centre compared to any other electoral district in the country. We’re very, very happy to have all of them. They make up a really important part of the riding. But the one thing that strikes me about the co-ops that I’m familiar with in my riding is that sense of community that’s quite different from almost any other model of housing, and how much better equipped, I think, co-op housing is to provide that sort of grass-level, community-based support, particularly in light of COVID-19. You were mentioning grocery shopping, helping neighbours out, things like that—because of the nature of the co-op structure, that they’re much more nimbly able to do that. Do you have any stories that you’d like to share with the committee that you’ve seen of successes of that social fabric helping the co-op community really get through COVID-19?

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Harvey Cooper: Sorry, how much time do I have, Chair?

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Harvey Cooper: Okay. Maybe I’ll speak in general, then maybe tell a quick story. We found, actually, as an association, we’re busier than ever. It has tapered off a bit. We put out a lot of resources, a lot of materials. One thing the province did, I think for all the corporations, which we’re thankful for is—co-ops love to meet, not only socially but corporate meetings. They’ve given time delays around annual meetings and set up the capacity that co-ops can now do virtual meetings. We’ve actually spent a lot of time providing supports, because very few—particularly, you might have 50 or 100 members or more—these type of Zoom and social media platforms.

Again, some of these are anecdotal, but we keep hearing of them time and time again. I’ll tell one about a senior in one housing co-op who—I think he’s getting on: 94, 95. His neighbours came up with a roster: “Who’s going to get Dave’s groceries this week? We don’t want Dave venturing out,” and doing everything to support Dave. And then somebody happened—and they’re not far, fortunately or unfortunately, from the LCBO. Somebody saw Dave walking home with his whatever, a supply, and he said, “Dave, what are you doing? We would have done the run.” He said, “I would have been embarrassed to ask somebody to go out and get me a bottle of wine.”

It’s that type of community support. Maybe that wasn’t the best story to pick, but I actually think it reflects a sort of humility as well. He felt bad—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Harvey Cooper: —that anybody saw him, because people really wanted to provide him support. He said, “You know what? It’s a six-minute walk. I needed some air. I’ve got a mask. I was good at social distancing.”

I could tell others, but I will leave it there.

Ms. Suze Morrison: Thank you so much, Harvey.

Sorry, Chair, how much time is left?

The Chair (Mr. Amarjot Sandhu): Forty-five seconds.

Ms. Suze Morrison: I’d like to pass things over to my colleague Sara Singh.

The Chair (Mr. Amarjot Sandhu): MPP Singh.

Ms. Sara Singh: Hi there, everyone. Can you hear me clearly?

Mr. Harvey Cooper: Very clear.

Ms. Sara Singh: Great, I don’t want to waste my forty-five seconds here.

Thank you all for your presentations. My questions are for Chair Iannicca and Nancy. Thank you so much for providing the perspective in Peel. I know that the municipalities of both Mississauga and Brampton are facing severe economic impacts as a result of COVID. Can you just help us understand a little bit more about what types of cuts may be on the table in order to help move things forward in the region?

Mr. Nando Iannicca: Nancy, I’m going to turn that over to you.

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize. Our time is up. We’ll come back to that in the second round. We’ll go to the independent members now. MPP Blais.

Mr. Stephen Blais: Nancy, why don’t you go ahead and answer that question about the cuts?

Ms. Nancy Polsinelli: Certainly, thank you. Can you hear me?

Mr. Stephen Blais: Yes.

Ms. Nancy Polsinelli: Okay, wonderful.

Yes, you are absolutely right, MPP Singh. Both Brampton and Mississauga are seeing revenue shortfalls because of the shutdown of transit and a number of other things. As the region of Peel, we’ve seen that our issue is with incurring costs because of our services and our increased services to the community during this time of need. When we’re looking at cutbacks, as we go into our 2020-21

budget, we're looking at risks to our current services: for example, public health and paramedics. We're balancing our ability to maintain a high-quality service to our community, but with less money in the bank, if you will. We're looking at what does that mean for those services.

Social services are another, as well. We are looking at—maybe not today with Ontario Works clients, but in the future post-COVID, as a result of COVID, there will be a high number of Ontario Works clients looking for support. We will now need to review those services and ensure that we have the funding capacity to provide supports. So we are looking at our health and social services supports to the community, and there are risks there. Those are where the risks will fall.

The other is with development. Because of the DC revenue shortfall, that impacts projects in the future—not just today, but into 2025. If we cannot get those developments in production and those projects going, not only do they impact the economy of the region of Peel, but where there are interrelations with projects like in Brampton or in Mississauga, they will impact projects throughout. There is a domino effect, if you will.

We are looking at the health and social services and what impacts that COVID will have in the future there, but we're also looking at our hard projects, our infrastructure, our construction projects that now we need to go back and determine which ones go forward, which ones we need to pause and which ones we need to cancel. At the end of the day, that impacts the economy, that impacts growth and that definitely impacts supports for immigration, housing and population growth.

Mr. Stephen Blais: Thank you for that. It's clear that at least in Peel—I would imagine it's the same across Ontario—municipal services cuts will hurt the most vulnerable members of our community the most.

I wanted to touch very quickly on the idea of removing housing and homelessness from the property tax base, as, Chair, you were mentioning it. How much cash would that free up in Peel every year to invest in other critical social services or other aspects of infrastructure?

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Nando Iannicca: Thank you very much for the question. Let me illustrate it this way. Two points were made in our presentation. As you're probably aware—it gets overused, but it's worth repeating—at the municipal level, we at the city and the region own 60% to 66% of all the stuff: roads, bridges, sewers.

When I was first elected in 1988 as a municipal councilman, 4% of all your taxes were paid at the municipal level. Today, we get 10%, we still own 70% of all the stuff and we've never been worse off. We just recently—and I'm so proud of my colleagues—bit the bullet and said, “We'd be willing in Peel to spend more than \$1 billion—with a ‘b’—more over the next 10 years to try and solve our housing crisis.” Those are the challenges we have.

1530

If it could get put back on the heavy muscles, as they say, that should do the lifting, the provincial and federal governments, that's \$1 billion that I can take over 10 years

and more, because we wanted one third more from the province, then I can now help social services, and that's key. That's the real business we're in at the regional level of government, as Nancy was speaking to. What's so important about the social service piece, as you know, for every dollar of interdiction I can give people in need at the front end, every study I've ever seen says you save \$6 to \$8 downstream in the social ills that these people are forced to turn to.

In answer to your question, there are hundreds of millions of dollars that I've got to devote to the housing fund. We have a 12-year waiting list in Peel for housing. Can you fathom that? We'll never get to the end of it even with our \$1 billion, but that's all money that can be better used to help people in so many different ways if that huge burden were taken from us, from the local property tax bill, and provided by our provincial and federal colleagues.

I don't know if Nancy wanted to add something as well.

Mr. Stephen Blais: If I could just jump in, I really appreciate that answer, Mr. Chair.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Stephen Blais: So either to you or to Nancy, whoever is best positioned: We've heard that Toronto is already working on their report to council about service cuts. I believe the same exercise is ongoing in eastern Ontario. When do you expect to present your report to council on service cuts and need to have that approved?

Mr. Nando Iannicca: Nancy?

Ms. Nancy Polsinelli: Yes, thank you. We have been keeping our council informed throughout the COVID experience with issues with our funding component. The goal is to go back to council late September or early October, where we would have a better picture in the interim of what the impact is. That will be linked to our 2021 budget. So to answer your question, by end of September or early October, my team across the organization will have done an assessment or an evaluation of where service cuts may be necessary in order to ensure we have adequate funding without significant increases or impact on the property tax.

The Chair (Mr. Amarjot Sandhu): Thank you.

Mr. Stephen Blais: Thank you.

The Chair (Mr. Amarjot Sandhu): We'll move to the government side now for their first round. MPP Crawford.

Mr. Stephen Crawford: Thank you to the speakers for presenting today. I listened intently to all the presentations. You all have some interesting information that we're all taking in.

My first question is to Mayor Kahoot from Ear Falls. Being a northern community, obviously you have different issues than a lot of other communities in the south, but I want to get a sense on, particularly, broadband Internet connectivity. How is that in your region, and how does that affect your schools, businesses, families in your region?

Mr. Kevin Kahoot: That's a great question. Thank you for asking that. I was able to talk with Minister Rickford this past Friday on that. One of the issues that we have and a concern we have is our broadband connectivity is very poor up in this area to the point that when schools went to

online learning—and we only have a school of about 160 students—it really put a burden on the broadband in the community. The biggest concern that we have moving forward up here is if school doesn't go back, I'm sure there are going to be a lot of students left behind when it comes to learning.

We have parts of the community that can't even get Internet here, or very poor Internet, let alone outlying areas. We have a remote community. I'm 60 miles north of Highway 17 in between Kenora and Dryden, and it's very unfortunate. We don't have cell service along the highway; it breaks up all the time. It's very, very important that, somewhere down the line, some money is thrown into the north here, where we can stay up on connectivity and broadband signal.

Mr. Stephen Crawford: Okay, thanks. I know our government recently announced a \$150-million broadband expansion in Ontario back in June, and Minister Scott and Minister Lecce sent a letter to federal Minister McKenna to lobby for more government support to work in cooperation with the province. I hope we can count on your support for that.

I wanted to move just to a second question to you, but different. You mentioned some of the issues facing your community, and you mentioned the resource development. I wonder if you could shed some more light on that. I'd like to hear about that. Thank you.

Mr. Kevin Kahoot: Ear Falls, like a lot of northern communities, is in kind of a feast-and-famine mode when it comes to resource development. We're very heavily reliant on the forestry sector and the mining sector. Just north of us we have a lot of gold mines, up in the Red Lake area. Right now we have significant development, with gold prices the way they are. There's a lot of different gold exploration going on in this area. As well, we have a sawmill, so the forestry industry is doing fairly well here.

When it comes to development, we as a municipality, as others are, work very closely with different companies in the different resources—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Kevin Kahoot: —to ensure that we have a good partnership moving forward. Where we live up here, that's just the reality we live in. We're not going to have the big plants moving in to make automotive goods or anything like that so we're really heavily reliant on and we support the resource-based industries. That's going to be our future, and I think it's the future of the province as well.

Mr. Stephen Crawford: Yes, okay. Thank you. If you have ideas on that—and I'm sure you have connected with Minister Rickford and others—please let us know, because we want to make sure the north partakes in our economic growth and recovery.

Mr. Kevin Kahoot: We will. Thank you.

Mr. Stephen Crawford: I'd like to now move over to the region of Peel. My first question there is just about your projections on development. You mentioned that between 2020 and 2024, you were going to see a significant decline in development revenue. I'm just trying to get a handle on that, to see how you can forecast that for 2023

or 2024. If there's a lot of pent-up demand, would we not foresee maybe a revenue shortfall this year and maybe next year but then a significant increase? I'm just wondering how you got those numbers and how accurate you think they may be.

Mr. Nando Iannicca: Stephen, thank you very much for the question. First of all, a shout-out to you and your government on broadband. You may be aware I'm wearing a different hat; our Mayor Allan Thompson in Caledon, all the advocacy he has done on that file and your government have come through for us, and that's a big issue in the rural areas. Even we in Caledon and Peel are grateful for the work that you've done there. Let me acknowledge that and the great work Mayor Thompson has done.

On your file here, it's a huge point and I'm glad you asked the question. In discussions with my staff just recently, can you imagine—and Sara Singh will know this, as well—that in the region of Peel I have \$800 million or \$900 million of infrastructure that has been paid for by taxpayers? There's the widening of roads that Sara and Mr. Sandhu know about, the widening of pipes, and the developer has not hooked up yet. I paid for all this infrastructure, and I'm waiting to collect—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Nando Iannicca: —when they can get their building permits and build their projects to the tune of \$900 million.

On the capital side—the pipes that I've yet to put in the ground, the roads that I've yet to expand and the other services we have to provide—we're projecting an over \$2-billion shortfall, because the development is not coming in, and remember, we're the highest-growth jurisdiction in Ontario. I add 25,000 people a year.

I'm going to stop there and give Nancy a few seconds more to flesh out some more of the numbers, because it's a big challenge to us.

Ms. Nancy Polsinelli: Thank you, Chair Iannicca. Do you know what? You spoke to it very well.

We are looking in advance. We have plotted projects over 30 years. We have a very comprehensive capital plan that's on a 10-year rotation basis, so we know our projects over the next 10-year period. We will have projects in the short term, and those are the ones from 2020 to 2024. Those are the ones that we've spent—

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize to cut you off. The time for questioning from the government side has come up now.

We'll move to the independent members for the second round. MPP Schreiner?

Mr. Mike Schreiner: Thanks to all three presenters for your excellent contributions and for taking the time. Our friends from Peel, I think, really highlighted the importance of housing affordability and the long-term savings from ensuring that people are housed properly. Our friends at the co-op federation talked about how you have the lowest per-unit cost of building housing affordability. So I want to direct it to either you, Harvey, or Dillon: How can the provincial government help you build more housing affordability so that we can leverage that into long-term

financial savings, while taking care of people at the same time?

1540

Mr. Harvey Cooper: Thank you, MPP Schreiner, for not only the question but all the work that you and your party have been doing on both housing affordability and housing supply, and a recent discussion paper you issued. We were quite pleased to have a meeting with you recently to talk about some of those details.

There's not just one thing, so I will take whatever minute I have to respond. As our good friends from Peel region mentioned, the challenge both in terms of supply and affordability is massive. The good news is that so many people want to come to Ontario, particularly to the GTHA. We've got immigrants arriving. We've got growth happening, and we need that as a growing economy. The bad news is, finding a place to live, particularly an affordable place to live, is extremely scarce.

It's a matter of economics. The cost of housing is what it is. The cost of land might be 20% or 25% of a project in an urban area. So governments that have surplus land, can you make those available at a modest price or lease them over the long term, or give them, particularly, on favourable terms—well, not give—but to the non-profit, the community, the municipal sector? That will drive down the cost.

