

Legislative  
Assembly  
of Ontario



Assemblée  
législative  
de l'Ontario

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**Official Report  
of Debates  
(Hansard)**

G-50

**Journal  
des débats  
(Hansard)**

G-50

**Standing Committee on  
General Government**

Supporting Recovery  
and Competitiveness Act, 2021

1<sup>st</sup> Session  
42<sup>nd</sup> Parliament

Thursday 13 May 2021

**Comité permanent des  
affaires gouvernementales**

Loi de 2021  
sur le soutien à la relance  
et à la compétitivité

1<sup>re</sup> session  
42<sup>e</sup> législature

Jeudi 13 mai 2021

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Chair: Goldie Ghamari  
Clerk: Isaiah Thorning

Présidente : Goldie Ghamari  
Greffier : Isaiah Thorning

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



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

ISSN 1180-5218

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON  
GENERAL GOVERNMENT**

**COMITÉ PERMANENT DES  
AFFAIRES GOUVERNEMENTALES**

Thursday 13 May 2021

Jeudi 13 mai 2021

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

**SUPPORTING RECOVERY  
AND COMPETITIVENESS ACT, 2021**

**LOI DE 2021  
SUR LE SOUTIEN À LA RELANCE  
ET À LA COMPÉTITIVITÉ**

Consideration of the following bill:

Bill 276, An Act to enact and amend various Acts /  
Projet de loi 276, Loi édictant et modifiant diverses lois.

**The Chair (Ms. Goldie Ghamari):** Good morning, everyone. The Standing Committee on General Government will now come to order. We are here for public hearings on Bill 276, An Act to enact and amend various Acts. We have the following members present in the room: only myself. The following members are participating remotely: MPP Bob Bailey, MPP Guy Bourgouin, MPP Stephen Crawford, MPP Sheref Sabawy, MPP Daisy Wai and MPP Donna Skelly.

We have a couple of new members who have also joined us. MPP Tabuns, can you please confirm that you are present and in Ontario?

**Mr. Peter Tabuns:** Yes. This is MPP Peter Tabuns. I am in Ontario, in Toronto.

**The Chair (Ms. Goldie Ghamari):** Thank you. And MPP Glover, can you please confirm that you are present and in Ontario?

**Mr. Chris Glover:** Yes, I am present, and I am in Ontario.

**The Chair (Ms. Goldie Ghamari):** Thank you. Have any other members joined us? No.

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

Please speak slowly and clearly and wait until I recognize you before starting to speak. Please take a brief pause before beginning, and as always, all comments should go through the Chair. Are there any questions before we begin?

MINISTRY OF ECONOMIC  
DEVELOPMENT,  
JOB CREATION AND TRADE

**The Chair (Ms. Goldie Ghamari):** Our presenter today, the Associate Minister of Small Business and Red

Tape Reduction, will have 15 minutes to make an opening statement, followed by 45 minutes for questions and answers divided into three rounds of six minutes for the government members, three rounds of six minutes for the official opposition members and two rounds of four and a half minutes for the independent member. Are there any questions?

I will now call upon the Honourable Prabmeet Singh Sarkaria, MPP, Associate Minister of Small Business and Red Tape Reduction. Please state your name for Hansard, and you may begin. You will have 15 minutes.

**Hon. Prabmeet Singh Sarkaria:** Prabmeet Sarkaria. Thank you very much to the Chair. I'll start. I appreciate the opportunity to be here. Thank you very much, MPP Ghamari.

Good morning, everyone. I'd like to thank all the members of the committee for their work on behalf of constituents, both in helping them navigate the challenges of COVID-19 and for sharing their experiences with government. The work being done by every member of this committee models the Team Ontario approach we have taken to address the COVID-19 crisis and demonstrates the holistic, inclusive and all-of-government approach needed to support our small and medium-sized businesses during this very difficult time.

We all know that COVID-19 continues to hit hard as we go through the second year of this terrible virus. The pandemic has touched every corner of Ontario, just as it has touched every corner of our country. It has reinforced the need for government to modernize regulation and reduce regulatory roadblocks for people and businesses. That's why it's crucial for government to act now to eliminate outdated regulations, to minimize needless burdens on consumers and businesses.

The spring 2021 red tape reduction package will help lay the foundation needed for a strong economic recovery. The steps we are taking will benefit individuals, families and businesses by introducing measures that will create the conditions for investment and prosperity over the long term while enhancing policies that protect our environment and keep us safe and healthy.

The package consists of the proposed Supporting Recovery and Competitiveness Act and regulatory changes to modernize rules and accelerate business growth to attract investment and create jobs. The package continues our work to cut costly red tape, reduce unnecessary burdens, and digitize processes. This will help more people

and businesses to recover from the economic effects of COVID-19 while preparing them for future opportunities.

Through Bill 276, the Supporting Recovery and Competitiveness Act, we are identifying meaningful ways to modernize regulations that are easier to understand and will allow people and businesses to invest time and money in what's important right now: recovering, rebuilding and re-emerging from this crisis stronger than before.

