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Official Report of Debates (Hansard)

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Journal des débats (Hansard)

F-3

**Standing Committee on
Finance and Economic Affairs**

Build Ontario Act
(Budget Measures), 2021

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

Loi de 2021 visant à protéger
nos progrès et à bâtir l'Ontario
(mesures budgétaires)

2nd Session
42nd Parliament
Friday 26 November 2021

2^e session
42^e législature
Vendredi 26 novembre 2021

Chair: Ernie Hardeman
Clerk: Michael Bushara

Président : Ernie Hardeman
Greffier : Michael Bushara

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LEGISLATIVE ASSEMBLY OF ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

Friday 26 November 2021

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

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

Vendredi 26 novembre 2021

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

BUILD ONTARIO ACT
(BUDGET MEASURES), 2021

LOI DE 2021 VISANT À PROTÉGER
NOS PROGRÈS ET À BÂTIR L'ONTARIO
(MESURES BUDGÉTAIRES)

Consideration of the following bill:

Bill 43, An Act to implement Budget measures and to enact and amend various statutes / Projet de loi 43, Loi visant à mettre en oeuvre les mesures budgétaires et à édicter et à modifier diverses lois.

The Chair (Mr. Ernie Hardeman): I call the meeting to order today for public hearings on Bill 43, An Act to implement Budget measures and to enact and amend various statutes. As a reminder, I ask that everyone speak slowly and clearly. Please wait until I recognize you before you start speaking. Are there any questions before we start from the committee members? I don't think there are any questions, but I think MPP Roberts has just joined us, so we will ask him to identify himself and where he is located.

Mr. Jeremy Roberts: Good morning, Chair. MPP Roberts here, and I'm in Ottawa.

The Chair (Mr. Ernie Hardeman): Well, thank you very much.

MINISTRY OF FINANCE
MINISTÈRE DES FINANCES

The Chair (Mr. Ernie Hardeman): We have Minister Bethlenfalvy with us this morning. I believe he is on the line now. I welcome you, Minister.

Hon. Peter Bethlenfalvy: Good morning, Chair.

The Chair (Mr. Ernie Hardeman): Minister, 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 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.

Minister, the floor is yours. Please give your presentation.

Hon. Peter Bethlenfalvy: Thank you, Chair, and good morning, everyone. I'm pleased to be here before the

Standing Committee on Finance. I should say that it's MPP Peter Bethlenfalvy from Pickering–Uxbridge, and I'm here in Uxbridge this morning. I'm pleased to be here before you to discuss the government's plan to protect our progress in the fight against COVID-19 and set Ontario on a path to a safe and healthy recovery. I want to thank the members of the committee and all of my colleagues in the Legislature for your steadfast dedication and hard work on behalf of the people of Ontario during these difficult times.

This is our plan for jobs, our plan for opportunities and our plan to build Ontario.

C'est notre plan pour créer des emplois, notre plan pour créer des possibilités et notre plan pour bâtir l'Ontario.

Today I will outline how Bill 43, the Build Ontario Act (Budget Measures), 2021, provides legislative support for that plan. As outlined in the 2021 Ontario Economic Outlook and Fiscal Review, this proposed legislation is a key component of our government's plan to emerge from the pandemic stronger, more self-reliant and ready to face the challenge of a dynamically changing world.

Our plan starts with protecting our progress. Thanks to the selflessness, perseverance and dedication of the people of Ontario, we are finally turning the corner. Our plan is particularly committed to supporting Ontario seniors who have already given so much to this province. Bill 43 proposes to extend the Seniors' Home Safety Tax Credit. Our government introduced this refundable tax credit for the 2021 taxation year to help seniors or those living with senior relatives to make renovations in their homes to make them safer and more accessible. The credit is worth 25% of up to \$10,000 in eligible expenses. The 2022 credit extension would provide an estimated \$35 million in support to about 32,000 people, or \$1,100 on average, up to a maximum benefit of \$2,500. The credit helps seniors in communities across our province afford the renovations they need to be able to get around more easily and more safely in their homes. Should this legislation pass, the credit would be extended, making it available for the 2022 taxation year.