Inclusionary zoning is another tool. I heard the minister actually mention this morning in his presentation that the province passed the legislation and regulation a couple of years ago. It's working its way through the municipal system. With every development over a certain number of units, a percentage of those units have to be affordable.

Density is another way of bringing down the cost. Everybody is now talking about building on transit stations—absolutely—maybe including on existing transit stations, build up.

Infrastructure money: We all know that, as you just mentioned, MPP Schreiner, and Peel Chair Iannicca mentioned, housing should be seen as infrastructure, right along with hospitals, bridges, sewers, schools, but it's never included in the infrastructure budget, which often has billions—that number of zeros; when we're talking about housing, we're lucky if it's millions. So those are some of the things on the supply side.

There's a number of things on the affordability side. I mentioned, in the response to MPP Morrison, the existing non-profit co-op municipal housing program that—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Harvey Cooper: Okay. I wasn't quick enough.

Mr. Mike Schreiner: You're okay, Harvey. Real quick, I do want to leave a little bit of time for MPP Hunter to ask a question. We have a couple more minutes.

Mr. Harvey Cooper: Okay. I just left off—do things on the supply side; I mentioned four or five. You've got to do things on the affordability side as well. So providing housing allowances, driving down those rents: That's the other half of the equation.

Housing allowances: We were delighted to see Ontario sign the Canada-Ontario Housing Benefit. Some municipalities have had housing allowances. Let the folks who

live right now, who have managed to get a supplement—make it universal. At a certain income level, there's some type of housing support. That will help on the affordability side. I'll stop there.

Mr. Mike Schreiner: Great. Thanks, Harvey. I think MPP Hunter has a question, so I want to leave her a bit of the time.

The Chair (Mr. Amarjot Sandhu): MPP Hunter.

Ms. Mitzie Hunter: Thank you to all of the presenters. I do want to just let Harvey continue, because my question is also on housing affordability as well. Given the current state of our province, economically, and just moving through the stages of recovery, I've heard that affordability is a big challenge for people, in various stages of it. One of the measures that we're being asked to consider is to not raise the rents at this time. Do you have thoughts on that, in terms of keeping existing people housed by not driving it too high for them?

Mr. Harvey Cooper: Yes, very good question, MPP Hunter. As I mentioned at the outset, Ontarians have received a lot of support from the different levels of government. The question will be—and maybe I painted too rosy a picture—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Harvey Cooper: —what happens, particularly when the CERB program ends? I mean, that has been a real bulwark for low- and modest-income households. I think for all jurisdiction levels, housing is the biggest component of practically everyone's budget. Eventually, government programs are going to start to rescind, so I think we do have to look at—obviously, housing providers have to make sure that they're financially self-sufficient, but at the same time, nobody wants to see anyone evicted; nobody wants to see anyone homeless. It's a human tragedy.

Everything that needs to be done to keep people well-housed, in their homes where they are now, not only from a humane point of view—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. We'll have to move to the government side for their time of questioning now. MPP Martow.

Mrs. Gila Martow: Hi. Thank you very much. I'm going to start with Harvey Cooper. It's very interesting to hear all your comments. I think that there's a lot of community spirit that has come out of the pandemic. When you think, now, of co-op housing, you really think community spirit. I actually have an old friend from high school who is living in BC in a complex—"a real co-op community" is what he calls it—where they take turns mowing lawns and things like that. So it's really interesting to hear from him.

What I actually had a note on: We had a caucus meeting today, and I mentioned on the chat—my colleagues here can vouch for me. I asked about co-op long-term-care facilities, where the families actually have duty days and duties to perform—family members, friends—where people actually sign a contract, the way co-op housing works, and they're involved. If they're unable to do their duties, they have to pay somebody, a personal support worker or what have you, to do their duties for them.

Do you know of any projects like that? Do you know of any suggested projects like that that you can talk to us about?

Mr. Harvey Cooper: Thanks very much for the question, MPP Martow. I'll have to get back to you. I'm not aware of any co-op long-term-care facilities in Ontario, but I know they are in various other jurisdictions. I think they've weathered the storm, perhaps, better than some others, but just in terms of the concept, ensuring that as they're able—obviously, no one size fits all. But ensuring that residents have—we have some, for example, seniors' housing co-ops. They're not long-term-care facilities. There may be some support workers who come see them. They've got strength in that community, and a lot of it is, I find—it's some of those supports that aren't even necessarily quantitative. People check on them, make sure they're taking their medications. If nobody has seen them for a couple of days: "Oh, maybe somebody should go have a look at Al. Has anybody seen him around?"

There are obviously institutional settings, but I think we need a spectrum of care. Particularly as we move post-pandemic—in any survey I've seen in terms of long-term-living solutions, most people, if they are able, want to age in place. Provide the retrofits to existing units and have the workers come to them. Co-op, non-profit, community-based housing: We've actually got a more significant percentage of seniors, I think, than the average. So have those supports built in—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Harvey Cooper: Am I finished, Chair? Twenty seconds, because I'll mention a quick one.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Harvey Cooper: What seniors often miss are their grandkids—they might live somewhere else. In a co-op or a non-profit, people love it. Somebody needs to have their kids looked after for an hour? There are the woman and the guy down the hall.

There's plenty of room on that spectrum to look at different models, and I'll try to get you that information about some—

Mrs. Gila Martow: Okay. I really appreciate it; I really, really appreciate it. How much time do we have, Chair?

The Chair (Mr. Amarjot Sandhu): Two minutes and 30 seconds.

Mrs. Gila Martow: Okay. I'm going to switch now—and I'll just mention to Harvey and Dillon, we had our private member's bill, MPP Lindsey Park's, in the Durham region, called the Golden Girls, that you might want to look up, about shared housing. It's very interesting what came out of that.

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I want to talk to Kevin Kahoot, if he wants to share with us. It's very interesting what you mentioned, Kevin, about increasing revenue by developing waterfront. I wasn't as aware as I've become in the last couple of years about the higher property taxes on waterfront properties, how much higher it is. It's not double; we're talking quadruple in some areas compared to non-waterfront properties. In fact, in some of the cottage areas it almost appears as though

the waterfront properties are supporting the communities to a very large extent, and that came out of the discussions of whether people should be isolating themselves during the pandemic at their cottages and things like that.

I wanted you to talk a little bit about the development of waterfront and what it would mean for your community. Just go ahead, Kevin.

Mr. Kevin Kahoot: Thank you very much. I appreciate the question and the time. A small town in northern Ontario, especially Ear Falls, was built around a lot of—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Kevin Kahoot:—significant lakes. Right now, we have, I believe, seven—we have seven lots that have residents living on the water right now. Now, when you start adding, for us up here, every lot is about \$10,000 in tax revenue, so the development that we're looking at doing and have been looking at doing is a 25-lot development on a lake that's 100 miles across. Right now, that would kick into our economy \$250,000 a year, and that's in a town of 1,000 people or 1,200 people right now.

The revenue is very significant, but I want to just say, that pales in comparison of what economic spinoffs come in the communities because most of the residents are going to come outside of the—we're going to probably have a few people who will buy locally—

The Chair (Mr. Amarjot Sandhu): Thank you.

Mr. Kevin Kahoot:—but most of the—

The Chair (Mr. Amarjot Sandhu): Sorry to cut you off. Your time has come up now.

We'll go back to MPP Singh from the opposition for the second round.

Ms. Sara Singh: I'm actually going to pass it over to my colleague Sol who'd like to ask the first round of questions, and I'll go after him.

The Chair (Mr. Amarjot Sandhu): MPP Mamakwa.

Mr. Sol Mamakwa: Thank you to the three groups. Greetings from Kiiwetinoong riding up in northwestern Ontario. I got to drive the highway you spoke about, Mayor Kahoot, last week, Highway 105, which is about 180 kilometres north of Highway 17. Seeing some of the outfitters, the resorts left and right—you see them throughout the highway. I know they're pretty much empty, and I know they're suffering.

But also one of the things that one of my colleagues from the government side asked about was broadband. I know the fibre goes right through to your community but not the whole community gets the fibre, and I think that's something that we can certainly look at.

We understand as well that northern municipalities in general are affected by COVID-19 and are generally underfunded already compared to the southern municipalities due to something, again, that you spoke about, the smaller tax base. It's certainly important to recognize the inherent needs of northern communities while considering the inherent rights for these municipalities to handle their own affairs.

I'm just wondering how the government can further provide appropriate emergency supports to Ear Falls and perhaps elaborate on some of the best practices that are

required to address a safe reopening for the north and that northwest region where we live.

Mr. Kevin Kahoot: I appreciate the question. Especially in the north, we're pretty good at social distancing as it is up here, being that we have a low population. But I think what needs to be done is, in a lot of things, we have to treat the north a little differently than we do, say, the GTA.

We can open up. When you talk about best practices, I think we've got great health care, good information from our health units, from our doctors and our health teams up here, but we need to have the resources as far as northern communities being able to access health care in that way. We've got to make sure that health care is affordable. We need to make sure that we have the first responders in place in a lot of these communities, that we don't cut the funding that allows us to be able to safely manage—especially during this pandemic right now, we need to safely manage the residents from the north. The biggest thing, I think, and it's a two-way street, is—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Kevin Kahoot:—going north and south from, say, Ear Falls to Red Lake, into communities like Pikangikum and some of the other ones where we have the protocols in place when it comes to travelling in and out of the communities. I think we could use the resources from health teams and especially use the health hubs themselves. I think it's just a matter of sharing information, making sure we get the information, the resources and the funding to make sure everybody stays safe and that we're able to communicate and travel within these communities.

The Chair (Mr. Amarjot Sandhu): Further questions?

Mr. Sol Mamakwa: Thank you. I'm going to pass it off to MPP Singh.

The Chair (Mr. Amarjot Sandhu): MPP Singh.

Ms. Sara Singh: Thank you for that response. I just want to pick up on the theme of housing, because that has come up from all three presenters. As the housing critic for the official opposition, I know this is an area of great concern for us. Whether we're talking about northern communities or whether we're talking about the city that I live in, Brampton, affordability and supply issues are a huge concern for us. I can focus a little bit more on our community of Peel here, but I would love to hear from all of the participants. We're looking at some of the unemployment numbers, and as many of you mentioned, there are real concerns around when financial supports end, both from the federal and provincial government: What will tenants and homeowners be faced with?

I'd love to hear from each of you with respect to what we need to see here in the province. Yes, there's the COVID situation too, but what type of real investments do we need to see here in the province towards that critical housing infrastructure? I know in the Peel region, for example, we've been struggling for decades without our fair share of provincial dollars towards those infrastructure projects. I would like to hear what types of commitments we are looking for from our provincial government to ensure that that housing stock can be made available—

The Chair (Mr. Amarjot Sandhu): One minute

Ms. Sara Singh:—but, too, the other challenge is the diversity in supply. If we can just speak to the needs of the community and how the provincial government should be—

Mr. Nando Iannicca: Sara, if I could, I'll take the first stab at that. If there is one thing I could do, one thing that I would ask the province to do—you've hit it—we've artificially limited supply. If the provincial government could uniformly say, "If you live in an urban centre, if you walk out your front door and you see a five-lane road or a seven-lane road, and you see a bus stop or a BRT or an LRT or a subway, as of right, all those main arteries should allow a medium-density, six-storey stick building, with reduced or no parking," because you're on that infrastructure, just like Cooksville that I represented for 30 years. What you've done is, instead of government money, you've got entrepreneurs with our infrastructure—the roads, the subways etc. Because what we've done is we've artificially limited the supply of land, made developers rich in the process and let a lot of NIMBYism—

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize to cut you off. That concludes our time.

Thank you to all three presenters for appearing before the committee and for your presentations.

MORTGAGE PROFESSIONALS CANADA
CORPORATION OF THE TOWN
OF RENFREW
ONTARIO NON-PROFIT
HOUSING ASSOCIATION

The Chair (Mr. Amarjot Sandhu): We'll move along to our next group of presenters. First, we will start with Mortgage Professionals Canada. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Paul Taylor: Hi. Thank you very much indeed for the opportunity to present today. My name is Paul Taylor and I'm president and chief executive officer at Mortgage Professionals Canada. I'm joined today by my colleague J.P. Boutros, who is our director of government affairs.

Just as a bit of context, Mortgage Professionals Canada is a national professional organization with over 12,000 members. We promote and support mortgage-broker-originated mortgages. By head count, mortgage brokers and agents across Canada make up the largest component of our membership, although almost all Canadians banks and mortgage lenders that will originate mortgages through independent brokers also belong to our organization, as do all three of Canada's mortgage insurers, including CMHC.

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Because of the diverse nature of our members' businesses and their respective roles in fulfilling broker-originated mortgages, we have a really thorough understanding of the marketplace impacts of any changes to mortgage financing, funding costs, securitization and liquidity issues, underwriting criteria, lending guidelines, changing consumer behaviours—all of it, really.

In the early stages of the lockdown, in March and April, many of the COVID-induced stressors that your constituents experienced were also shared by our members and their clients. Many of you likely know a property owner who has deferred at least one of their mortgage payments since April. That was a necessary option for at least 740,000 Canadian mortgagees.

Our members, though, have informed us that a sizable number of the people who did defer payments at the start of the crisis have since returned to making their regular payments. Some people understandably took the deferral option at the start of the crisis, in sort of the most fearful April period, as a sanctioned opportunity to shore up some cash, much like people did with toilet paper. But the majority now actually are returning to making their payments as scheduled.

Historic government deficits, Ontario's and Canada's, are currently preserving some semblance of normalcy for us all. We note that the financial situation has arisen as a result of the most profound natural disaster to ever hit Canada, and continuing. We supported and continue to support the initial and comprehensive actions of your government and the coordinated macroeconomic efforts led by the federal government.

We have a chief economist named Will Dunning. He is constantly looking at the marketplace. Given today's extreme volatility—and if you're looking at the market, the recent data shows tremendous peaks and troughs in a very short period of time—it's really difficult to draw any conclusions about what the marketplace is going to look like in the immediate short run. It's very difficult to create any kind of consensus about the current state of the market, even, really.