Since the early days of the pandemic, we have made temporary changes to regulations to help businesses get through this crisis and adapt to a dramatically different world. These changes have come from people and businesses across Ontario.

In April 2020, we launched the COVID-19: Tackling the Barriers portal to gather ideas on how we could overcome the unique challenges due to the pandemic. These ideas helped lead over 50 temporary regulatory changes, from capping delivery fees charged to restaurants, to allowing licensed bars and restaurants to include beer and wine with food takeout and delivery orders, to allowing trucks to make deliveries during off-peak hours to retailers. We have been helping businesses adapt their services and ensure that retailers can keep their shelves stocked with the things your families rely on.

Over the past year, we have also provided comprehensive support to help businesses get through the pandemic. The Ontario Small Business Support Grant is lending a helping hand to businesses with less than 100 employees that are required to close or significantly reduce their services due to the province-wide shutdown. The original funding for the Ontario Small Business Support Grant was \$1.7 billion. In the 2021 budget, we increased that to \$3.4 billion so we could provide support to more companies and double the grant to each recipient. We are now providing grants up to \$40,000 to an estimated 120,000 businesses across the province.

Through the main street relief grant, we provided small businesses with up to \$1,000 each to reimburse them for PPE costs incurred in order to operate safely during the pandemic.

Through the Digital Main Street program, we are helping small businesses get online, expand their digital footprint and connect with new customers.

Our government is also providing many other forms of support. These include:

- free advice from financial advisers on responding to and recovering from COVID-19;
- the Workplace PPE Supplier Directory, which businesses can use to find Ontario-made PPE; and
- tailored local support through the small business COVID-19 recovery network.

We're doing everything we can to help businesses and the people of Ontario get through the pandemic. That includes working to create conditions for businesses to succeed by modernizing government, reducing business costs and creating new opportunities to recover, grow and prosper.

The proposed legislation we are presenting today will sustain and build on wide-ranging efforts across our government since 2018 to reduce regulatory burdens. Before

the pandemic, we worked diligently to modernize and streamline the regulatory system to restore Ontario's competitiveness and unleash the full potential of communities. As part of this effort, we simplified laws and procedures that imposed needless burdens on people and businesses. This work has become even more important due to the pandemic. Demands on people and businesses have become more intense, time-consuming and costly. We have responded by prioritizing our efforts to reduce burdens and build a modern regulatory regime in Ontario.

Over the past year we have passed three high-impact burden reduction bills to help businesses support recovery: the COVID-19 Economic Recovery Act, 2020; the Main Street Recovery Act, 2020; and the Better for People, Smarter for Business Act. Through these pieces of legislation, we have made substantial progress toward our goal of streamlining regulations and reducing the cost of doing business in Ontario.

As a proud son of small business owners, I know how important it is to reduce barriers to business success. I know how much a business means to the people who run it and to their family, their employees and their community. Every day, people count on their local businesses to help them in so many ways, and now these businesses are counting on all of us. That's why we're proposing a large and wide-ranging package of actions to bring regulatory relief to people and the businesses they rely on to get ahead.

The proposed Supporting Recovery and Competitiveness Act, 2021, will, if passed, support economic recovery and help businesses weather the fierce impacts of the pandemic. It would also take us another big step towards building an efficient and modernized regulatory regime that would ease unnecessary burdens on people and businesses. This legislation would modernize the rules and accelerate business growth, helping Ontario to attract investment, create jobs and build prosperity.

#### **0910**

We understand that complex and duplicative regulations slow recovery and stifle the entrepreneurial spirit, making it harder for businesses to grow and thrive. We are working to simplify rules and processes that place unnecessary burdens on people and businesses while maintaining and strengthening standards that keep people safe and healthy and protect our environment.

Our approach to regulatory modernization is grounded in five guiding principles. The first of these principles is to protect public health, safety and the environment in our approach to regulation. That means working to reduce regulatory burdens in a smart and careful way that ensures health, safety and environmental protections are maintained and enhanced.

The second principle is to prioritize the important issues. We're assessing which regulations cost the most time and money while looking for innovative ways to ensure that these rules are effective and efficient.

The third principle is to harmonize rules with the federal government and other provinces where we can. We are targeting duplicative red tape and, where possible,

aligning with other jurisdictions to eliminate steps that cost job creators time and money.

The fourth principle is to listen to the people and businesses of Ontario. We want to hear their ideas about how we can remove red tape and create the right conditions for businesses and communities to prosper.

And the fifth principle is to take a whole-of-government approach. We are taking a coordinated approach to ensure that everyone is on the same page, but we are applying a whole-of-government perspective to deliver smarter government, with economic growth to match.

The proposed measures in the Supporting Recovery and Competitiveness Act would reduce regulatory burdens on job creators, modernize regulations and cut red tape to make Ontario more competitive and accelerate economic recovery and growth. These proposals make a significant difference in many sectors of economic activity, including changes that would benefit businesses in mining, technology, real estate, electricity transmission and beverage alcohol sales.