Our plan also provides significant supports for Ontario's workers. During the pandemic, workers had our backs; Premier Ford and our government will always have theirs. We want Ontario workers in a race to the top, not a race to the bottom. That is why Bill 43 proposes amendments to the Employment Standards Act, the ESA, which would increase the general minimum wage to \$15 an hour, effective January 1, 2022. This represents a 4.5% increase over the current minimum wage of \$14.35 an

hour. If passed, it would also remove the lower special minimum wage rate for liquor servers, so that they would earn the general minimum wage. The minimum wage rates for students, home workers, hunting and fishing guides and wilderness guides would be increased proportionately to the increase in the general minimum wage. Consumer price indexation would resume on October 1, 2022. Should the legislation pass, this measure would help many employees boost their take-home pay.

In addition, to provide more training opportunities for workers, Bill 43 also proposes to extend the Ontario Jobs Training Tax Credit to 2022. This credit, introduced in the 2021 budget, provides up to \$2,000 in relief per recipient for 50% of a person's eligible training expenses. The credit is estimated to provide \$260 million in support to about 230,000 people this year alone. The 2022 credit extension would provide an estimated \$275 million in support to about 240,000 people. On average, that's about \$1,150 per person.

Our government recognizes that the tourism, hospitality and cultural sectors and the talented workers who have put them on the world stage have been hit particularly hard by the pandemic, and we continue to stand with them in these difficult times. To help the tourism and hospitality sectors recover and encourage Ontario families to explore the province, Bill 43 proposes a new temporary Ontario Staycation Tax Credit for 2022. This new personal income tax credit would provide Ontario residents with support of 20% on eligible 2022 accommodations expenses in Ontario, up to \$1,000 for an individual and \$2,000 for a family, for a maximum credit of \$200 or \$400 respectively. The credit would provide an estimated \$270 million to support over 1.5 million families to further discover Ontario in 2022.

The government has a plan to build Ontario's future. That means getting shovels in the ground for highways, hospitals, housing and high-speed Internet. It also means finally unlocking the vast economic potential of Ontario's north, including the Ring of Fire, by providing better access to critical mineral resources needed by leading-edge industries.

The Ring of Fire is an outstanding untapped resource. It is a vital source of potential economic development for communities across the north, especially for First Nations communities, and it is time to get the road to the Ring of Fire built. The province has committed close to \$1 billion to support the planning and construction of an all-season road network and other projects that will provide a corridor to prosperity for the remote First Nations living in the Far North.

Bill 43 would, if passed, make changes to the Far North Act to facilitate economic development in the Far North, including the Ring of Fire. These changes would also enhance and encourage collaboration between the province and Far North First Nations on land use planning. These changes are the result of extensive close work between the province and the Nishnawbe Aski Nation to review the act and recommend changes.

Our government has made every resource available over the course of the pandemic to protect people and to

protect jobs. While our government recognizes that this level of spending is not sustainable in the long run, protecting people's health has been the government's number one priority since the pandemic began. This is not just necessary to fight COVID-19 and save lives, it is also the most sensible economic and fiscal policy. This is why the government responded with historic support for individuals, families and businesses.

We are already seeing evidence that our approach to protecting our province against COVID-19 and building for tomorrow is working. Ontario's economy is recovering from the effects of COVID-19 and is poised to keep growing. For 2021-22, the government is projecting a deficit of \$21.5 billion, which is \$11.6 billion lower than the outlook published in the 2021 budget.

A stronger economic growth outlook is a key factor in this improvement, as well as more recent information about the impact of COVID-19 on the province's finances. Ontario's real gross domestic product, also known as GDP, is projected to rise by 4.3% in 2021, exceeding the 4% pace projected in the 2021 budget. Real GDP is projected to grow at a pace of 4.5% in 2022, 2.6% in 2023 and 2% in 2024. For the purposes of prudent fiscal planning, these projections were set slightly below the average of private sector forecasts.

Revenues in 2021-22 are projected to be \$168.6 billion, which is also an improvement over the 2021 budget forecast. In fact, it is \$14.6 billion higher than projected in the 2021 budget and \$11.7 billion higher than projected in the 2021-22 first quarter finances.