So in the near to mid-range term, we are very focused on keeping our eye on employment numbers and hours worked. As of June, total hours in Canada were about 15% lower than they were in 2019. However, that has returned from about a 46% loss. Job losses are much greater in the low-wage sectors than in the middle and the high-end ranges, meaning that they aren't balanced. Renters are disproportionately more impacted than homeowners. Employment uncertainty, though, is creating fear for a very large number of Ontarians.

We're anticipating a slower population growth in the upcoming couple of years through reduced immigration, fewer returning Canadians, as well as departures of a few foreign-born folks.

Financing conditions for purchases also impact what is going to happen in the market. We have a stress test currently that hasn't been adjusted even though there was a hint that it should be. CMHC themselves have also reduced the maximum debt ratios permissible to borrow, which is making it a little more difficult for people at the bottom end of the ladder to get in. And of course, we're all concerned that in September, there's going to be what is referred to as a mortgage deferral cliff, when those deferral programs expire—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Paul Taylor: —and people will be required to make those payments.

If I could, there are three things I think we'll be asking for the government to be paying attention to in the next 12 months. First and foremost, we want to ensure that home ownership remains an achievable aspiration for aspiring homeowners. Real estate prices are high because demand for living space is high and supply is low, and would-be owner-occupiers often are competing with investors and landlords when making an offer on a home. We believe that governments and policy-makers should focus more on discouraging real estate as an investment strategy, while encouraging and promoting home ownership for owner-occupiers for those who can afford it.

Current federal policies requiring borrowers to qualify against a mortgage stress test actually benefit investors and the already well capitalized, while restricting first-time buyers' ability to enter the market. More recently, CMHC's limits on insured mortgage borrowing also benefit institutional investors. The affluent, those with deeper pockets, those with access to the bank of mom and dad are faring better than others. The restricted stock causes rents to go up, as well, making those properties even more enticing to investors, so it's a bit of a perpetuating cycle. Supporting the aspiring first-time homeowners through enhanced land-transfer tax rebates or by work to curtail institutional investors from being overly opportunistic in the particular real estate environment right now would definitely be positive for Ontario in the long run.

I'll pass the final couple of minutes to J.P. to continue, if I may.

Mr. J.P. Boutros: Thank you, Paul and Chair Sandhu. MPC's second recommendation to the Ontario government is to increase opportunities for aspiring homebuyers by reducing local roadblocks. Again, we're thankful that this government—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. J.P. Boutros: —believes in the financial and societal importance of home ownership.

In 2019, MPC advised Ontario policy-makers that the Ontario government should legislate as-of-right zoning in proximity to future and underutilized existing high-order transit. Transit hubs are a valuable taxpayer investment which warrant maximum return for tax dollars through maximized usage by customers. But while this plan discusses maximizing tax-funded investment in new projects, we also feel the need to discuss the need for greater density near existing high-order transit and improving housing supply in low-rise neighbourhoods.

As a former Toronto city council staffer, I'm familiar with zoning issues. Some 70% of all land zoned for residential use, or one third of Toronto's total area, is zoned only for detached residential dwellings. In response to the province's improved growth plan, the city of Toronto's planning department has just released its paper, *Expanding Housing Options in Neighbourhoods*. But as one journalist noted, it is "a quintessentially Torontonion document: dutiful in tone ... unhurried in pace, and incrementalist in outlook."

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize to cut you off. Your time has come up now.

We'll move to our next presenter, the corporation of the town of Renfrew. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Don Eady: Good afternoon. Thank you very much, Chair Sandhu and members of the standing committee, for allowing me the opportunity to be part of this meeting today and to make a presentation on the very important subject of COVID-19's economic impacts and the recovery.

Renfrew is a town of opportunity. With over 8,500 residents, we are the centre hub to many adjacent rural communities that depend on us for recreational facilities, recreational programs, library services, health care and everyday shopping. We are also the gateway to Highway 41 and Highway 60, which provide access to Toronto, Algonquin Park and many tourist destinations.

My written submission in support of this oral presentation focuses on the following four proposed actions which I feel are necessary to the town of Renfrew and its recovery:

(1) Provide immediate funding to municipalities with shovel-ready projects, kick-starting the provincial and local economies, putting people back to work and stimulating local spending;

(2) Municipalities need a more pragmatic approach to financial stability. We need a new relationship with the provincial government, an ability to share the province's prosperity and growth;

(3) Continued support of small businesses and manufacturers;

(4) Improving upon Ontario's broadband action plan to ensure that high-speed broadband is available to everyone.

In an attempt to make the best use of the committee's valuable time, I will let my written submission speak for itself and instead present more of a snapshot of Renfrew from a ground view, and more specifically, (1) the start of COVID-19, (2) where this town stands now, and (3) what we forecast for our future and the best-case scenario for constructive recovery.

Number one: the start of COVID-19. On March 13, I enacted our municipal control group and we moved very quickly in closing our facilities to the public. We believe we set a good example of leadership, a leadership that has kept our town and our staff protected and safe. To date, our municipal control group has had 37 meetings and are actively monitoring and reacting to all provincial health unit guidelines.

Where our town stands now: Our municipal facilities have been or are in the process of being retrofitted to meet future safety guidelines. Our management team is working very closely with all our staff to train and to make sure they feel safe and, at the same time, still serve the public and provide all essential services.

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Our business community is hurting in a very serious way. We're experiencing many closures of business and hearing first-hand stories of much hardship. Not only are revenues down, but a lot of expenditures are necessary to

adapt to the new normal. That holds true for town operations as well.

However, it is not all doom and gloom. We do see some businesses who are doing very well. Businesses have adapted to the new normal. An example is online shopping, where some of our downtown retailers have seen this as an opportunity to diversify into that growing market.

Number three: what we forecast for our future and the best-case scenario for a constructive recovery. To some degree, I believe the recovery has already begun.

The Chair (Mr. Amarjot Sandhu): Two minutes.

Mr. Don Eady: As a sidebar, the government has provided guidance and best practices which will have lasting positive health impacts on our society; for example, installation of barriers, promotion of the benefits of hand-washing and, of course, social distancing. All of these measures have instilled confidence and have made us feel that we can comfortably exist in a society and see each other again. I personally have not heard of many people with the flu or the common cold this spring, a direct result of these measures, I believe. This could be a bright spot for a health care system looking towards the future.

I think we can all agree that creating jobs is probably the best and most constructive way to help our economy recover. It is most important that all levels of government work together to find ways to make jobs happen. An example of this would be, I received in 2018 over \$3 million in Connecting Links funding to reconstruct our beautiful main street. We spent over \$10 million on the project and are now expanding beyond our main street and will finance another \$7 million over a 20-year period. Over the short term, we created a lot of good-paying jobs on top of the positive economic spinoffs. We now have one of the nicest and most accessible main streets in all of Ontario. As much as we are hurting, I believe that because of this construction, our main street will recover and once again provide the much-needed jobs and services to the greater region.

As municipalities only receive 9% of all taxation, we must depend on your help. As a town, we try to review all federal and provincial opportunities that we're made aware of and apply for those that are seemingly a good fit.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Don Eady: As an example, the Investing in Canada Infrastructure Program—ICIP—community, culture and recreation stream grant for the creation of a cultural centre for our Indigenous community, as well as a second ice pad and enhanced recreation centre that is accessible to all.

Our surrounding municipal partners provide a significant percentage of our local workforce, and they depend on Renfrew as an urban and cultural hub to provide jobs and opportunity, in turn creating a strong, united and prosperous community.

Renfrew is most willing to do our part in helping shape the economy recovery and to again make Ontario a strong economic engine for Canada. Working together and co-operating is essential for all of our success. Stay safe. Thank you.

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll move along to our next presenter, Ontario Non-Profit

Housing Association. If you could please state your name for the record, and you will have seven minutes for your presentation.

Ms. Marlene Coffey: Hello, everyone, and good to see you. My name is Marlene Coffey, and I am the CEO of the Ontario Non-Profit Housing Association. Today with me I have Sue Ritchie Raymond, our director of housing excellence and innovation.

Today I am here to provide some input in terms of our response to COVID-19 and how we may kick-start the economy in our economic recovery. But before I get into that, I'd just like to pause for a moment and ask you to think about our civic response and our responsibility in terms of how we bring sectors together and, at the intersection, provide better performance.

By this, I'm talking about housing and health care and employment and economic development. For example, if we were to use our imagination—and imagine with me—that if I were to say to you that your local hospital or that your local school would be no longer and that somehow your community is less valuable than the other one down the road, I can assure you that there would be a public outcry, because at the very foundation of what we believe, in the country's wealthiest province, is that we have built a foundation built on access. So why, then, is it that we struggle to invest in this asset called “community housing” as part of infrastructure?

By way of introduction into Ontario, we are the country's wealthiest province, and we are also the least affordable in terms of renters. We know that half of all renters in Ontario are at the threshold of not being able to afford their rent. And now, at the centre of a housing crisis, we know and we very much understand the linkage between housing and health as being more clear than ever. In fact, housing is the front-line defence.

I represent over 700 not-for-profit landlords who own, in combination, over \$30 billion in assets and who house half a million people in the province of Ontario. Today, I will share with you three reasons why it's good to invest in a systems approach so that we can protect public funds, provide economic stability and, ultimately, economic recovery.

Number one is public funds. As a foundation, it's so important for us to align in our values and link the concept of housing to what we can save in terms of system performance. What we know is that for every \$10 spent in community housing, the system can save up to \$20 across the system in health care, correctional services and social assistance, and for each unit built in our sector, we know that we will create two and a half long-term jobs, putting money in the hands of small business as well as creating skilled trades and important jobs for our province.

The second reason is really around stabilization of landlords. We know there will be some tough decisions coming forward in terms of the future of the housing system and the housing sector. We know that municipalities need to continue delivering essential services, that tenants are not able to pay rent, incomes are reducing and unemployment will continue to deepen. We know that

housing and the stability of housing is the first need of people. Meanwhile, we also know that landlords are experiencing rental arrears. We are experiencing repair backlog—

The Chair (Mr. Amarjot Sandhu): Two minutes.

Ms. Marlene Coffey: —and increasing costs. Landlords are currently closing the gap through capital reserves, which will eventually run out and is not sustainable as a system.

The third point is that we need to perform better as a system. Working as a system, we can deliver affordability in housing, create jobs and improve health. Not-for-profits know how to stretch a dollar, and they know how to save you, the government, money. By being able to address the supply and the repair, we are essentially helping meet your goal as a government.

In closing, I will leave you with the thought that we can help you achieve your goal. We can help you save public funds, we can help you stabilize as landlords, and we can ultimately accelerate community housing through stimulus funding to kick-start the economy. In turn, prioritization of community housing will be an essential part of infrastructure. We share this foundation, much like what I mentioned, around hospitals and schools and, ultimately, can work at the intersection of sectors, where community housing is part of your economic recovery plan and in terms of being able to open doors for all things stability. Thank you very much.

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The Chair (Mr. Amarjot Sandhu): Thank you. We'll start the first round of questions with the government side this time. MPP Barrett.

Mr. Toby Barrett: Thank you, Chair. Am I coming through okay?

The Chair (Mr. Amarjot Sandhu): Yes.

Mr. Toby Barrett: Okay. I always ask that. I live out in an area somewhat like Renfrew, and you never know whether things are going to work or not.

In fact, following up on that and in listening to the presentations, the presentation from Mortgage Professionals giving us a bit of a thumbnail sketch of what the economy may look like, employment and what have you—I know you made mention of the importance of transit hubs and housing construction in those areas. I just wonder if I could turn that upside down and if you could just give us a quick thumbnail sketch from the perspective of a community like Renfrew, for example, or my area down in the country in Haldimand–Norfolk, where we're not—well, we don't have transit, first of all, so that's not an issue. Your description, how would that apply, for example, to a town like Renfrew?

Mr. Paul Taylor: I think at the very large macro scale, pricing and affordability overall meet at the intersection of supply and demand. In some of the more constrained supply regions, generally the more dense urban areas, we've seen pretty rapid escalation of pricing, as you'll all be aware, across the last, probably, decade. But there are areas of the province where we've got quite a good balance, actually, of available properties. So the relative

prices of those homes are still quite accessible. I hesitate to use the word “affordable,” because the incomes for folks living in those regions generally also are mediated by the house price availability as well.

I don’t know if you need, necessarily, additional construction initiatives if your population and your property levels are already at a pretty good equilibrium, but I do think it’s important to ensure that there is a good line of sight on construction and availability of rental units. For those regions, if you want economies to grow, you do need spaces for people to move into—or out of their parents’ space, frankly—and stay local for the sake of local economy activity.

If you don’t have public transit because your population density really doesn’t support it, you probably do still want to have homes within the proximity of the larger employers in your region to make sure that they can more accessibly get to and from their place of employment. You want people to be rooted, really, and stay where they are.

Mr. Toby Barrett: You mentioned the goal of achievable home ownership. You made a comment that it seemed to be a concern with people who invest in property. I immediately thought of condos along the lakefront in downtown Toronto. But again, thinking of a town like Renfrew where, oftentimes, for somebody to build up some equity to build their own house or to purchase a house, perhaps they do buy a rental property—again, I’m talking a single-family home in a small town. Does the same approach apply to small-town rural Ontario?

Mr. Don Eady: I’m sorry. You’re asking me, Mr. Barrett?

Mr. Toby Barrett: Oh, I’d like you to jump in. I directed it to Mortgage Professionals, but I would like you to comment as well, sir. Maybe Mortgage Professionals first?

Mr. Don Eady: Okay.

Mr. Paul Taylor: Sure, and thank you for the question. When we talk about discouraging homeowner landlords or rental investors, I think we’re talking more specifically about folks who don’t live in those properties themselves. Anybody who is buying a home and wants to rent out their basement for the sake of making their carrying costs easier to manage, I think we would have no problem with it at all. In fact, in some of the more densely populated regions, we would almost be encouraging of having second and third living spaces within some of those houses, for the sake of increasing density and providing more opportunity for folks to find somewhere that’s comfortable and affordable to live, frankly.