Next, I'm going to focus on a few proposed measures in the Supporting Recovery and Competitiveness Act that would reduce regulatory burdens on job creators. These actions would modernize regulations and cut red tape to make Ontario businesses more competitive. This would help accelerate recovery and growth without compromising the standards that keep people safe and healthy and protect our environment.

As part of our government's critical mining strategy, we are introducing amendments to the Mining Act that would enable a more streamlined approach to the sale of bulk samples and product in the mining industry. This measure would create greater certainty and improve timelines for proponents in the mining industry.

The next action I'll highlight is a proposed amendment to provisions in the Planning Act about subdivision control. These provisions would ensure proper provincial oversight when land is divided into subdivisions which may then be sold to someone else. The government reviews and approves new lots before they're sold in order to prevent haphazard development and protect provincial interests. We're proposing highly technical changes in this bill to simplify and clarify administrative and procedural matters and to eliminate red tape in the procedures of consenting authorities.

Next, I'm going to talk about an action that would encourage greater compliance with Ontario employment standards by those employers that currently fall short. Employment standards officers sometimes require employers to audit their own records. The employers then report back on whether they're compliant with the Employment Standards Act in areas such as wage, overtime and rest periods and hours of work. We're proposing to allow officers to require these self-audits more extensively. They would re-educate non-compliant employers about their responsibilities under the act and give them a chance to rectify their violations of it.

Furthermore, Bill 276 includes actions that would provide regulatory flexibility to keep people safe. This

includes allowing organizations like not-for-profits and other corporations to continue to conduct virtual meetings during the pandemic through amendments through the Not-for-Profit Corporations Act, as well as extending the ability of other organizations, like education consortiums, to do the same. These measures would give organizations the flexibility needed to continue their important work by meeting virtually until it's safe to do so in-person.

Reducing burdens isn't important only to businesses. Regulations can have a substantial impact on people in their everyday lives. The proposed Supporting Recovery and Competitiveness Act includes proposals that would make a tangible difference in the lives of individual Ontarians, including people who pay or receive child or spousal support, people who have a child with severe learning disabilities who needs special education, people who turn to social assistance support to help them re-enter the workforce, and people who are required to submit a hunting report to the government at the end of the hunting season.

We are making regulatory practices more efficient, to make it easier for people to get the support they need; we are updating rules written decades ago to remove unintended barriers created by outdated language; and we're replacing a harsh enforcement regime with one that will encourage compliance without being unduly punitive.

**The Chair (Ms. Goldie Ghamari):** One minute left.

**Hon. Prabmeet Singh Sarkaria:** My colleagues, the pandemic has reinforced the need to modernize our regulatory system and reduce roadblocks to the people and businesses. Our proposals would benefit individuals, families and businesses by helping to create the conditions for investment, job growth and prosperity, while maintaining and enhancing regulatory standards that protect our environment and keep us safe and healthy. Modern regulations that are easier to understand and comply with will allow people and businesses to invest time and money in what is important right now: recovering, rebuilding and re-emerging from this crisis stronger than before.

Thank you very much, Chair. That concludes my remarks.

**The Chair (Ms. Goldie Ghamari):** Thank you very much.

At this point, we'll now turn to the official opposition for the first round of questions. Before we begin, though, I just wanted to confirm: MPP Harris, can you please confirm that you are present and in Ontario?

**Mr. Mike Harris:** I am present, and I'm here in Ontario.

**The Chair (Ms. Goldie Ghamari):** Thank you very much.

We'll now turn to the official opposition. MPP Bourgouin, you may begin.

**Mr. Guy Bourgouin:** Merci, Madam Chair, and thank you, Minister, for your deputation. My question—and I guess a clarification also—is on schedule 28, on the Université de Hearst Act, as currently written. L'association des professeurs de l'Université de Hearst have written to the standing committee and are very concerned. Although they appreciate that l'Université de

Hearst will have their independence, which is great—they've been asking for this for 20 years, so we're happy, we're glad; it has been long-awaited—they do have three specific concerns.

As I was saying, as currently written, the act implies that the university can be subject to fundamental change without rights of scrutiny, while the objective of obtaining the charter is independent of the decision-making. These three fundamental aspects deserve clarity, and they need to be addressed:

(1) the recognition of French as an official language of the university;

(2) the composition of power of the board of governors and the senate; and

(3) successor rights of the bargaining unit of l'APUH.

It is not mentioned. All the act says is that they will have the independence, and it doesn't say anything more. What is your position on this, or what is the clarity [*inaudible*] l'APUH's three points addressed? Are there amendments that need to happen? Will the government make amendments to make sure these three points are addressed?