0910

There are clear reasons for optimism that Ontario is turning the corner based on these important indicators. However, there is still a great degree of uncertainty in the global economy. From rising costs to supply chain shortages, the pandemic still poses a risk to our economy.

That is why our government's plan is prudent and responsible. Our government will not raise taxes on Ontario's businesses and families as that is not our preferred course of action. Instead, our plan will be fuelled by growth, by the dedication, ingenuity and hard work of the businesses and workers of our province.

The 2021 Ontario Economic Outlook and Fiscal Review demonstrates how strong economic growth can positively impact the province's fiscal position, and it opens up opportunities for government to set the stage for future growth. However, as we all know, the pandemic is not over, and people's health must remain our top priority. That is why the government continues to maintain fiscal flexibility, given the continued uncertainty over the virus.

Ontario allocated an additional \$500 million to the time-limited COVID-19 fund in 2021-22. As vaccination rates increase and the province fully reopens, the funding will allow the province to deploy resources where they are needed the most. After accounting for the top-up and drawdowns from this fund since the 2021-22 first quarter finances, the net position of the time-limited COVID-19 fund remains \$2.2 billion in 2021-22. This remains the prudent, responsible approach as Ontario moves cautiously towards fiscal recovery.

As with previous financial updates, the government has again developed faster-growth and slower-growth scenarios in the 2021 Ontario Economic Outlook and Fiscal Review. These scenarios help us more fully anticipate the paths that the economy could take over the next several years.

Our government's plan is prudent and responsible. It's a plan to protect the progress we have made, build for the future and work for workers, who will make it all happen.

Le plan de notre gouvernement est prudent et responsable. C'est un plan pour protéger les progrès que nous avons accomplis, bâtir pour l'avenir, soutenir les travailleuses et travailleurs qui sont derrière tout cela.

I encourage the members of this panel and all of my fellow MPPs to support Bill 43. Chair, I would now be very happy to take questions. Thank you.

The Chair (Mr. Ernie Hardeman): Thank you very much, Minister, for the presentation. We will now go to questioning. The first round of questions will start with the official opposition. There will be six minutes for the first round of questioning.

MPP Fife, we'll turn it over to you.

Ms. Catherine Fife: Thank you, Minister, for your presentation. Also, congratulations. I think you're well on your way to being the longest-serving finance minister of this 42nd Parliament.

I will say that in the fall economic statement and the subsequent Bill 43, your government has made some promises with regard to committing to building Highway 413 and the Bradford Bypass, but it hasn't been indicated how much these projects will cost. I think that people will want to know why these projects were not accounted for in these two important documents that were publicly made in Ontario.

In addition, there has been a forensic accountant who calculated that the overall cost for these two major infrastructure projects, which, once again, are not included in these documents, was about \$10.9 billion.

I think the people of Ontario need to know: Why have these projects not been accounted for, and why were they left out of this document? What will be the impact if these infrastructure projects are indeed in the ballpark of \$10.9 billion? What other infrastructure projects will not be included on the transportation front on a go-forward basis?

Hon. Peter Bethlenfalvy: Well, thank you for that question, and thank for the compliment. I certainly hope to be the longest-serving finance minister in Ontario's history, if people wish that to be the case and the Premier wishes that to be the case.

And thank you for highlighting the infrastructure plans for building highways, particularly, as you mentioned, Highway 413 and the Bradford Bypass. I will answer your question, but I want to highlight that we do have to think down the road a little bit—pun intended—and it in part accommodates the fact that we're spending significant amounts of money in the GTA to build public transit. For every dollar of highway we're building, we're building \$2 worth of public transit. As you know, in the city of Toronto and region, we're spending almost \$30 billion to take cars

off the road because of population growth, congestion and lost productivity in gridlock.

Ms. Catherine Fife: But, Minister, with respect—I'm sorry; I only have six minutes—these are major infrastructure projects that have been intentionally left out of these important documents: out of the fall economic statement and out of Bill 43. There needs to be some transparency around infrastructure and transit projects. You can point to other areas. If those other areas are accounted for, fine, but these two major infrastructure projects are not accounted for. We need to see what they will cost, and we need to know what the impact on the rest of the budget will be, so can you please just answer the question?