If you are trying to comp investors to create some of those locations, I understand there is also a bit of distinction that needs to be drawn between investment for the construction versus investment for the ongoing ownership. Builders oftentimes do need to pre-sell those locations and you oftentimes need investor capital to make those projects fund, but what we would like to see, really, is a focus on government policy that ensures that the transition of ownership from the completed units really does move from investor hands to owner-occupied.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Paul Taylor: And if those are shared between people who will own the homes entirely by themselves or those who will split it and have some rent or some lodgers within the home as well, we’re still very comfortable with that. So be it.

Mr. Toby Barrett: Chair, how much time?

The Chair (Mr. Amarjot Sandhu): Forty-five seconds.

Mr. Toby Barrett: Sorry, Don. It sounds like you wanted to jump in. Maybe we could catch you on the next round.

Mr. Don Eady: Okay. Thank you.

Mr. Toby Barrett: Thank you.

The Chair (Mr. Amarjot Sandhu): We’ll move to the opposition side now for their first round. MPP Morrison?

Ms. Suze Morrison: I’d like to direct my first round of questioning to Marlene from the Ontario Non-Profit Housing Association. Welcome. It’s certainly good to see you today.

I’m wondering if you would be able to share a little bit about the important role that non-profit housing plays in our communities as neighbourhoods have come together to work together to support each other throughout COVID-19, and perhaps some of the examples of resiliency and community support that come from the non-profit housing sector, and why that’s such an important area of housing, in terms of the fabric of our community.

Ms. Marlene Coffey: Sure. Thank you very much; great question. As a broad statement, I can say that we do advocate for a housing spectrum, which means on one end we have homelessness and on the other end there is home ownership. Healthy communities are built when there is option and choice along that spectrum. The not-for-profit sector, and particularly the community housing sector, takes care of a large swath along that spectrum.

It is absolutely essential as, even before COVID-19, we saw that affordability was that half of renters in Ontario already had to make choices in that paying rent is not realistic and unaffordable. Now that we’re seeing this crisis, of course, we know that that pressure and that need will continue.

I’ll also make the comment that lack of affordability is not just a big city problem. It is pushing out into what I would call the outlying communities and into some of the mid-size and smaller communities across Ontario. So when we talk about affordability, this is not just a big city problem. It impacts our seniors, impacts our new Canadians, impacts our minimum wage workers, and it’s really impacting all families across the entire province: big city, medium-size city and small, rural communities.

Ms. Suze Morrison: I know in the NDP we’ve been trying to push for a rent subsidy program to help folks through COVID-19. The way that we had proposed this model would be a subsidy direct to tenants, to help them pay their rent for the duration of the pandemic. Is that a policy that you think would be particularly effective that you would like to see the government implement?

Ms. Marlene Coffey: We know it is very expensive to have an emergency response, which we’ve just experienced here with COVID-19, and your community housing

providers really are the front line in terms of being able to ensure that people are housed and kept safe, and not having to move into the health care system or any other parts of that system.

This is why we're advocating for your dollar which is really well spent in the not-for-profit sector, particularly community housing, because we can maximize how it is we build those strong communities and protect for any future health costs that we might see.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Suze Morrison: I'd like to also quickly just move over to the mortgage professionals, so Paul Taylor, again, welcome, and thank you for being here.

1630

I think your comments around making sure that home ownership is affordable particularly struck a chord with me. I know in my riding in downtown Toronto, we have some of the most unaffordable housing anywhere in the country. We're at a point now where first-time homebuyers simply can't get into the market. It's really quite sad.

I think the piece that you mentioned around investors swooping up all of our properties before the young couples and young families can get into this housing is particularly interesting. Can you speak a little bit more about the policy actions that you'd like to see implemented to help better protect first-time homebuyers and young families to get into the market?

Mr. Paul Taylor: Sure. Thank you very much, indeed, for the question. I'm a renter myself in downtown Toronto. It is quite an expensive part of the country for living, so I can attest to that first-hand.

I think at the federal level, policies that have been put in place, probably for the last four years, actually—there's a stress test that people have to use when determining what they're actually able to borrow, and there have been reductions on eligibility for mortgage insurance, which traditionally would help those people with a less than 20% down payment. By removing the supports to assist those folks to get into the market, you've effectively removed what would have been a swath of purchasers against which investors would have been competing. Even though you may have seen a little bit of an erosion in some parts of the country in the house prices, it actually hasn't made those homes more accessible to first-time buyers. It's basically made them on sale for investor-purchasers. We're concerned that if we don't do something at the macro level, we may see a continuation of that.

At the provincial and municipal levels, I think there could be some actions taken to assist with just some tax relief. If you can put a little bit of money back into the pockets of first-time buyers or help them alleviate some of the costs of the land transfer tax, or if there was a rebate on their insurance premium or something along those lines, I think that would help, and it would be very specifically for first-time purchasers—young, aspiring, middle-class Canadians, really. As long as the financial assistance is targeted at those folks, I think you're probably looking in the right direction.

Ms. Suze Morrison: Excellent. Can you share a little bit more, quickly, about how that piece causes the rental

market prices to go up as well, and how that feeds into that system?

Mr. Paul Taylor: We have a supply problem in Toronto and some of the more urban areas already, because investors are purchasing those properties. They've effectively taken over the role of purpose-built rentals in the last 20 years, because those condominiums have been put up, investors have purchased them, they've immediately been rented—

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize to cut you off. We'll have to move to the independent members for their time of questioning. MPP Hunter.

Ms. Mitzi Hunter: Thank you so much to all of the presenters. It's a very rich conversation here today. I wanted to, actually, pick up on something I believe the Mortgage Professionals Canada raised, and that was the cliff that potentially is coming in the fall. Can you talk a little bit more about your concerns? And maybe we can get into, what can we do to avoid that?

Mr. Paul Taylor: Sure. Once again, thanks very much, indeed, for the question. In April, the federally regulated banks, in conjunction with OSFI, which is the regulatory authority in Canada, agreed that they would allow for deferrals of mortgage payments to be made by mortgage holders without there being any impact on their credit score, and they wouldn't be penalized for having taken advantage of that. Now, the payment deferral effectively means that you're not servicing the debt, so the principal of the debt continues and you are capitalizing any interest that would have been owed. What's effectively happening is, eventually you'll be paying interest on the interest you missed, but it does provide you with a short run of cash flow advantage, because you're not required to service the debt through that period.

When these announcements were first made, I think the media did quite a poor job really of explaining how these programs were supposed to happen. I think an awful lot of consumers thought they were getting a mortgage holiday for six months, and so an awful lot of people picked up the phone to try to get included in that. As more folks have realized exactly how that program works, we know from the lenders within our association that quite a large majority of the folks who took advantage of those deferral programs have actually opted out of them and want to continue making those payments now, if they can, which is good. They were really only supposed to support the people who had suffered an economic impact. For those who haven't, it's actually much more prudent to pay that debt.

But the program, when it was initially launched, was viewed as a six-month stopgap, April to September, and then come September, hopefully, businesses would be re-opened and everybody would get back to normal. We're seeing what's happening. We seem to be getting closer, but there are still a lot of businesses—and there are very specific segments, actually, in hospitality and tourism where it's going to take much longer for those industries to really return to a "normal" level of activity. So if you're in those spaces and you had a mortgage, come September

when those deferral programs expire, you may still find yourself unable to meet your mortgage obligations.

CMHC has run some studies. There's an expectation that come September, there will be a number of folks who are going to be forced to sell their homes. As those homes hit the market, in any basic supply-and-demand model, if you add a whole bunch of homes suddenly for sale, you start to see an erosion of the prices, because it's a buyer's market then. There are more options for you if you're purchasing.

One of the worst things that can happen in an advanced economy, actually, is that the property values start to erode, because that has its own knock-on effects.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Paul Taylor: People start to feel as though their wealth base is shrinking, so they start to save rather than spend. That also impacts other businesses in the long term. So it's something that we're definitely keeping an eye on.

I think we are encouraged, though, by the actions of a number of folks who have opted out of those programs. I think we are going to see only a small number of people really forced to sell their homes. But it's easy to say that and be quite glib about it, when we're just talking about the numbers. These are real people. They've got families, they live in communities and their kids go to schools. They may not be able to stay there. There are going to be quite a few people who are going to have not a very good outcome, unfortunately, come September, if their incomes don't continue.

Ms. Mitzie Hunter: Thank you so much for that clarity.

I do want to switch gears a little bit back to ONPHA to talk about the need for affordability in the rental market, because that's still really important. I agree with you that it's not just in large urban centres; it's actually across the province. Many rural communities and towns lack affordable housing with the appropriate size and type of housing for a variety of individuals who need to participate in those communities.

I'm wondering about your thoughts on the rental increases and how that creates an increase in the cost of rentals at a time when we are in the pandemic and we are dealing with a number of uncertainties for people. The idea of trying to find ways for younger people to get into the market as well is a part of our discussion today.

Ms. Marlene Coffey: I'll take a start at that, and maybe I'll ask Sue to jump in on the tail.

Before COVID-19, our numbers were—we knew that there were 185,000 households that are on the wait-list for community housing.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Marlene Coffey: So 185,000 on the list before COVID-19, and our calculations are that there are 99,000 additional units needed to be built in order to meet the demand over the next 10 years. With unemployment rates coming in at around 14% right now, we know this will deepen with unemployment. But that really is also a cliff, if you will—or a balloon in terms of the demand—is absolutely going to get better, and community housing is the place where we can put a good dollar to help protect

and be that front line in terms of our sustainability at a municipal level and across the not-for-profit sector.

Sue, do you have anything to add?

Ms. Mitzie Hunter: Just before we jump to Sue, Marlene, I just want to put a line under your message today to this committee—

The Chair (Mr. Amarjot Sandhu): Sorry to cut you off. Your time has come up now. We'll start the second round of questions with the opposition. Who wants to go first? MPP Singh. Can you unmute yourself?

1640

Ms. Sara Singh: Can you hear me?

The Chair (Mr. Amarjot Sandhu): Yes.

Ms. Sara Singh: Perfect.

Thank you so much to each of the presenters for your presentations. I want to pick up on the affordability and supply conversation. We heard from previous presenters around concerns of affordability of not only home ownership but rental opportunities.

What do you feel needs to be done, from a policy perspective, to ensure that in the province the critical infrastructure investments are being made to ensure that there's diversity in the housing supply, which I think will also contribute to enhancing affordability as well?

Ms. Marlene Coffey: Would you like us to start off with that?

Ms. Sara Singh: Sure. The question is to all three presenters. I think each of you will lend a different perspective to what's needed in your communities and your sectors.

Ms. Marlene Coffey: Absolutely. We advocate for keeping money that is currently in the housing system in the housing system. By that, I mean that we're at a point in history where many of our providers are leaving their existing funding agreements and entering into the new world of funding agreements. What that means is there is the opportunity to reinvest that money to renew the stock and build some additional stocks, so meeting that demand that I was talking about earlier.

The risk is with the competing priorities at the municipal level. If those funds are taken out of housing and put towards other priorities, there is a large knock-on effect in terms of risk for that baseline, that front line, which I was talking to you about previously, being interrupted and, ultimately, people being displaced.

Sue, I'm sure you have some more context from a policy perspective.

Ms. Sue Ritchie Raymond: Yes. Thank you, Marlene. What we've heard from our members is that they've already started the process of looking at how can they assist with adding units to the system in the most cost-effective manner. Many of our members have identified surplus land and opportunities for retrofitting buildings that add units that can be done so in the least costly way. One of the benefits of the not-for-profit housing sector is that they're looking to, basically, maintain the bottom line for their operations, and all profits that are there go into operations of the buildings and increasing the subsidies for residents that are there.

For one of the earlier questions that was asked about supporting rental subsidies, many of our members actually

offer internal rent-geared-to-income subsidies based on revenues they get from lower-income families who rent in those buildings. So it does provide a continuum within an established building or a community with those providers.

From a policy perspective, diversity is critically important. There are many needs. The marginalized population, those with disabilities etc., have been really challenged in the supportive housing environment. As you know, some of the current built-form environments, like congregate living, are not going to be viable into the future.

Our providers need assistance to be able to be innovative—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Sue Ritchie Raymond:—and to look at new ways of operating their business. Many of them are looking at entrepreneurial approaches. So from a policy perspective, I think giving them flexibility and opportunity to think outside the box is what we need in this current environment.

Ms. Sara Singh: Thank you, Sue.

Ms. Sue Ritchie Raymond: Thank you.

The Chair (Mr. Amarjot Sandhu): Further questions?

Ms. Sara Singh: I'm going to pass it over to my colleague John Vanthof, please.

The Chair (Mr. Amarjot Sandhu): MPP Vanthof.

Mr. John Vanthof: Thank you. I would like to go to the mayor of Renfrew. I'm from Temiskaming Shores, and Renfrew is very near and dear to my heart, because that's when you start to see the farms on the way to Ottawa.

You mentioned some of the challenges you're facing as a small community, both raising funds and also with services like broadband. Could you expand on either one of those?

Mr. Don Eady: Yes. In a small town like Renfrew, we feel we have a very small voice. There are things like the broadband that, today, I think are very, very important, because more and more people are working from home. I'm probably speaking more here about our adjacent communities that we work with, our rural communities.

Also, when it comes to obtaining funds, when we look at our budgets every year—and we have one of the highest tax rates in all of Renfrew county, because we supply all the capital for all of our recreational facilities etc. etc.—the main thing that we really need is sustainable funding. When we have sustainable funding, we can put our plan together very, very well as to what we need done.

Basically, we're no different than any other town, I would say. Our infrastructure, especially, is many, many years behind the times. My own personal estimate—and this is my own personal estimate—to bring all the Renfrew streets—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Don Eady:—just the streets up to date, we would need about \$100 million over a 20-year period. If I had to do that myself in the town of Renfrew, I'd have to raise taxes 56%, so that's certainly not a reasonable thing, but I think that if we could work together more with the province—I could go on here forever, and I know I can't. But if we had more sustainable funding, we could make our own plans. I think that would help an awful lot, because as you go forth—if you don't have a plan going

forward and wait until the last minute to find out if you're going to get a government grant or not, it just doesn't seem to be real good business when you're putting out for tenders etc.