**Hon. Prabmeet Singh Sarkaria:** Thank you very much, and I appreciate the question. The thing that we're 100% committed to is ensuring that we work with our institutions. Whether it be Université de Hearst, as well as the Northern Ontario School of Medicine, granting independence is something that's very crucial for this institution. As the Minister of Colleges and Universities has worked with us on this matter, one of the imperative parts of that was listening to some of the concerns around granting independence and re-granting authority to these post-secondary institutions, and that's because we recognize the critical role that these institutions play, and so I'm confident the Minister of Colleges and Universities is going to continue to have those conversations with our institutions, is going to continue to work—

0920

**Mr. Guy Bourgouin:** Excuse me, Minister. Just so I stop you—on these three points, will they be addressed? Because there are huge concerns for the official languages, recognizing French as the official language of the university. These three points are very important. Successor rights—the bill doesn't address that. It needs to be addressed, and your answers right now are not telling me that these will—

**Hon. Prabmeet Singh Sarkaria:** Well, MPP, what I can assure you on this matter is that we're going to continue to work with our institutional partners here. We recognize in northern Ontario how critical a role these institutions play. One of the asks from the Université de Hearst was to grant its independence, and we have granted that independence. Minister Romano has been working on this file and has put forward these measures through our legislation. I'm very confident we'll work with our institutional partners and continue to recognize their importance, as they have suggested this is something that they have wanted for a very long time. So there is definitely the recognition of how important this is. As a French-language school, it will be the second stand-alone French-language university in all of Ontario. That's a significant, I think—

**Mr. Guy Bourgouin:** Minister, sorry to stop you, but we're very limited in time. I understand, and we recognize and we're grateful that they will be. Don't forget they've been fighting for this independence for 20 years now, and they finally get it, but there are some concerns, and rightly so, that these three points need to be addressed. But I will pass it to my colleagues here. We're limited in time and I know we have a lot of questions.

**The Chair (Ms. Goldie Ghamari):** One minute left.

**Mr. Guy Bourgouin:** To my colleagues.

**The Chair (Ms. Goldie Ghamari):** Who would like to continue? We have one minute left. MPP Glover?

**Mr. Chris Glover:** Okay, I'll just do a quick start here. I heard the minister talking about a lot of the steps that this government has taken about small businesses, but the small business grant was not issued until January of this year. By that time, 25,000 small businesses had gone under. Now the criteria exclude a lot of small businesses, including new businesses. Will you be open to changing the criteria for the small business grant?

**Hon. Prabmeet Singh Sarkaria:** Thank you very much for the question, MPP Glover. As you know, we've been committed to supporting small businesses since the start of it. The small business support grant was just one element of the supports that were put forward. Businesses can apply for 100% of their property tax and 100% of their energy costs. They can apply to the Digital Main Street program, the largest investment for businesses to go digital. Working with our federal partners, there are—

**The Chair (Ms. Goldie Ghamari):** Thank you. That's all the time that we have for this round.

We'll now turn to the government for six minutes. Who would like to begin? MPP Crawford, you have six minutes. You may begin.

**Mr. Stephen Crawford:** Thank to Minister Sarkaria for coming here today and presenting. My first question—I think a lot of people don't have a clear understanding of how regulations and red tape can burden small businesses. I know in Ontario, for example, we inherited from the previous government 380,000 regulations, which is more regulations than any jurisdiction in North America. My question to you is this: I'd like to get a sense from you on how addressing red tape and regulatory burdens in this legislation will help unleash Ontario's economic engine, and the importance of that.

**Hon. Prabmeet Singh Sarkaria:** Thank you very much, MPP Crawford, for that question. I think it really does underscore the need to focus on regulatory modernization as a very important step in terms of economic competitiveness. When we look across the world, sometimes things are [*inaudible*] especially under the previous government, as you mentioned. We are the most regulated jurisdiction, probably, in all of North America; specifically in Canada, we are the most regulated province. What that's done is—it's about ensuring that the regulations serve the purpose that they're needed for. We 100% believe in protecting the environment and keeping public health, and safety and everything are paramount. At the same time, we're competing against jurisdictions all



across the world that have processes in place to streamline, lower the cost of operating in their jurisdictions. That's exactly what red tape reduction and regulatory modernization does.

It's about the simple concept of productivity. We know that if we can be more productive as a society, especially on the business side, we have better outcomes, whether that outcome is defined through more productive higher wages, more productive, better standards of living because of those higher wages. This is all about focusing in on and ensuring that we have all the economic tools at our disposal to support the recovery of businesses.

Now, through our work and the legislation that we have passed, we have seen over \$332 million being saved for businesses in those regulatory costs. That's a significant saving, and that's on top of the \$5 billion-plus of cost savings that we have brought forward to business, whether that be in the reduction of the WSIB premiums, the accelerated capital cost allowance that we have put forward or the other measures that we have taken to support businesses.