Hon. Peter Bethlenfalvy: Yes, and with respect to the member as well, you would know that when you do capital planning, you have to go through a process. We're at the very early stages of that process. The Bradford Bypass is further along, and it's clear that that has the full support of the community and the municipalities. So we will continue putting capital aside for the Bradford Bypass. It would be imprudent, as the member knows, in advance of the procurement process, with commercially sensitive information, to disclose that information at this time. But as with all capital projects, those numbers will be forthcoming, and of course, as necessary, every 90 days, I will get out and face the public to defend those numbers.

With regard to the 413, the member knows well that this is the first time that we have put money into the capital budget to start the process, which is a long process, having to go through environmental assessments and all of the planning that goes with that, and the consultations. We will fully disclose the amounts of capital necessary to fund these as those plans develop.

Ms. Catherine Fife: Okay. I'm sorry; I don't find that answer—I mean, you have to at least park some money for these projects, Minister. You just can't promise the people of Ontario that they will be built and then not put some accounting in place for them. This is a pattern of a lack of transparency that we are seeing with regard to the books. There were significant increases in funding for other programs while base funding is being cut in Bill 43.

So is one-time COVID funding being used as base funding, and if so, what does that mean for base funding in future years? I mention this because when you follow the funding, the supplementary estimates for 2021-22 have additional allocations of \$2.7 billion to finance for a time-limited COVID 19 fund. So you have parked \$2.7 billion in a contingency fund, which the Financial Accountability Officer said is not a best practice. There needs to be transparency in where these funds are going. Can you explain this new practice of parking funding in these contingency funds?

Hon. Peter Bethlenfalvy: Well, we're not parking any funding, and the member would know quite well we are out every 90 days with clear, transparent numbers for the people of Ontario and to explain how the taxpayer money is spent.

The public accounts, which I tabled in September, clearly demonstrate the spending—

The Chair (Mr. Ernie Hardeman): That concludes the six minutes. We can finish that in the next round.

We now go to the government—

Interjection.

The Chair (Mr. Ernie Hardeman): Oh, my apologies. The independents go before the government: MPP Hunter, with four and a half minutes.

0920

Ms. Mitzie Hunter: Good morning, Minister. Thank you for your presentation. I did not hear you reference the impact of the pandemic and the economic situation on women, and the economic recovery that is needed for women to fully get back into employment opportunities. I wanted to hone my question around the federal government's \$10-a-day child care program. Ontario is one of the last provinces to negotiate this program with the federal government, which really explicitly says its intention is to support growth and women's economic opportunity.

One of the things I understand is that your government is trying to negotiate in, as part of the program, Ontario's full-day kindergarten program, which was introduced in 2010—so it's 11 years old—of course, by the former Liberal government. I note that at the time, your party was against it. I wanted to better understand what the delay is for full-day kindergarten and why it was not reflected in your presentation of the fall economic statement and the subsequent legislation that is before us today.

Hon. Peter Bethlenfalvy: Thank you for the question. It's good to see you again, as well. You have two questions in there, one with regard to women and one with regard to child care, so I will answer both. They are connected; you're absolutely right.

As you know, in the budget of 2021, I struck a women's task force because I wanted to hear directly from the task force with ideas, in a short period of time, about the types of things we could do to help women in the workforce. This pandemic, as you know and as many know, disproportionately hit many, such as women and racialized groups and low-income groups. That women's task force had three things to do. One is to report back on getting more women into the workforce and re-entering the workforce; the barriers faced and ideas for women in the skilled trades—we want more women in the skilled trades; and then, finally, on more women entrepreneurs and what we could do to support that.

Of course, child care is a significant issue that was raised by the women's task force, as was the minimum wage. On the latter, we did act to raise the minimum wage, which was an increase that disproportionately would help women, who are in many of those low-income jobs; 760,000 people benefited with that increase.

I will say, with regard to child care, the federal government—we continue to have very constructive conversations about getting the best deal for Ontario families. That means not only recognizing some of the unique investments that, in fact, your government was responsible for, but in addition, some of the investments

we have made subsequent to that to build on that. We're very encouraged by the fact that provinces such as Quebec were able to do deals, recognizing their unique investments in child care. That's point number 1.