Mr. John Vanthof: Thank you.

The Chair (Mr. Amarjot Sandhu): Further questions? Oh, the time is up. Thank you.

All right. We'll move to the independent members now. Before we do that, I need to do an attendance check. MPP Rima Berns-McGown, if you could please confirm your attendance and if you're present in Ontario.

Ms. Rima Berns-McGown: Yes, I am. Thank you so much.

The Chair (Mr. Amarjot Sandhu): Thank you.

Okay. We'll go to the independent members now. MPP Hunter.

Ms. Mitzie Hunter: I would like to just finish what I was saying to Marlene at ONPHA, just to put the underline on the point that housing should be part of infrastructure funding overall, which tends to have federal and provincial dollars attached to it as well. That seems to be something that we've heard.

I'm wondering, Mayor, if you would comment on that. I know we heard from other mayors as well, that they want to have the maximum flexibility when it comes to the discussions right now coming federally and provincially in terms of infrastructure. We know that, federally, there is \$14 billion so far for municipalities. We are waiting on those negotiations to find out what the supports will be. What is it that you're expecting in terms of that flexibility of use when those decisions do come down?

Mayor Eady? Can we unmute the mayor?

Mr. Don Eady: Okay, thank you. I'm unmuted now.

That \$14 billion: I wrote a letter this past week—I think it was last Thursday or Friday—to our local MP. I listened to the webinar of Premier Ford and Minister Clark, given they asked us if we would do that. I copied a good many of the ministers on it. The gist of the letter was that the province of Ontario would get 38% of the funding, as well as that they have the opportunity to distribute the funding as they see fit.

For us, we have to go to the province. You are the only ones we can go to, for the most part, and say, "Okay. Can you please help us?" Every municipality, all 400-and-some municipalities, are doing the very same thing. It would be so much nicer if the feds could kick in a little more and give a little more latitude to the province to do their job and to distribute the funds better. It's very difficult to sit in the mayor's chair right now and not have any future in front of us, because every day we're looking in the mirror or we're looking at each other and saying, "Did you hear anything today? Did you hear anything today?"

Believe me, what we want to get done in Renfrew is not just for the town of Renfrew. We have a large Indigenous community around us. We have other municipalities around that totally depend on us. Most of all, we build all the capital. The town of Renfrew builds all the capital. We have agreements with our adjacent communities that they can come in and use our services, such as recreation, and

pay the same type of user fee as a resident from Renfrew would pay, which has economic spinoff and good stuff to it as well, but at the end of the day, when you have to supply that capital all the time, it makes it very, very difficult to move ahead—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Don Eady: —and provide the proper thing.
1650

One of the things we're asking for is a culture and recreation grant. Of course, the spinoff from that is unbelievable for us—and not just for us, but our whole community. Something is badly, badly needed.

Ms. Mitzie Hunter: Yes, we're working hard to get you that too, Mayor.

MPP Blais, I believe you had some questions? Chair?

The Chair (Mr. Amarjot Sandhu): MPP Blais.

Mr. Stephen Blais: Yes. Thank you, MPP Hunter, and thank you, Chair. I have a couple of questions for Mayor Eady. Thank you very much for your presentation today and for your written submission. I had a chance to go through it earlier. Being from Ottawa, I've enjoyed many summers down in the valley and in Renfrew, in particular.

In your written submission—you mentioned it a couple of times in your deputation as well—you talk about a new financial relationship or a new financial model with the province, but you don't get into specifics. So I'm wondering if you have any specific ideas on what that financial relationship or model should be.

Mr. Don Eady: I think I'd mentioned about how we need \$100 million to bring our streets etc. up to date. It's hard to do it without putting a proper plan together. We've done very well in the last number of years, but we only get \$200,000—some through the federal gas tax. Sustainable funding from the province for infrastructure is basically \$800,000—something, so roughly \$1 million, \$1.1 million. That's \$4 million short of what we need per year.

Also, when it comes to the grants, I wish there was a system that was out there that we could depend on. In other words, say, "Okay, August 1, that's the deadline." We're going to know one way or the other. That relationship is kind of important. And I understand you have your problems; right now, this is a different year. But for us to put a plan together, and whether we have to say yes or no to a project, it's very, very important, because when it comes to the construction season, if you put a tender out at the wrong time—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Don Eady: —you can add \$1 million or \$2 million to the project.

Mr. Stephen Blais: Yes, I agree with you 100%. The time of year you put something out into the market for bids can change the price, for sure.

You mentioned that you've written to your MP to provide some support to the province in getting federal funds. You want those funds unencumbered by conditions. Would you then agree that the provincial transfers to the municipalities should be unencumbered by conditions, that it should be a block grant based on your population size or some other metric?

Mr. Don Eady: I think that's a good discussion that should take place. I don't have all the numbers, the facts and the figures in front of me, of course, but that is a discussion that's very important not only to us, but to all—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. The time has come up now.

We'll move to the government side for their second round. MPP Piccini first, and then MPP Barrett.

Mr. David Piccini: Thank you very much to all the presenters. I'm going to start with MPC first.

Paul, you said something that really struck a chord with me: Pricing affordability meets at the intersection of supply and demand. Just to reiterate the importance of rental units in rural Ontario, I recently read in Northumberland county's report that over 48% of renters were spending more than 30% of their income on rent.

I know that, recently, the development charge exemptions—in speaking with a lot of smaller builders specifically in rural Ontario, it's the cash flow problem. With the DC, development charges, up front, they're really unable to—we're not seeing that rental supply. We are starting to see it now, but can you speak to me a bit about the importance of that on the rental units, and in the More Homes, More Choice Act, the importance of those changes to unlocking more rental supply?

Mr. Paul Taylor: I can. I'm not an expert in that necessarily. I can tell you that we have a very good working relationship with the Canadian Home Builders' Association, so they talk to us quite frequently about this, actually, as we're discussing it. Definitely, the capital constraints to get shovels in the ground are a pretty tremendous hurdle. If there was a means to offer some assistance in interest-free loans for portions of some of those things, specifically if they were being created for rental supply in a number of communities—Ms. Coffey said very clearly, actually, that housing is a continuum. So you definitely need to have availability of priced products through all levels of social housing and community housing to entry-level rental, a little bit more sophisticated rental, small condos, townhomes, single-family detached. You need a certain level of vacancy in all of those products to ensure that people have a price point that is reasonable.

When vacancy levels for tenancy are below 1% in an awful lot of the province, it's very clear that that's going to drive prices up. People will just compete. We didn't see this everywhere, but there were areas in Toronto, for sure, where landlords were advertising places for rent without a dollar figure: "We will just take a bid. You tell me what you're prepared to pay for this." And then much like the blind bidding process for real estate, those really started to ratchet up some pricing.

I started to say a little earlier but I got cut off, that in the really dense areas of the country, as well, the condominium market has effectively replaced purpose-built rental for the last 20 years, but those are also very luxury-end rental suites generally, and so it's quite expensive stock that you're adding. If government was able to provide some funding specifically for projects that were to create purpose-built rental at a modest price point, they're probably needed everywhere.

Now, to be fair, Canada Mortgage and Housing Corp. actually did have some money set aside under its National Housing Strategy specifically for those as well. If there was a means to work in lockstep or to co-fund the initial price points for that, find some construction firms that needed the assistance to get infrastructure internally to maintain those projects, I think that would be a great step forward for sure.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Paul Taylor: J.P., I don't know if you've got anything you'd like to add to that?

Mr. J.P. Boutros: Not at this moment. Everything that was addressed there, we certainly are—everything is just fine at this point with what Paul has said. Nothing much to add at this point.

Mr. David Piccini: Just for both of you and also for Marlene and Sue there as well, rural Ontario—I mean, this is close to my heart, representing a rural riding. The secondary suite changes we've made—I'm really starting to see a lot of secondary suites come online in rural Ontario. We've got a lot of older homes, and rather than just checking out as folks age and then having affluent Torontonians come out and move into those homes, we're starting to see now an unlocking of secondary suites. Can you both talk to the importance of that, specifically in rural Ontario, where I think it's going to be a blend of the purpose-built rental units—we've got a deep affordable that the county is engaged in that the province is supporting. But those secondary suites I think are very key. Can you speak to a bit of that, both of you, perhaps?

Mr. Paul Taylor: I'll be really brief and then I'll pass it off. I agree they're incredibly important. I think as communities across the country are aging, very many seniors are over-housed in the size of their places, so if they can create additional spaces and we can add density through that, we're very supportive of that, for sure.

Mr. David Piccini: Marlene? Sue?

Ms. Marlene Coffey: Yes, so ultimately we'd like to see lots of options. There isn't any single solution here. We have to provide options along this continuum in all sizes of communities. Every tool that we can pull out of the Municipal Act or the Planning Act is absolutely essential to providing that choice for people to move along the spectrum and create some openings and some freedom in the sector for new groups to move up into their place along that spectrum. So absolutely, many, many tools in the Municipal Act and Planning Act help us achieve building new stock.

Mr. David Piccini: Just from an ease standpoint, have you seen the checklist that has now come out? I know our tiny homes committee and other groups locally have really appreciated just a one-pager. Have you seen that? Sue?

The Chair (Mr. Amarjot Sandhu): Thirty seconds.

Ms. Marlene Coffey: Sue, do you want—Sue, you're on mute.

Ms. Sue Ritchie Raymond: Sorry. I was going to say just briefly that with respect to second units or for the tiny homes, there are lots of options. We know that one of the biggest reactions to COVID with our seniors population is

the reality of, do they want to be looking at retirement homes in the future? What does co-housing look like? Second units are a viable, affordable option. We need to look at ways to support that.

With the community housing portfolio—

The Chair (Mr. Amarjot Sandhu): Thank you so much. Your time has come up now. That concludes our time for the presentation. Thank you to all three presenters for appearing before the committee and for your presentation. 1700

Before we move to our next group of presenters, I would like to do an attendance check. MPP French, if you could please confirm your attendance.

Ms. Jennifer K. French: I am here, and I'm in Oshawa, in my kitchen.

The Chair (Mr. Amarjot Sandhu): Thank you.

MUNICIPAL FINANCE OFFICERS'
ASSOCIATION OF ONTARIO
CITY OF TIMMINS
CONCRETE ONTARIO

The Chair (Mr. Amarjot Sandhu): We'll move to our next group of presenters. First, I will start with the Municipal Finance Officers' Association of Ontario. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Trevor Pinn: My name is Trevor Pinn. I'm the president of the MFOA. I'm also the director of finance and treasurer for the municipality of Clarington. I'm joined by Nancy Taylor, who is a past president of the MFOA and the commissioner of finance and treasurer for the regional municipality of Durham. I'd like to thank you for the opportunity to speak to the committee today on this important topic for municipalities in Ontario.

The Municipal Finance Officers' Association, or MFOA, represents the financial professionals who are responsible for handling the financial affairs of municipalities. We promote the interests of its members through advocacy, research and analysis, sector engagement, and by providing professional development opportunities for these financial professionals.

The pandemic has been very disruptive on municipalities and their finances. Ontario is a vast province, composed of diverse urban, rural and northern municipalities that not only face distinct economic, geographic and demographic challenges, but also deliver different mixes of services. A one-size-fits-all approach will not be an equitable process to ease the pandemic's impact on municipalities.

The MFOA has provided a report on the financial implications of COVID-19 for municipalities. Flexibility is one of the principles guiding the MFOA's first report on financial implications of the pandemic, and a copy of the report was mailed to the committee this morning. The objectives of the report are to leave municipalities in a financial position to continue to offer vital services, with no ongoing major financial burdens that will impair them

for years, and to maintain essential services during the pandemic and into the recovery period. The report is a preliminary analysis as we are still in the early days of understanding the full impact of COVID-19 on municipalities. There will also be a difference between the financial impact on municipalities leading into the pandemic and a different set for those municipalities as we enter into the recovery phase. We expect to provide further updates to this report as time goes on and more information becomes available.

The MFOA supports the Federation of Canadian Municipalities' recommendations to the federal government in principle. Support programs should be easy to administer and help money flow in a timely way to those that need it, which is achieved with the federal gas tax fund. FCM's recommendations account for the disproportionate impact of the pandemic on transit providers while providing support to municipalities across the country.

Our second recommendation is that the province establish a support grant to compensate municipalities for targeted net-loss revenues resulting from the COVID-19 emergency, including transit and recreational services. Many municipalities' cash flows have been significantly impacted by the decrease or deferral of major revenue sources combined with cost increases associated with required service modifications. Some of this revenue loss, such as transit and interest and penalty deferrals, are permanent. While municipalities have implemented cost-saving measures, they are not sufficient to offset revenue losses, leaving municipalities cash-strapped. As we move into the recovery stage, we're not quite certain yet how much those revenue sources will be impacted through our mitigation for public health as our services come back online.

The province or federal government to provide interest-free loans to municipalities to address revenue shortfalls of a temporary nature: This is our third recommendation. For example, it is likely that property taxes and utility bills will be eventually paid, but payments may be delayed. This causes a cash flow concern for municipalities that loans could assist with. Delays can cause cash flow problems that can be eased by those interest-free loans, if and when municipalities require them.

Fourth, we recommend that the province establish an emergency cost-recovery grant to compensate municipalities for the increased costs directly related to the COVID-19 emergency. Many municipalities in the province are experiencing increased costs directly related to the pandemic, which include additional personal protective equipment for essential front-line workers, more rigorous cleaning, and additional staffing costs related to redeployments—

The Chair (Mr. Amarjot Sandhu): Two minutes.

Mr. Trevor Pinn: —and the inability of staff to work in multiple long-term-care homes. In the past, the province has provided a level of compensation for emergencies, like natural disasters and SARS, and we hope that they will continue this approach with COVID-19.