So it's really about a comprehensive approach. It's about making sure that businesses, when they do want to operate in the province of Ontario, don't have to go through significant hoops and hurdles. The red tape hurts job creators' ability to do what they do best, which is create jobs. We need to help them create jobs as we go down the path of economic recovery. It's really about recovering, rebuilding and re-emerging from this crisis stronger than ever before right now. That's exactly why we're focusing in on ensuring that we're addressing regulatory burdens as part of that challenge now.

That's one part. We have got the significant financial supports in place to help businesses as well. We've put in many measures, like reducing the fees on restaurants that they have been paying third-party restaurant service delivery apps, because we recognize that through regulations, we can help many of these small businesses. So it's about continuing to look at creative ways to support businesses during this very difficult time, and regulatory modernization is one of those.

**The Chair (Ms. Goldie Ghamari):** MPP Wai?

**Mr. Stephen Crawford:** Okay, thank you. I—

**The Chair (Ms. Goldie Ghamari):** Or, sorry, MPP Crawford? Do you have—

**Mr. Stephen Crawford:** No, we have limited time, so I'll pass to my colleague. Thank you.

**The Chair (Ms. Goldie Ghamari):** Okay. MPP Wai?

**Mrs. Daisy Wai:** Thank you very much, Madam Chair. I just want to say thank you, Minister, for your presentation and your remarks, and thank you for listening to the needs of our businesses. I ran my own business before, and I understand how difficult this pandemic has created to businesses, especially when I see the small businesses in Richmond Hill; my heart breaks. I'd like to ask the minister how this Supporting Recovery and Competitiveness Act—

**The Chair (Ms. Goldie Ghamari):** One minute left.

**Mrs. Daisy Wai:** —is so important for our road of recovery.

**Hon. Prabmeet Singh Sarkaria:** Thank you very much, MPP Wai, for that question. I want to take an opportunity to thank you for all the work you have done to support small businesses. I've had the opportunity to host so many round tables with you as well, and you have been an incredible champion for not only your community, but many of the small businesses in that community.

I think one of the things that we've really got to focus on is, when we look at the pandemic and many of the changes that we've made to support the recovery of businesses—we talked about many of the restaurants we met with, whether it was during your round table or other round tables. It was about helping them pivot during their time in need.

One of the changes that we made through regulation that never existed before was allowing restaurants to serve alcohol with their takeout orders. When we look at it from the perspective of a business operating, many of these restaurants needed extra revenue, needed different ways to be—

**The Chair (Ms. Goldie Ghamari):** Thank you. That's all the time we have for this round.

We'll now turn to the official opposition for six minutes. Who would like to begin? MPP Glover, you may begin.

**Mr. Chris Glover:** Thank you to the minister for being here. As I started before, you keep talking about all the supports that this government has given to small businesses through the pandemic, but when I speak to small businesses, that's not what I'm hearing. What I'm hearing from small businesses is that they're on their last breath. Many, many have closed. Main streets in my riding and across this province have closed because this government, through their emergency orders, shut them down but did not provide them the financial and other supports to actually survive through those shutdowns. Just in January, we've lost 25,000 small businesses.

**0930**

Then, when the relief grant came in, what I've been hearing since then is that it excludes new businesses, it excludes business owners who have businesses on more than one site, and so they're not able to even access that amount of relief. The relief that you're talking about is \$20,000 in two tranches. In some places, \$20,000 is a lot of money, because if your rent is \$2,000 or \$3,000 a month, that's a lot. But in downtown Toronto, rent is often \$20,000 a month. So the amount that they've offered is two months' rent out of 14 months that they've been forced to close. It's not enough to actually help them survive.

My question is: Are you willing to step up the supports for small businesses so that we don't lose another 25,000 small businesses in this province?

**Hon. Prabmeet Singh Sarkaria:** Thank you for the question, MPP Glover. I do want to just reiterate—you mentioned that new businesses weren't applicable for this program, but this program actually focused on ensuring that. Many of the federal programs that were in play restricted new businesses. We put forward a program

where we would actually have alternative criteria for new businesses so that they could apply in terms of the comparators. So, I do want mention the fact that new businesses, many of which, were able to apply for this program, and we recognized that that was a need.

But specifically, also to your notion of what are the supports that have been put forward: \$1.5 billion over 107,000 small businesses in just the first round of payments were paid out directly to small business owners. On top of that, in the budget, as you know, we automatically doubled that payment. Today, in total, \$2.5 billion of payments have gone towards those small businesses. This is all in the form of a grant payment, without the need to pay back the government, which many small businesses had asked for. As well as any of the programs that we have put forward on energy or tax, they're all in the form of grants—

**Mr. Chris Glover:** Thank you for that. I hear the things that the government is doing. It's the gap between what the government is doing and the needs of the small businesses.

The other need that I'm hearing from small businesses is that they want the evidence that shows that theirs is the business that needs to close, that the outdoor patios, that the storefront businesses needed to close while Walmart and Costco and the other big box stores were able to stay open. They want the evidence that says that they were the transmission points, because the evidence actually points the other way.