Secondly, I would say that, as the member knows, you don't just want a five-year deal; you want to have a sustainable deal for the long term. Exhibit A for that is the Canada Health Transfer. You would know that when medicare was started, it was 50-50. Today, we're paying 78% of health care costs. We need to have a long-term, sustainable \$10-a-day child care system in Ontario beyond five years, and we need to have certainty.

We'll continue to work with the federal government to come up with a deal that works for hard-working women and families in Ontario that is sustainable and fair to the people of Ontario.

Ms. Mitzie Hunter: Minister, I want to—

The Chair (Mr. Ernie Hardeman): Thank you very much. We are at nine seconds left.

Ms. Mitzie Hunter: Thank you very much, Minister, for your answer.

Hon. Peter Bethlenfalvy: Thank you.

The Chair (Mr. Ernie Hardeman): Okay, we will now go to the government, to MPP Roberts.

Mr. Jeremy Roberts: Minister, good morning. It's great to see you. I really appreciate you taking the time to come and speak to finance committee this Friday morning. As I look at our fall economic statement and look at these three pillars of protecting our progress, building Ontario and working for workers, I'm seeing investment and actions taking place right in my riding on all three of these pillars, which is fantastic to see, and fantastic to see us laser-focused on getting us through the pandemic and then positioning us for an economic recovery in the future. So I thank you for your hard work there.

I want to focus my question on the building Ontario aspect—here, again, as I just mentioned, I'm seeing a ton of progress being made in Ottawa in terms of new long-term-care beds, shovels in the ground, new investments in community infrastructure and, of course, new investments in hospitals. Minister, as you well know, in last year's budget, I was so tremendously thrilled that we secured the funding for CHEO's new 1Door4Care facility, a new 200,000-square-foot facility that will serve children with mental health, special needs and rehabilitative care needs across eastern Ontario. I'm actually going to CHEO later today to provide the people of Ottawa with an update on where we're at on that project, and really excited to be doing that.

I'm wondering, Minister, if you could take a bit of time to talk to us about some of the other hospital infrastructure projects that are under way right across the province. Because I know it is not just CHEO; I know there are projects throughout the GTA, all the way down to Windsor. So I would love to hear from you a little bit more about these important hospital infrastructure projects that are going to make such a difference in making sure we can continue to provide high-level, high-quality care to the people of Ontario.

Hon. Peter Bethlenfalvy: Well, thank you so much, MPP Roberts, and thank you for your advocacy for CHEO, along with your colleagues'. It's so impactful, and as the Ottawa Citizen posted the day after the budget, a "game-changer" for pediatric care. That's why, often, many of us are in public service, to have days like that. So congratulations on your advocacy for that facility.

It's a great question because our population is aging. It's not ideology; it's just math. We have two and a half million people over the age of 65. In 25 years, that will be 4.6 million. So we have to, again, have a longer-term view. Sadly, there was a lack of hospital infrastructure construction in the last number of years by the previous government. There continues to be a catch-up in that regard with regard to hospital capacity, but also long-term-care capacity. Clearly, with the wait-list of over 30,000 that we inherited, and only 611 new beds built from 2011 to 2018, we clearly had a capacity challenge. That's why we campaigned on it. That's why there is a Minister of Long-Term Care—but so much more to do.

You're absolutely right. The capacity—I've been in some hospitals that are packed to the brim. So that's why investing in a new hospital in Windsor is so critical—a new hospital in Mississauga; a new hospital in Brampton; a new hospital in Etobicoke; a new hospital, as you just mentioned, of over 200,000 square feet in Ottawa; one in Collingwood. We'll continue to build that capacity.

But it goes beyond that. If you don't build new capacity, you don't need health human resources, and we are moving on that as well. In fact, I'm intending graduate classes for personal support workers, because we're putting them through the college system and fast-tracking and providing supports to train tens of thousands of personal support workers—in fact, for the long-term care area, 27,000 more personal support workers and nurses over the next four years. Also, I announced in the fall economic statement an additional 5,000 registered practical nurses and registered nurses who will be added to our capacity. So it's not just building physical capacity; it's supporting our health human resources.