We also recommend that the provincial and federal governments, under existing programs, commit to maintain

transfer payments to each municipality as planned in 2020 to 2022, and that the province continue to work closely with its municipal partners to learn on-the-ground lessons of the financial impacts of the pandemic to plan for future recovery.

Now I'll turn it over to Ms. Taylor.

Ms. Nancy Taylor: Thanks, Trevor. As mentioned, I'm Nancy Taylor. Very quickly, there's a great deal of uncertainty about the ripple effects of the pandemic for municipalities, and depending on the mixture of services provided by the municipality, the implications may have a further-reaching impact than just this calendar year. For example, if you're a municipality with transit, affordable housing, child care or long-term care, 2021 will be the first budget year for a dramatic shift in how services are actually delivered—such things like personal protective equipment, loss of revenue for child care and transit due to physical distancing limits, and less reliance on part-time staff—

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Nancy Taylor: —in long-term-care homes. So there's a number of impacts there.

Municipalities still don't know what exact financial assistance is coming from the province and federal governments. That's very challenging because we are literally in the midst of 2021 budget processes now. Tax increases to recover 2020 impacts in 2021 don't cover off the permanent change in revenue and cost pressures stemming from COVID-19 going forward. As you know, the property tax system is not based on ability to pay. So relying on that revenue stream to make up shortfalls is not feasible.

Leveraging reserves and reserve funds will not be enough for many municipalities, and as stimulus funding follows historical models, municipalities will have to rely on those reserves and reserve funds for their matching share.

So all three governments, in our view, have a shared responsibility here. Municipalities appreciate the assistance provided to date and look forward to additional support. It's our position that support for the vital services that Ontario's municipalities provide—

The Chair (Mr. Amarjot Sandhu): Thank you.

Ms. Nancy Taylor: Thank you.

The Chair (Mr. Amarjot Sandhu): Sorry to cut you off. Your time has come up.

We'll move to our next presenter: the city of Timmins. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. George Pirie: My name is George Pirie. I'm mayor of the city of Timmins. First of all, thank you very much to the committee for hearing us today. What I'm going to do is present the fiscal update of the city, our projections up to the end of June.

When we looked at this initially at the beginning of March, we projected four months and we thought that, at the end of the four months, we would be over this and have a revenue shortfall or a total shortfall on budget of close to \$4 million. We're projecting a shortfall in revenue of \$2.4 million and expenses of \$2.3 million. Our most recent

update, which was given at the last council meeting, shows that we're short; we underestimated the impact on the revenue side. We are actually short on our revenue side by \$2.9 million, and we've done better on the expense side of things. We also, again, estimate that we will be updating for July, August and September. We expect some revenue declines, especially in airport revenues, to probably continue right through to October and November. That's a significant impact on our funds, because to the end of June it was a little over \$1 million.

The city has responded extremely well. As you imagine, with the expenses, we've laid off 92 individuals. We've gone back to the department heads and asked them to cut their budgets, which they have by better than 1%. We haven't hired the summer students and we've re-deployed people into essential areas, so we've managed some of the expenses ourselves.

Golden Manor, the facility for seniors—it's a facility that we own ourselves. That's where we received some funding. We received \$122,400 from the province to offset the COVID costs. We've also deferred capital expenditures in the amount of \$1.7 million to help deal with the crisis.

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Where we're most exposed is our agencies, boards and commissions. The Timmins Police Service managed to cut their staff and actually cut their capital significantly, so they have contributed significantly to not being in overrun, as we had projected. Porcupine Health Unit has been receiving provincial funding, and they will use reserves to offset and cover their overages. The Cochrane District Social Services Administration Board has received funding provincially, which, in fact, had to feed the homeless, deal with the additional cost of sheltering the homeless, as well as EMS. That funding was actually completely consumed in June, and our key partners within the community responded with well in excess of \$1 million to provide the funding to keep feeding the homeless as well as provide shelter. Without that, we would have significant shortfalls in our DSSAB.

At the same time, it must be mentioned, of course, that we're still dealing with the opioid crisis. Last week, we had four deaths related to overdoses. The whole cost of the social impact of COVID-19 is more than just what you see with COVID-19. It's to deal with the fallout in relation to the opioid crisis.

The Chair (Mr. Amarjot Sandhu): Three minutes left.

Mr. George Pirie: Three minutes? Okay. Good. Then I can slow down a little bit.

The city, right now, at the end of June, is projecting a balanced budget, notwithstanding we don't know exactly what's going to happen in the fall. We also don't have a full picture of exactly what the costs to the DSSAB are going to be. We're a small town, a small city; we're approximately 43,000 people. We're serving 100 dinners a night to our homeless. We've had to move our homeless too. We've got over 100 people sheltered on any given night. We've had to lease out facilities to keep them within the social distancing recommendations of the health unit.

Those deals, those leases, expire in July and there will be additional costs there.

We've managed to continue on with our infrastructure programs that are largely the paving, the road resurfacing, to maximize the number of people that are employed. We've been lucky that our economy is a resource economy, and consequently our largest employers have stayed. They haven't had any layoffs. In Timmins, it's largely a service-area recession, if you will. If we can manage to get through the fall without any kind of relapse, we should be in fairly good shape. The administration and staff have done a marvellous job in controlling costs and responding to the ask of them that they cut back on capital spending as well.

So, in a nutshell, we're okay right now with our finances, provided we don't have a setback in the fall.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. George Pirie: That's a very high-level overview, the best you can do, I guess, in six and a half or seven minutes.

The Chair (Mr. Amarjot Sandhu): Thank you.

Mr. George Pirie: You're welcome.

The Chair (Mr. Amarjot Sandhu): Our next presenter is Concrete Ontario. If you could please state your name for the record, and you can get right into your presentation.

Mr. Bart Kanters: Excellent. My name is Bart Kanters, and I'm the president of Concrete Ontario. I had a PowerPoint slide put together, but I'm not going to bother; that's too much technology.

Concrete Ontario is the voice and resource of the concrete and construction industries across Ontario. We represent 96% of all the concrete production and manufacturing, and we continually promote concrete sustainable management and benefits to society. Concrete Ontario brings education, technologies, research and innovation to architects, designers, contractors and concrete companies across the province.

Across Ontario, there are 285 concrete plants located in virtually every constituency in the province. Cement and concrete are vital participants in Ontario's economy, contributing to 54,000 direct and indirect jobs across the province, and generating over \$25 billion in direct, indirect and induced economic activity.

I want to begin by recognizing the tremendous efforts of the provincial government in dealing with the overwhelming impacts of the COVID-19 pandemic on all Ontarians. The quick, decisive action taken by the government has successfully flattened the curve of the pandemic and allowed for the gradual reopening of the economy, getting businesses and employees back to work.

As an industry, we take health and safety very seriously. We've developed best practices guidelines that were distributed to our members early on in the pandemic. We continue to have ongoing contact with our members to ensure the safety of all of our employees in the industry.

While, as an industry, we were spared a complete shutdown, we're not immune to the impacts. Over the past four months our industry has experienced a 20% reduction in the amount of concrete produced in the province. While

these reductions are significant, the impacts of COVID-19 were most felt by our industry in March and April, when we experienced 30% to 35% reductions.

As construction projects came back online, with the addition of the ICI sector construction work in May and June, it now appears that our industry is back to normal levels of production as of the start of July. But concerns exist regarding the municipal work that has not yet been tendered due to financial constraints.

During the course of this presentation, I would like to touch on three main items: the role that construction can play in spurring on economic growth and development; new opportunities for unemployed Ontarians; and the role that government can play in stimulating new and effective ways of doing business in the economic recovery, by examining red tape reduction and innovation opportunities.

Let me start with construction. We believe that construction needs to be at the core of the COVID-19 pandemic recovery, as construction is the most reliable and quickest way to drive the economic recovery both in the medium and long term. All levels of government need to stimulate the local economy by proceeding with infrastructure projects that get construction business back in operation and employees back to work in the local marketplace. We urge governments to move forward with these projects as soon as possible and not delay our already short construction season.

Secondly, we recognize that many Ontarians have lost their jobs during the course of the pandemic. As companies begin to examine operations post-pandemic and look at new ways of doing business, unfortunately, there may be many additional job losses. We recognize that all the retail and hospitality industries have been particularly hard hit by job losses, and their loss has been significant. We believe this opens up opportunities for consideration of non-traditional careers that are in need of attracting individuals to the industry.

The shortage of truck drivers in Ontario constitutes a major challenge for our industry. Finding and retaining qualified drivers has never been more critical. These are good-paying jobs that are necessary to support the infrastructure development—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Bart Kanters:—that drives the economy.

Additionally, there has been a shift in traditionally male-dominated industries, as various groups work to strengthen the industry's diversity practices and increase gender parity. Recognizing that women represent only 3% of the trucking workforce in Canada has prompted additional education and training resources and the emergence of new associations that encourage the employment of women in trucking and promote their accomplishments and aim to minimize the obstacles that they face when entering the industry. As the government begins to think about new skills and training in the post-pandemic era, we would ask that we be involved in these discussions to determine how we can attract more people to this critical industry.

Finally, I want to highlight some opportunities for red tape reduction. Let me start by providing a specific example. At the beginning of the pandemic, we expressed concerns to the Ministry of Transportation that our employees would have increased exposure to COVID-19 as a result of paper material delivery slips at concrete plants being delivered to job sites. To be frank, our concerns were met with little flexibility at the Ministry of Transportation. It wasn't until we elevated our concerns to the minister and her office, who asked officials to form a working group, that any action took place.

We're very thankful that the MTO, Concrete Ontario, the Cement Association of Canada, the Ontario Stone, Sand and Gravel Association and the Ontario Road Builders' Association all came together to work and develop a positive solution that addressed the significant safety concern that occurs on every construction site across the province. We need to continue to explore new and innovative ways of operating to ensure both a competitive industry and the safety of our employees.

Over the years, we've had experiences with ongoing issues with the MTO and their unwillingness to look at reducing red tape and examining new and efficient ways of doing work, and I'd be happy to provide additional examples if that's necessary.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Bart Kanters: In closing, Concrete Ontario and our industry partners are here to work with the government of Ontario to assist with the economic recovery of the province. We're committed to working with you and municipal and federal partners to stimulate local economies, and we look forward to contributing to plans to bring Ontario back to economic prosperity. Thank you.

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The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll start our first round of questions with the independent members. MPP Berns-McGown?

Ms. Rima Berns-McGown: No, independent.

The Chair (Mr. Amarjot Sandhu): Sorry. I apologize. Independent members? MPP Blais.

Mr. Stephen Blais: Thank you, Mr. Chair, and thank you, everyone, for your presentations this afternoon.

Mayor Pirie, I'd like to start with you, if that's okay. You mentioned that you believe that if things stay the same, you may end the year in a balance, and if I've mischaracterized that, please correct me. But you also talked about some of the cuts that you've made, and I'm wondering if you could get into a little bit more detail about the cuts you've had to make in order to achieve balance.

Mr. George Pirie: Well, as I suggested, the most significant cut was laying off 92 individuals. We've hired students only in very key areas, so we haven't hired the number of summer students that we would. As I said, we've deferred over \$1 million—\$1.7 million—in capital projects. Again, this is—previously, I heard somebody else mention cash flow; well, it certainly is all about cash flow. We're operating under the premise that municipalities have to have a balanced budget or are required to have a balanced budget, so we've deferred over \$1.7 million and

we'll continue as we go through this to make those types of moves if we have to.

For instance, when I say, "If they stay the same," we've just recently reinstated a more full transit schedule and started to charge full fare. One of the key issues there, of course, is the cost to run the transit system, and we won't run it if it can't be run safely. Running it safely means we run at about a third of the capacity. We've put in the protective devices for the drivers. They're entering through the back door. We've done certain things from an automation point of view that allow people to pay and ride safely.

But as I've said in council meetings, if we regress, if there is another wave of this, we won't be talking about any transit service. We just simply can't afford the type of hole that it leaves in a budget. We just won't have that service. We'll be doing things like cutting out—as we enter into the winter months, and perhaps in most of our residential areas, we plow sidewalks. Well, maybe this winter, we don't plow sidewalks—things like that that we know have a direct impact on cash flow.

We're unsure right now where we're going to be in the fall from a COVID-19 point of view. We're unsure what the total bill is going to be with the DSSAB. As I say, you can't talk about COVID-19 without talking about the opioid crisis. There's been a significant spike in the opioid case-load. Our EMS is responding principally right now to opioids. The Porcupine Health Unit is in fairly good shape, but we had a case just yesterday, and that case is in South Centennial Manor in Iroquois Falls. Again, it all keeps rolling. That's a very, very expensive situation for them. Of course, we're just one of the cities in the catchment area of the Porcupine Health Unit, which I believe is the largest health unit in Ontario—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. George Pirie: Sorry.

Mr. Stephen Blais: No, don't apologize. Thank you very much for that.

You mentioned your airport. Did I hear that correctly, that it's a municipally owned airport?

Mr. George Pirie: Yes, there are different—when the airports were downloaded because of our size, our municipal airport is owned by the city and run by the city.

Mr. Stephen Blais: Do you have that set up as a municipal services corporation, and does it provide you with a dividend every year, typically?

Mr. George Pirie: It's not set up as a municipal service corporation; it's owned directly by the municipality. They have their own budget. They actually usually are a significant revenue-maker and contributor to the city's finances. You can call it a dividend if you want, but it's my friend since we've been—we're probably going to be short a couple of million bucks. We had, originally, optimistically thought this might last four months; it looks like, especially from the airline point of view, it's—

Mr. Stephen Blais: When you calculate the \$1.7 million in deferred capital and some of the layoffs, are you taking the airport out of that?

Mr. George Pirie: No, the deferred capital is specifically deferred capital. Public works, environmental, police, information technology, buildings, tours and all of that—

Mr. Stephen Blais: Your Worship, I—

Mr. George Pirie: The loss of revenue is strictly a loss-of-revenue effect on our budget from the airport.

Mr. Stephen Blais: From the airport, specifically?