They also would like to see—they want the support to survive these lockdowns, and that includes not yo-yoing them open and closed. When the government announced that restaurants could open and then two weeks later announced that they were going to be closing again—those restaurants rehired staff, they brought in stock, and then that just added to the debt burden that they had already taken on during the pandemic. The average debt burden back in January, which is the latest number I've gotten from the Canadian Federation of Independent Business, was \$170,000 per small business owner.

Will the government manage the pandemic and the emergency orders more clearly and be more transparent about the evidence with small business owners so that they're not yo-yoing up and down and wondering about their own fate?

**Hon. Prabmeet Singh Sarkaria:** Well, MPP Glover, I'm going to definitely—in terms of public health measures, that's something that we're going to follow the advice of our public health officials on, ensuring when they ask us to restrict mobility, when they ask us, in certain cases, to ensure that we follow those public health measures, we will do that. But that's also why we put forward significant supports to these small businesses in the form of grants.

I recognize the study that you have cited, but every program that the provincial government has put forward to date has been—

**The Chair (Ms. Goldie Ghamari):** One minute left.

**Hon. Prabmeet Singh Sarkaria:** —in the form of a grant program to the debt of these small businesses. We're

going to continue to do that and continue to listen to and support these small business owners.

In the last budget, we also put forward a \$100-million tourism support grant, another program for many businesses that could get them to the \$20,000 of support that they—

**Mr. Chris Glover:** Let me get in one more thing. One of the other issues that I'm hearing from live music venues is that they were told they could livestream, and then they were told they couldn't livestream, and they're wondering why they can't livestream when they could actually rent out their space for a film shoot, which would involve a lot more people. Can you take a look into whether live music venues will be able to livestream when we're out of the stay-at-home order?

**Hon. Prabmeet Singh Sarkaria:** MPP Glover, for sure. I can definitely take that back to our team, and I can take that back to our health officials and look at that specific live music streaming—

**The Chair (Ms. Goldie Ghamari):** Thank you very much. That's all the time that we have for this round. We'll now move to the government for the next round. Who would like to begin? MPP Sabawy, you may begin.

**Mr. Sheref Sabawy:** Thank you, Minister Prabmeet, for being here today and trying to explain to us and to the committee all of the ins and outs of this bill.

We understand that we are in very extraordinary circumstances because of the pandemic and COVID-19. I've gone through the bill, and there's a collection of many points trying to help businesses and relieve them, making them ready to open Ontario back into recovery. Can you pick the top item you think is going to be helping our businesses in Ontario and putting Ontario back on track to be the vehicle for economic growth in Canada?

**Hon. Prabmeet Singh Sarkaria:** Yes, of course. MPP Sabawy, thank you so much for your question. Once again, we look at this package, and I could point to so many different things in this package and look at so many different ways in which we're supporting the economic recovery, because we're touching on so many different sectors. It's about a whole-of-government approach. Whether you look at it from the perspective of supporting smaller business or whether you look at it from the perspective of supporting industries like the mining industry, the agriculture industry or food production, this is about a comprehensive approach and looking at ways to ensure that we're set up for the right tools to succeed in the future.

We look at the Critical Minerals Strategy, for example. Under the leadership of Premier Doug Ford, we have seen record-breaking investments by auto manufacturers into Ontario that we've never seen before, and that's because we focused on reducing the cost of doing business in this province. We have a government that is thinking about Ontario workers, is thinking about Ontario job creation. We've also got some of the best resources and are well positioned to become a global supplier, producer and manufacturer for certain materials—critical minerals, for example.

Whether you talk about nickel, copper, cobalt or platinum, Ontario is going to be a leader on the EV production side. We see the interest that is here, and through the act that we've put together here, we're proposing a lot of amendments that are going to enable regulations that would establish, for example, a permit-by-rule model, allowing bulk samples and to retain proceeds as long as certain conditions are met. It's about making amendments to the act that will create more opportunities in Ontario for the critical mining sector, because we know that because of the Premier's leadership and because of our government's focus on supporting auto manufacturing—whether it's the investments by Ford in Oakville or whether it's the investments by GM in their plants here to go towards more of an EV approach, it's all about wrapping everything in a vision and looking at it from the perspective of future economic growth in the province.

We're positioning ourselves not only from being competitive on just landing the investments, but building a supply chain—supplier, producer, manufacturing not only the vehicles but all the components—and becoming a [inaudible] supply chain. I'm very excited about that in this piece of legislation and what it enables, and the growth and the opportunity it enables.

0940

You speak to many people who are looking to invest in EV production or the EV supply chain, and they're very excited about the work that this government has done and the environment that we have set up in the province of Ontario to support that. That's something that I'm very excited about, and working to be competitive in global markets. We're supporting the transition to a cleaner and sustainable global economy led by Premier Doug Ford here in Ontario.

**Mr. Sheref Sabawy:** Thank you very much, Minister, for this great answer and shedding some light on this bill's positive side.