I was also very proud to announce an additional \$12 million in mental health and addictions support for our front-line health care workers, in addition to the supports that are already in place, because it goes beyond just capacity and staffing, training, retention and motivation. It's also providing those supports in a very stressful environment.

So I'm very pleased to have had the opportunity, both in the budget that you referenced, in March 2021, as well as in the fall economic statement, to continue those investments in our progress against COVID-19 and to build, for the future, our health care system, which will then allow us to have a healthy economy. So thank you.

The Chair (Mr. Ernie Hardeman): One minute left.

Mr. Jeremy Roberts: Thank you, Minister. I'm glad you walked us through all of those investments.

On the long-term-care piece, I'm seeing this myself, in my riding. I had the chance about three weeks ago to go out and visit all of the long-term-care homes in my riding

and share the news with them on the surge funding that they're going to be receiving. One example: I visited Extendicare Starwood in my riding, where I had worked as a PSW for a day prior to COVID, and told them they would be getting an additional \$4.5 million a year for staffing. The staff there were so pleased to hear this.

0930

Equally in my riding, of course, we have Algonquin College, where they are doing some of that yeoman's work in training new PSWs. It's so wonderful—

The Chair (Mr. Ernie Hardeman): I'm sorry. You'll have to carry that one into the next round. Your time is up.

We'll got to the official opposition. MPP Fife.

Ms. Catherine Fife: It's interesting; I was just hearing the Minister of Finance talk about the hospitals and the need for staff for those hospitals. The Registered Nurses' Association of Ontario has a campaign right now called #StandingWithNurses. They have a 30-day countdown for this government, because they want Bill 124 to be repealed, because it is having a chilling effect on staffing in long-term care, in congregate care, in hospitals, in public health. This was a perfect opportunity for the government to demonstrate some leadership and repeal Bill 124, in my estimation.

Minister, I know that through the consultation process—which could be more robust—you have heard from countless organizations and sectors that Bill 124 is actually pushing people out of health care. People are burnt out and they feel disrespected. We've all heard these messages. They feel disrespected by this cap of 1%, especially given the inflation rates that you referenced at the beginning of your presentation, which essentially means that a 1% increase is actually a cut.

So I want to put this question to you. As I said in my opening comments with regards to Bill 43, budgets are moral documents and they indicate the priorities that you have as a government, so I ask you: Honestly, why are you not prioritizing the human resources to staff those built beds, and why have you not repealed this legislation yet?

Hon. Peter Bethlenfalvy: Thank you, MPP Fife, for that question. It's a very important question. I would again tell you to go through the documents, because we've highlighted, in our "Protecting our Progress" area, the number of investments in human health resources, particularly for nurses in Ontario: \$548 million to do home and community care, which means that nurses will be going to people's homes to help them recover from post-acute surgeries; \$342 million in just this fall economic statement to hire 5,000 additional registered practical nurses and registered nurses; additional funding to hire 225 nurse practitioners—Doris Grinspun complimented our move on that.

I'm going to read a quote from Dianne Martin, the CEO of WeRPN: "WeRPN are absolutely delighted with today's announcement about a partnership with the Ministry of Health to deliver support to nurses and PSWs in Ontario. For RPNs who have been working through the COVID-19 pandemic short-handed, we believe these new investments will bring much-needed relief and support and

begin to put together the pieces of the health human resource puzzle.”

So I would ask you to support Bill 43, to support hiring 5,000 new nurses, support us as we hire 225 more nurse practitioners and continue to support our health front-line workers with additional capacity and support.

Ms. Catherine Fife: Minister, I don’t need to go through this document. This document does not respect health care workers and it does not make the increase for personal support workers permanent. If you want to hold onto those valuable people, then you actually have to respect them by paying them appropriately.

Chair, I’m going to throw this over to my colleague MPP Mamakwa.

Mr. Sol Mamakwa: Meegwetch, Catherine. Meegwetch, Chair. Meegwetch, Minister.

Hon. Peter Bethlenfalvy: Meegwetch.