Mr. George Pirie: Yes.

Mr. Stephen Blais: Okay, perfect. Thank you very much. When you're talking about reduced services—you talked about taking out sidewalk plowing. You're having issues with opioids. You're serving a hundred meals at dinner hour. Can you maybe talk about the vulnerable people in the community who might be impacted if you have to further cut services?

Mr. George Pirie: Yes. First of all, that's all the DSSAB. That's the Cochrane district social services agency that handles the homeless. They're responsible for the services.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. George Pirie: And that's exactly what would happen. We had significant contributions from our resource community that allowed us and the DSSAB to keep feeding the people the way we were, to house them with social-distance protocols. That all costs money. We're leasing facilities off Northern College. We're leasing facilities—well, they're using up space—in the curling club in Schumacher. It all costs money. When you talk about moving them out of—from my window, I look at a homeless shelter. It's basic accommodation at the best of times.

Mr. Stephen Blais: Thank you very much. How much time, Mr. Chair?

The Chair (Mr. Amarjot Sandhu): Twenty seconds.

Mr. Stephen Blais: I'll wrap it up. I'll come back to you in the next round. Thank you.

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll move to the government side now. MPP McDonell.

Mr. Jim McDonell: Thank you for appearing today. I had a couple of questions. One was mentioned, I think, by the municipal finance officers, about the costs of COVID-19 being a shared responsibility of all levels of government. I guess we agree with that. The only disagreement we have is that we don't believe the municipalities have the ability or the capability of raising their share.

Last week at AMO meetings, I know they were certainly supportive of our push to have the federal government come up with an agreement with the provinces to provide the additional costs. I think they've talked about \$14 billion, and of course there was some discussion, and now the Premiers—our Premier has led the push to make sure that we have the ability in each province to decide where that money is needed, instead of it coming with strings attached. As we see, the money has been talked about for a lot of purposes. Maybe we would see municipalities not being able to have their choice. Any comments on that, or where you see that going, on your ability to raise money?

Ms. Nancy Taylor: If I may; it's Nancy Taylor again from the region of Durham. I would agree—it was my comment through MFOA—that it is a responsibility of all

of us to try to take care of our citizens. But I would very much strongly agree, and my colleagues would as well, that the municipal sector is quite challenged in finding our share, both with respect to if there is a stimulus funding that requires—historically, it would require something like one third, one third, one third. But as well, within our existing budgets and tax bases, to try to find the magnitude of what we're looking for here, and I tried to emphasize that in my discussion, it's not just a matter of where we find the over-expenditures right now that were directly occurring for things like PPE and staff costs for responding to the emergency; it's the permanent change in the businesses that we are in. It means that future budgets are also going to be impacted, so we have to be mindful of that when we're looking at fiscal capacity, as well.

Mr. Jim McDonell: And just over to the concrete group: You talked about the importance of infrastructure and the ability for that to lead us out of recession. We agree. There are many projects out there that have been shovel-ready. I know we have approved something like over 150 projects as part of the Canadian-Ontario infrastructure program, but we're still waiting on final approval a year later. Jobs approved now will miss this construction season and really are going to be for next year.

Mr. Bart Kanters: Yes, that's one of our major concerns. Again, we've seen levels pick back up, but it was the two and a half or three months' worth of work that dropped off that we're just catching up on. Again, I echo the concerns that are being raised by the municipalities here, where we're not seeing—people have to balance their books. There are financial constraints that everyone is facing.

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Again, the construction industry is in a key sector because we're local. All of the work is for local communities, local employment and local businesses, so it supports growth. But again, the challenge in finding those monies—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Bart Kanters:—and continuing with those projects is the bigger issue. So I'll hand it back to you.

Mr. Jim McDonell: Okay. I'll turn it over to Ms. Khanjin.

Ms. Andrea Khanjin: Thank you. I really like the comments you made, Trevor, about the one size fits all. We have Mayor Lynn Dollin in Innisfil, and she used to be the president of AMO, and certainly, that was a thing that she campaigned for, for quite some time. In that same breath is the concept of growth should pay for growth. So I was just wondering what your comments would be, and maybe we could have Your Worship George also comment, about the growth paying for growth and what your thoughts are on expanding and implementing the community benefits charges so that you can expand eligible services funded through development charges.

Mr. Trevor Pinn: Thank you for the question. I do agree that growth should pay for growth. One of the concerns that we have is that growth is not simply a capital matter. There are added costs with operating, which tend not to be captured with development charges. As far as one size doesn't fit all, a lot of that has to do with the fact that

for municipalities throughout Ontario—lower-tier, upper-tier—the services tend to be at different responsibilities.

As far as the community benefits charge, the expansion of the ability is an added plus. However, the concern that I have, and not having read the legislation in great detail, is that it appears to be targeted at higher-density growth. For rural municipalities—the municipality of Clarington, for example—we don't tend to get a lot of buildings that are six stories or higher or 11 units or more. So it appears, on the face, that that proposed amendment that was made earlier this week would actually have a significant restriction on the eligibility of that revenue for the municipality.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Andrea Khanjin: Your Worship, did you want to comment on that as well?

The Chair (Mr. Amarjot Sandhu): Can you unmute yourself, please?

Mr. George Pirie: We're in an area—as you guys are aware, nine tenths of the province lies above Sudbury, North Bay and Sault Ste. Marie. We're in that nine tenths, and we're the heart of northeastern Ontario.

Unfortunately, demographically, our population is declining. So when we talk about growth opportunities, we talk about 10 million acres of arable land, a million in private hands. We've got to move the agenda quickly to free up those lands. We've got more arable land than Manitoba. Our mines are deep. They're 12,000 feet deep at Kidd. They're capable of geothermal power. On the upper levels, they're cold. As you know, in any major computing activity, the largest single cost is air conditioning and—

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize to cut you off. We'll have to move to the opposition side for their time of questioning now. MPP Berns-McGown.

Ms. Rima Berns-McGown: Thanks so much for all of the presentations. My question is for the folks from MFOA. I wonder if you could please expand on your comments about the regional disparities of the effects of COVID and the costs. I wonder if you could talk about, if the other levels of government don't step up sufficiently, which regions, municipalities and sectors, in your view, are going to be the most affected?

Ms. Nancy Taylor: It's Nancy Taylor speaking on behalf of the MFOA in the region of Durham. The one size fits all and the issue around all of us being affected differently very much depends upon the mix of services that we provide. Those of us that have transit systems are very, very highly exposed right now with respect to implications, current and permanent. As well, those that run long-term-care homes, depending on the—there's a new reality for long-term-care homes even today, and perhaps an even greater new reality for long-term-care homes, depending on recommendations coming forward for permanent changes to long-term-care homes.

The other piece from, say, the region of Durham's perspective: A significant cost is dealing with the homeless, because people can't self-isolate if they have no home to self-isolate in. We are investing a significant amount in a proposal before council, as we speak, to spend some significant funds on constructing modular homes for the

homeless. Ongoing operating costs around those kinds of things are a significant concern for us.

I would suggest to you that probably the transient are at the greatest exposure factor, which is either your upper-tier or large cities. But those who heavily support social service-related activities as well are equally highly exposed, because for those essential service ones, we weren't able to do any layoffs to accommodate those costs. In fact, for long-term-care homes and homelessness, we've actually had to hire on significant additional staff just to meet the public health requirements. Those of us who run public health units where you have a lot of nurses having to do the follow-up contacts for COVID-positive test cases—again, there has been a significant burden with respect to payroll costs for part-time and reallocating staff from other areas in order to do that. The ability to lay off has not been there for those municipalities that have essential services that they have to maintain.

Ms. Rima Berns-McGown: My sense is that the costs of supporting homeless populations and also, as the mayor was speaking about, populations dealing with the opioid crisis are going to skyrocket, and they're not going to abate any time soon. I wonder if you could just comment on that. My sense is that will happen across the province.

Ms. Nancy Taylor: Certainly. Our social services people who are very passionate and dedicated to that have been raising that alarm for some time, and COVID has really made that a very extreme example of the problem when there is pervasive homelessness. You're quite right.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Nancy Taylor: I think that is an issue that is visibly always seen to be in large urban centres, but a lot of recent indicators also show that it's not just large urban centres that struggle with homeless populations that need services and resources in order to effect a recovery to their lifestyle.

Ms. Rima Berns-McGown: Thank you. I'd like to pass it to MPP French.

The Chair (Mr. Amarjot Sandhu): MPP French.

Ms. Jennifer K. French: Again, thank you to everyone for their presentations. It's nice to see some folks from my neck of the woods—and others, of course.

Mr. Kanters, I won't take your time now, but I will take you up on that offer to have a conversation about trucking and a lot of the pathways that you rely on. As the infrastructure, transportation and highways critic, I think that would be a worthwhile conversation for us to have.

But I am going to focus on the MFOA folks. You had said money needs to flow in a timely way. I'm also hearing from different areas that it needs to be predicable, so that you can make those plans. Can you speak a little bit about shovel-ready versus shovel-worthy? Because I know some of the smaller municipalities have shovel-worthy projects that would make a huge difference to their community. How are you finding it with the government as a partner in communicating some of those priorities and maybe getting decisions back?

Mr. Trevor Pinn: If I may, from a lower-tier and formerly a single-tier municipality, we start our budget process for next year now. We are looking at ways to fund

capital, ways to fund our ongoing operating now. Typically, we try to have a budget ready for the council anywhere between November and January, depending on the municipality. It is very hard to know where you're going to have to do cuts if a significant amount of your capital budget or your operating budget, for those in the north, relies on OMPF or, for smaller municipalities, relies on OCIF. If you have a significant amount of your capital budget that may represent multiples of percentage points on your budget, not knowing in October or earlier if you're going to be getting it does have a significant impact on where you prioritize your budget going into the future.

Ms. Jennifer K. French: Trevor, are some of your members starting to finally hear back from this level of government on some of the things that are on the shelf for projects and approvals?

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Mr. Trevor Pinn: I'll use my municipality for an example.

The Chair (Mr. Amarjot Sandhu): Thirty seconds.

Mr. Trevor Pinn: We have an ICIP project that we're waiting on that is a very significant amount. We can't go forward with that capital project without knowing if we are or are not receiving grant funding for it.

Ms. Jennifer K. French: So you haven't heard a yes or no from the province yet.

Mr. Trevor Pinn: No, I have not.

Ms. Jennifer K. French: That's too bad. Okay.

Am I out of time?

The Chair (Mr. Amarjot Sandhu): You're out of time. Thank you.

We'll move to the government side now for the second round. MPP Khanjin, I think? She's here? MPP Smith? Okay.

Mr. Dave Smith: My first question is for Trevor. I'm going to go back to something that MPP French talked about, and that was money flowing in a timely fashion. With the ICIP, we nominated significant projects across the province back in the beginning of June 2019, and the feds are just seeing fit today to get out and do it. I'm actually doing one tomorrow, I believe it is, with Mayor Pirie. We're in a situation where it's 12 months after the province has approved it and made the announcement before the federal government actually does anything, and we missed this construction season again this year as a result of it.

Do you have any suggestions on how we can get our federal partners to actually represent a partnership and do something in a timely fashion, so we can get the money flowing to you to have those projects done?

Mr. Trevor Pinn: I think when it comes to timeliness, it's up to all levels of government to try to look at ways to be more efficient in their processes. One thing that COVID has forced upon the municipal sector is a need to embrace technology, embrace different roles, embrace different ways of doing things, and that the way that we may have been operating for the last 15, 20, 30 years is not going to be sustainable going forward. So we need to look at ways that we can improve our efficiency, and I think that that is

true not just of municipalities or the province, but of the federal government as well.

With the ICIP that I mentioned earlier with MPP French, that was with regard to the rec stream. My understanding is that there may have been some movement toward the federal government on that. I don't know where the hang-up is; however, when it comes to our residents, our residents expect our projects to go ahead. It doesn't matter if it's the municipal, provincial or federal government; they expect and anticipate that those projects will move ahead in a timely manner. So I think all of us need to look at ways to improve that communication amongst the levels of government.

Mr. Dave Smith: On the predictability, we have made the OCIF funding very predictable. It's guaranteed to municipalities. I represent eight different municipalities in my riding. In one of them, it was \$52,000, which represents a 6% increase in their tax base, if they were to do it.

On small municipalities, that predictability is something that is massive. I'm sure that in a larger municipality and in the region that you work with, that predictability is something that is very valuable to you as well.

Mr. Trevor Pinn: The predictability is key. Like I said, we go—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Trevor Pinn:—with our budgets. We're working on them now. If we're not getting those numbers or knowing what those numbers are going to be until the end, it's hard to prioritize our budgets.

I used to work for a municipality in the Parry Sound-Muskoka area, and 1% was less than \$100,000. So easily, capital project cuts to that funding could represent 6%, 7%, 8%, 10% worth of impact, or the project just does not happen.

Ms. Nancy Taylor: If I may just add on to that—it's Nancy again—from a large municipal perspective, the ICIP alone, for example, for us for transit is about a \$200-million ask for all levels combined. Because of the sheer magnitude of that, certainly we are earmarking reserve fund monies and holding them in stasis for a long period of time before we can roll that spending out—nor can we make other choices with that funding while we have it committed for that purpose. So timeliness is critical, and the fact is that we're tying up funds that could go to other purposes if it doesn't get approved.

And then on the operating side, a quick note on timeliness: It really has to do with how well we can respond and how rapidly we can respond to pressures that are related to COVID. There are announcements, at times, of some very good news, but we're waiting for the filter to come down to us in each individual municipal entity to know what our share is. We're very appreciative of the announcements. If we could hear what our individual shares were as soon as possible, that would be make a big difference to us.

Mr. Dave Smith: Thank you. My next question is to Mr. Kanters. I'm sure that a number of your members were involved in the ICI program on electricity. Can you talk about how that cost, certainly this summer, is going to be

a benefit, and the fact that none of them will have to chase the peak, so to speak, and actually shut down during the summer?