**The Chair (Ms. Goldie Ghamari):** One minute left.

**Mr. Sheref Sabawy:** Quick question: We have been hearing all the time that this government is supporting big businesses, this government is with the big guys; how can this bill help small businesses, in this very hard time on small businesses, as we understand?

**Hon. Prabmeet Singh Sarkaria:** Thank you, MPP Sabawy. As we all know, this government has always supported small business owners. Let's not forget that we were the government that put forward a 9% reduction in the small business tax credit, which every other member of the Legislature other than Conservative members voted against. We are the government that has reduced costs by over \$332 million for businesses and small businesses in Ontario, whether it's accelerating capital costs—every member of that Legislature other than the Conservative members voted against those measures. You know, everything we have done in terms of regulatory modernization, whether it's supporting businesses in pivoting, like restaurants that have been pivoting towards—

**The Chair (Ms. Goldie Ghamari):** Thank you very much. That's all the time that we have for this round. We'll

now turn to the official opposition for the last round, for six minutes. Who would like to begin? MPP Tabuns, you have six minutes.

**Mr. Peter Tabuns:** Minister, thanks for your presentation this morning. There are a number of items that we can touch on in this bill, but I'll start with the ones that relate to the changes that deprioritize renewable energy in our electricity grid. I'm sure you were here when the Auditor General presented her report showing that the government's own climate plan was being ignored by the government. They noted this government is undermining measures that are needed to reduce emissions into the atmosphere.

You probably are well aware that in Ontario, the emissions from our gas-fired power plants are growing substantially, so that within a decade we'll start seeing emission levels we haven't seen since we shut down coal. Can you tell me how your provisions in this bill that deprioritize green energy—which, by the way, is becoming the cheapest energy in the world—are actually helping Ontario meet its climate goals?

**Hon. Prabmeet Singh Sarkaria:** Thank you very much, MPP Tabuns, for that question. As you know, we know that Ontario's electricity grid is over 90% GHG emissions-free. We recognize that for Ontario's electricity system, we need to ensure that planning for Ontario's energy system will be done in such a way that it balances value for taxpayers, system reliability, and plans for a competitive energy future that will ensure value for the ratepayers by allowing all resources to compete to meet the system needs. When we have a system that is over 90% GHG emissions-free, I think that is something that we recognize.

We also look at ways that Ontario as a province can be competitive, in terms of energy future, that will also look at the value for ratepayers by allowing resources to compete to meet system needs—if you look at the costs that not only businesses but consumers have had to pay because of some of the policies that we have put in place in the past by previous governments. In our fall economic statement, our government committed to making Ontario more competitive from that landscape and reducing costs by on average 14% to 16% for industrial users of it, because we recognize that we're losing investments, whether it's to states down south—but it's because we need to also put a value on the ratepayer, which is the taxpayer, at the end of the day, that is paying many of these costs. It's not about basing a system off of ideology that has driven the cost up for Ontarians. We need to ensure value for electricity consumers by allowing all resources to compete to meet the system needs on this. That's exactly what this is looking at doing, while recognizing that 90% of our grid is GHG emissions-free right now.

**Mr. Peter Tabuns:** Well, it's very nice to look at the past, but the reality is that in the future, our grid is not going to be 90% emissions-free. The electricity system is going to generate something like 15% of the emissions in Ontario, because every year, you're ramping up the output

from those gas plants, and it's going to go up quite dramatically.

You have a plan, a climate plan, that shows you reducing emissions. At the same time, your energy plan is ramping them up. So you tell me how your plan is going to keep the emissions from Ontario's electricity system, a decade from now, as low as they are today, or as low as they were three years ago. Your plan is one to ramp up emissions and make the world hotter, and you tell me—

**The Chair (Ms. Goldie Ghamari):** Sorry. I just wanted to remind all members to make their comments through the Chair. Thank you.

**Mr. Peter Tabuns:** Okay, Chair, I'll make them through you. Can you get the minister to tell us why he's supporting a measure that's going to make the world hotter, cause mass migration, drought, flooding and sea-level rise? Why is he doing that?

**Hon. Prabmeet Singh Sarkaria:** Well, MPP Tabuns, I appreciate your question, but I do not agree with the premise of that question. We have many measures in this piece of legislation and in any piece of legislation we have done that have further strengthened environmental protections through regulatory modernization.

One of the principles—and I really ask many of the members to look at it—

**The Chair (Ms. Goldie Ghamari):** One minute left.

**Hon. Prabmeet Singh Sarkaria:** —is the Green Button initiative, which is one of the most innovative ways for businesses, smaller businesses and consumers to have access to their energy information and data, and which they can make very informed decisions on how to reduce their energy consumption with. The Green Button initiative is something that was rolled out in California, and we've seen significant decreases by consumers in how they are using their energy, but more importantly, it's also saving them lots of money.