Mr. Bart Kanters: Yes, that makes a big impact. Again, we're catching up on a lot of work that was put off from March, April and May. Often select plants would shut down during summer months because of that peak energy requirement, so that is going to have a very positive impact. Again, we thank you for that. It allows us to keep people working in the local economy.

Mr. Dave Smith: How much time, quickly, Chair?

The Chair (Mr. Amarjot Sandhu): Thirty seconds.

Mr. Dave Smith: I'm good, then. Thank you.

The Chair (Mr. Amarjot Sandhu): We'll go to the opposition side now. MPP Bisson?

Mr. Gilles Bisson: My question is for Mayor Pirie. Mayor, the city has had to make some pretty tough decisions as a way of being able to meet the revenue shortfall and the increased expenditures you have as a result of COVID. I'm sure that residents of the city of Timmins are not going to like the idea of possibly not having their sidewalks plowed as a way to offset the cost for the city to deal with these extraordinary circumstances. My question is very simple: What is it that you need the province to do, concretely, in order to assist the city and other municipalities across Ontario to offset these types of decisions?

Mr. George Pirie: Thanks very much, Mr. Bisson. First of all, the decision not to plow sidewalks—we're talking about all kinds of different things. What I'd really like the province to commit to, the area of huge concern to us—the city pays 65% of the DSSAB's budget.

The homelessness is a problem that has to be addressed and funded—homelessness and addictions. As you know, we get \$638 per homeless person; Windsor gets about \$42,000 per homeless person. So we absolutely need the funds to help us there, and if I can be so bold, it's not just the province.

Some 90% of our homeless are Indigenous people from the coast, and the federal government has to step up and recognize, as these individuals migrate into Timmins, that they come with a whole host of problems, and the federal government has abdicated their responsibility in that effort, as well. That's the area that really concerns me. The task and the urgency in that area is only going to increase as we work through this COVID crisis. If you could focus on any one thing, consider—as you know, Gilles; you're up here enough—the ambulance, EMS, the spike in those calls is directly related to provincial funding.

If the province can come and provide two things—agree to fund our DSSAB as required. Some 65% of the cost for the whole region is borne in Timmins. That would help us immensely in addressing the concerns we have, and the other concerns we have in our budget.

You know, you can go without a sidewalk plow, as an analogy. You can't ignore the human tragedy that I see every day outside my window. It's a human tragedy. It's a human story. We've got conference calls with Mushkegowuk to deal exactly with this. We're setting up a critical task force to deal with this. The province has to recognize what we're dealing with up here, and help us.

Mr. Gilles Bisson: My other question is on infrastructure, but I just want to say, even musing about not plowing sidewalks is not a wonderful thing for a municipality to even contemplate.

1750

My second question is on the capital side. I've got the list from the municipality of Timmins in regard to your capital projects. It's getting kind of late for not hearing about when the funding is flowing.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Gilles Bisson: What's the critical drop-down date that you need to be able to get shovels in the ground this year?

Mr. George Pirie: Well, really and truly, as you know, it's mid-July. We're well into the construction season. It's not even the drop-dead date; the contractors are already deployed. We could get funding now and we'd miss that window of opportunity.

We've got, obviously—you've heard it a thousand times—our connecting link infrastructure.

Mr. Gilles Bisson: Yes.

Mr. George Pirie: We're past that. We can no longer mobilize the contractors to do anything on the connecting link.

Mr. Gilles Bisson: But that normally would have been announced by now.

Mr. George Pirie: Oh, it would have been announced probably, I think, late May or early June. It's well in the works before that. Our particular problem is that it's the only route through town. All of the heavy trucks, traffic—it's going to cost jobs. That's really what's going to happen. We need a bypass to get rid of it. We're going to have to put half-load seasons to deal with the heavy-haul trucks. It's going to cost our resource industries about three million bucks a year to move around as we work through this.

No one—no one—would conduct a construction project like this at three million bucks a year. It would take forever to get it done. We can't get the volume contracts that we would normally get. It's a disastrous way to approach infrastructure projects. And the province has to realize that as well. But this dates back, like, 17 years. It's been a problem for a long time.

Mr. Gilles Bisson: Yes, but the fact that you don't have funding announcements now is making it difficult, because you were set to do Algonquin.

Mr. George Pirie: Yes. We never got the funding announcement on Algonquin in any case, but when we got the bids back, we looked at it and said that because we didn't get the economies of scale, we couldn't do it. It well exceeded our budget, and we have to look at it as a bigger project to get it done quicker.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Gilles Bisson: So if things could have been dealt with differently, we might have had shovels in the ground in some of those.

Mr. George Pirie: Yes. I mean, we need recognition of the fact that this is a huge problem for Timmins. It goes back, as someone mentioned, to one size fits all. It doesn't

fit all. It doesn't fit us here in Timmins. And it's going to cost hundreds of jobs ultimately.

Mr. Gilles Bisson: Thank you.

The Chair (Mr. Amarjot Sandhu): Further questions? MPP French.

Ms. Jennifer K. French: Quick question for the MFOA folks, just to finish up a thought: The different municipalities that are providing services like child care, long-term care—have any of those members been partners at the table with the government's task force on long-term care or with all of the child care announcements? Any partners?

Ms. Nancy Taylor: Perhaps I'll answer that. Certainly I know that our director of social services is part of a number of—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. The time has come up now.

We'll now move to the independent members for their second round. MPP Blais.

Mr. Stephen Blais: Nancy, if you wanted to finish your answer there, why don't you go ahead.

Ms. Nancy Taylor: Oh, thank you. I was just going to say that in Durham region, in particular, a number of our senior commissioners are involved in province-wide committees, and I do know that our commissioner of social services is involved in a number of province-wide committees. I can't speak to whether she is specifically on those, but we are trying to be very active, hence one of the reasons for my presence here today.

Mr. Stephen Blais: Thank you for that. I do appreciate your presentation this afternoon. You touched on transit a little bit in your presentation. One of the things we're hearing in Ottawa and Toronto and the larger cities that have very key transit services as part of how their cities can operate day to day, just functionally from a worker perspective—how critical is it that transit is able to get back up and running properly, and at rates that are affordable for people, for the economy to come back?

Ms. Nancy Taylor: If I may—again, it's Nancy—it is very critical. You take Durham region, for example: We may have a transit system that's not as mature as, say, the city of Toronto's, but a significant number of our transit users are either seniors or those essential workers who are trying to get to jobs. The challenge of providing a stable transit service—we've had to cut back a significant number of service hours simply to try, in some attempt, to mitigate the total impact that we'll see by the end of the year. But even cutting back those services hours, then, has provided significant challenges for those essential workers who rely on transit to get to where they need to go. So it is a significant problem for us. We are projecting right now a deficit, just within transit, by the end of the year in the range of \$9 million for Durham Region Transit. We're trying to do our best to mitigate that as much as possible.

The other implication is the universities. Durham has a number of universities and colleges within its territories, and the student passes—because a lot of the education is going to be offered online, they're looking at changing their approach to automatically participating in transit passes. That means that those students will have to pay more, as

well as the fact that it's significant lost revenue for the transit services.

Mr. Stephen Blais: Yes, certainly student revenue is huge for transit services. If they are going to be learning online in the fall, that's going to be an ongoing problem for transit agencies across the province.

I know that in Ottawa, it takes three to six months for OC Transpo to adjust routes and service levels appropriately, just because of how complicated the system is, and so certainty in funding is very, very important. Of course, we've been in this emergency for almost four months, and there has not yet been any certainty provided by the provincial government on supporting transit and to what level. I'm wondering if you can speak to the importance of getting that information over the course of the summer, so public servants can prepare—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Stephen Blais:—budget proposals for consultation through the fall in the various municipalities.

Ms. Nancy Taylor: You're quite right: There is a significant time lead in dealing with routes and capacities and trying to make sure you have the right buses that hold the capacities, particularly with the physical distancing that's required in order for everybody to be safe on the buses. There is a very, very significant lead time in dealing with the driver resources, in dealing with communicating that messaging out, because if people can't rely on when they know a bus is going to come, then that affects their life decisions and how they're going to undertake things. The advertising around changed routes, as well, has quite a bit of a time lead for that education requirement.

Having certainty around transit is a significant issue, but it's also a significant issue because many of us are trying to find cuts in other areas of the budget to try to help float transit a little bit longer. It's not just a transit-centric issue; we're trying to find room across the rest of the budgets to subsidize and support.

Mr. Stephen Blais: What would you estimate is the rolling effect of this revenue loss? As you said, it won't just come back overnight, and it will impact long-range financial plans into the future for the acquisition of buses, for the expansion of service etc. In the four months that we've missed, where we have a gap now, what is the multiplier effect of that over time?

Ms. Nancy Taylor: For us right now, for example, at this point we're at 40% of what the ridership was a year ago. To try to build that ridership up to a sustainable level—I'm not sure how many years that's going to take at this particular point in time. At Durham Region Transit, we were only at recovery of about 38% to 40% of the costs of transit through fares as it was, so it's heavily subsidized by the taxpayers, but worth it for the social benefit to people being able to get to jobs.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Stephen Blais: And just so that I'm clear: You've not been given any insights as to when or if money might flow to support transit from the province?

Ms. Nancy Taylor: We have received an allotment in Durham of \$365,000—it was announced fairly recently—

to deal with cleaning supplies and cleaning of buses. That's all that I'm aware of at this particular point in time with respect to transit.

Mr. Stephen Blais: Sure. Well, I guess that's better than nothing. Thank you very much. I don't have any other questions, Mr. Chair.

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The Chair (Mr. Amarjot Sandhu): Thank you so much. That concludes our time, as well. Thank you to all three presenters for appearing before the committee and for your presentations. Thank you so much.

That concludes our—

Interjection.

The Chair (Mr. Amarjot Sandhu): MPP Hunter?

Ms. Mitzie Hunter: Hi, Chair. I just have a request that I want to bring up in the committee—it just relates to our last theme that we were talking about, which was the culture and heritage sector—for some information to be provided to the committee from the Ministry of Heritage, Sport, Tourism and Culture Industries' advisory panels. This came up during the presentations. It was mentioned a couple of times by a couple of presenters. I wanted to see if there was agreement with the members of the committee to request those documents for the committee's consideration as we do the work on that portion of our research study.

The Chair (Mr. Amarjot Sandhu): Is there an agreement regarding MPP Hunter's request?

Interjection.

The Chair (Mr. Amarjot Sandhu): MPP Hunter, could you repeat your request once again, please?

Ms. Mitzie Hunter: Sure. That we would request from the Ministry of Heritage, Sport, Tourism and Culture Industries the recommendations from its advisory panels relating to the culture and heritage sector, specifically the film and television advisory panel.

The Chair (Mr. Amarjot Sandhu): Is there agreement from members? MPP Smith.

Mr. Dave Smith: Since all the presenters presented that information to us, I don't see why we would have to have duplication of it. Each one of them mentioned when it was part of their report.

The Chair (Mr. Amarjot Sandhu): It's not debatable; it's just yes or no, if the members agree or not. No? All right. Thank you.

So that concludes—

Ms. Mitzie Hunter: Sorry, Chair?

The Chair (Mr. Amarjot Sandhu): Yes?

Ms. Mitzie Hunter: Is it okay to get that?

The Chair (Mr. Amarjot Sandhu): No, the members don't agree with that.

So that concludes our presentations for today. As a reminder—

Interjection.

The Chair (Mr. Amarjot Sandhu): MPP Hunter?

Ms. Mitzie Hunter: Chair, is it possible for me to put forward a motion to the committee to frame that request?

The Chair (Mr. Amarjot Sandhu): Yes, you can do that.

Ms. Mitzie Hunter: Okay. I move that the Minister of Heritage, Sport, Tourism and Culture Industries provide the committee with the recommendations from its advisory panels relating to the culture and heritage sector, including the film and television advisory panel.

The Chair (Mr. Amarjot Sandhu): Is there any debate on this? MPP Smith.

Mr. Dave Smith: As I said earlier, we received all that information from the presenters as they were presenting it. So, no, I don't believe that we need to have that information a second time.

Ms. Mitzie Hunter: Could I speak to that?

The Chair (Mr. Amarjot Sandhu): Yes.

Ms. Mitzie Hunter: So, actually, I had asked for the information during the presentations for the exact reason that they were not able to provide the information in its entirety at the time. I felt that it would be helpful for us in our deliberations in providing the best possible recommendations on how we manage through this pandemic and its resulting economic crisis, as it has had a devastating effect on our film and television sector, so that we can have the most complete and full information possible. It was something that I raised during the hearings, but they were not able to provide it in full detail, which is why I'm asking that we request it from the ministry.

The Chair (Mr. Amarjot Sandhu): Thank you. Further debate on this?

Interjections.

The Chair (Mr. Amarjot Sandhu): Thank you to all the witnesses. You can leave now. Thank you for your presentations. The committee is discussing a different matter now.

Are all the members ready to vote on this motion? MPP Crawford?

Mr. Stephen Crawford: Point of order: I'm just wondering if we are authorized to go beyond 6 o'clock. We've exceeded 6 o'clock by about five minutes.

The Chair (Mr. Amarjot Sandhu): It's a committee deadline and not a House deadline, so we're okay to go—

Mr. Stephen Crawford: Okay.

The Chair (Mr. Amarjot Sandhu): Are the members ready to vote on this? The voting members: All those in favour of MPP Hunter's motion?

Interjection.

The Chair (Mr. Amarjot Sandhu): Can all the voting members turn on their cameras, please, and raise your hand if you're in favour of MPP Hunter's motion?

Interjection.

The Chair (Mr. Amarjot Sandhu): MPP French, you're not a voting member. Sorry. So only MPP Hunter. All right. All those opposed? Thank you. So it's not carried.

As a reminder, the deadline to send in written submissions will be 6 p.m., Eastern Daylight Time, on July 22.

The committee is now adjourned until 9 a.m. tomorrow, when we'll meet to continue hearings on the municipalities, construction and building sectors. Thank you.

The committee adjourned at 1806.

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Also taking part / Autres participants et participantes

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