This is about being innovative as well. We're putting measures forward that are going to support the environment. We know that Ontario's electricity grid is over 90% GHG emissions-free. It's about also making sure that we have and respect and balance the value for taxpayers of the system's reliability and the environmental impact. That's what we are doing here. The environment will always—

**The Chair (Ms. Goldie Ghamari):** Thank you. That's all the time we have for this round.

We'll now turn to the government for the last round of questions. Who would like to begin for the government, last round? MPP Sabawy? All right, you may begin. You have six minutes.

**Mr. Sheref Sabawy:** Thank you very much, Minister Prabmeet, for all these details, which shed some light onto the spirit of the bill and how this bill is going to open some opportunities for smaller businesses, which are suffering now.

We know it's very bad circumstances. We are in a fight with COVID, and all the businesses have been struggling. Small businesses have been struggling, especially restaurants and hospitality—where there is major support I have to this vertical of business.

How can this bill benefit, specifically speaking of the small businesses in the hospitality and restaurant business? Because they are very tiny in the scale of businesses. They are tiny and they are borderline the majority of the time—how they can benefit from some of those red tape reductions in this bill, please?

**Hon. Prabmeet Singh Sarkaria:** Yes, thank you very much, MPP Sabawy, once again. I have to say that I always appreciate the opportunity when you have put together round tables and meetings with restaurant owners, with small businesses in your community. I know we've done many of those, and we've really listened to and heard their concerns that they do have about being competitive, how we can modernize regulations to ensure they get the support they need, or really just focus on the initiative of removing roadblocks and regulations so that they can focus and spend their time on what they do best, which is creating opportunities.

**0950**

One of those key measures is making permanent the changes that we have made in terms of delivery for third-party service apps, allowing them, from the context of delivery of alcohol—making that permanent through legislation and regulation, making sure that businesses that are operating today have that certainty into the future.

As we always talk about from a regulation perspective, this is just one part of a comprehensive plan from the government. We were the first jurisdiction in all of North America to legislate delivery cap fees on businesses, on third-party app delivery services. We were the first province to do that, because we heard loud and clear from our small business, independent restaurant owners that this is something that was very much necessary. They were getting fees charged over 30%-plus, and during the time of the pandemic, we needed to step in there with regulation to support them, and we did that.

Now, you also look at it from a financial perspective: We have the largest support program in all of Canada to support small businesses. If you look at it, up to \$40,000 per business would be, eligible businesses—which includes the automatic doubling of it, so we've paid out over \$1.5 billion to the first tranche of eligible businesses, which was over 107,000 eligible businesses in Ontario. We've committed to automatically doubling that as well, and that automatic doubling is without that business owner needing to reapply and submit another application, because we recognize how significant the need is for those business owners right now to just get the money into their hands. On the back end, we also tripled the support staff, to ensure that those individuals and businesses got the money as quick as possible.

We look at the Digital Main Street program that we put forward. It is the largest investment to help businesses go digital by any government in all of Canada ever, and we put another \$10 million into that program with this last budget because it was such a successful program, because businesses need the money. They needed the money to go online through that Digital Main Street program. They were able to pivot digitally. They were able to set up e-

commerce platforms. They were able to ensure that their customers could still come in and pick up their goods, because they have an online presence now. It's about—

**The Chair (Ms. Goldie Ghamari):** One minute left.

**Hon. Prabmeet Singh Sarkaria:** It was about giving them the tools to use digital marketing to support their perspectives, so that's exactly what we've been aiming to do.

**Mr. Sheref Sabawy:** Thank you very much, Minister, for this—

**The Chair (Ms. Goldie Ghamari):** Thank you. I see MPP Harris wants to—

**Mr. Sheref Sabawy:** Oh, go ahead. I will—

**The Chair (Ms. Goldie Ghamari):** Thank you. MPP Harris, you have 40 seconds.

**Mr. Mike Harris:** Thank you. I know we don't have a lot of time left. I'm just getting the feeling that a lot of the NDP members who are here on committee today are thinking that these ideas are coming out of left field. I was kind of hoping, Minister, if you could maybe quickly recap just some of the consultation that actually went into this bill and how you came to putting forward these changes?

**Hon. Prabmeet Singh Sarkaria:** Thank you, MPP Harris. Very quickly: We've done, I believe, over 130 round tables, and those round tables—and I wish members of the opposition would [*inaudible*] those round tables on regulatory reform, because they will always hear that small business owners need a focus and ask for red-tape reduction. Every round table I've been on to date, there has always been a need and an ask from the business community to focus on regulatory modernization, because they recognize how important it is to just allow businesses to be productive, allow businesses to have the opportunity to support themselves—

**The Chair (Ms. Goldie Ghamari):** Thank you very much. That concludes this round of questions, and that concludes the time that we have this morning with the minister.

Minister, thank you for your presentation. You are now released. We appreciate you taking the time to be here.

With that, this concludes our business for this morning. The committee is now adjourned until 9 a.m. on Friday, May 14, 2021. Thank you, everyone, and be safe.

*The committee adjourned at 0955.*





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