Mr. Sol Mamakwa: You spoke about the Ring of Fire earlier. It’s clear that there are concerns from other First Nations, especially with the approach and the timeline. I know that the timelines cannot be controlled by the government or the industry. What are you going to do to ensure that First Nations timelines, protocols, processes are adhered to and make sure that their processes are honoured? That’s the only pathway forward. There is no way other way. What are you going to do?

Hon. Peter Bethlenfalvy: Thank you, MPP Mamakwa—very important. Thank you for your leadership and advocacy for all peoples of Ontario and particularly First Nations. As you’ve told us many times and we’ve heard many times, there are many voices in the north, and we have to listen to all of them.

The Chair (Mr. Ernie Hardeman): One minute left.

Hon. Peter Bethlenfalvy: It’s so important to continue our path, both for reconciliation and that we continue to work with all First Nations in collaboration, in consultation, and we’ve tried very hard to do that.

I mentioned the Nishnawbe Aski Nation and particularly Derek Fox, the Grand Chief, who said: “Nishnawbe Aski Nation and the Ministry of Northern Development, Mines, Natural Resources and Forestry,” under the leadership of Minister Greg Rickford, “engaged in a joint process to review and recommend updates to the Far North Act. We are pleased to have had this opportunity to work together and that the outcomes of that process are reflected in the proposed amendments to the act.”

Again, I reiterate, the north and Ontario have many voices—many voices in the north. You raise a very important point: that we have to listen to them all, consult with all, and collaborate as we build an opportunity for prosperity for the, as I’ve said in the fall economic—

The Chair (Mr. Ernie Hardeman): Thank you very much for that.

MPP Hunter.

Ms. Mitzie Hunter: Minister, I am really, really wondering about the curious change of heart that your government had with respect to the minimum wage. This was something that you cancelled back in 2018, which was set to move the minimum wage to \$15 an hour as part of

legislation on January 1, 2019. So you’re actually three years late, delayed, in addressing the minimum wage and moving it to a higher point. So I’m wondering about that, about why it has taken three years for you to see the value in raising minimum wage for low-income workers, many of whom, as you said, are women and racialized people.

Inflation also affects, really, everyone in the economy, including people who are on income supports. In your budget and in your subsequent fall economic statement and legislation, you have not addressed the people who are on income supports, on OW and ODSP, and their need to be protected from the rising costs of foods, everyday goods and necessities that they have to purchase, which we are seeing go up and up and up.

Many individuals in my community and in my riding of Scarborough-Guildwood are really feeling this. I addressed the concern of food security yesterday and the fact that many people are dependent on food banks—over 430,000 visits to food banks in our community in Scarborough alone, according to the Daily Bread Food Bank Who’s Hungry report.

I’m wondering about your government’s response to people who are on income supports. Why is it that in your budget, we see that almost—it was \$496 million that is unspent in the community and social services budget, when there are so many people who need a top-up or an increase in adequacy to deal with the current conditions, as it respects to inflation.

Hon. Peter Bethlenfalvy: Thank you for the question. I will start by noting that in every category, expenditures are planned to go up, and that’s clearly outlined in the fall economic statement—every ministry. And, of course, the prudent thing, as I said in my remarks, is to make sure that we set aside some money, as we have in the past, to plan for unforeseen events that that may happen, because COVID is unpredictable. It doesn’t respect our timelines. That’s why, in the public accounts, we’ve demonstrated that over \$19 billion of COVID time-limited funding was spent.

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The Chair (Mr. Ernie Hardeman): One minute.

Hon. Peter Bethlenfalvy: With regard to your question about minimum wage, COVID has impacted many disproportionately and particularly those on minimum wage and lower incomes. So we’re moving to increase the salaries of 760,000 people who are at or below minimum wage and provide them with a raise of over \$1,300 for those at minimum wage, and for those liquor servers, who are \$12.55, an over \$5,000 increase by taking the minimum wage to \$15.

In an environment that we have, because of our first budget, the lowest personal income tax for low-income workers in this province—and that is why, I believe, that Jerry Dias, the head of Unifor, and Smokey Thomas, the head of OPSEU, joined myself and Minister McNaughton and Premier Ford as we worked together on issues that—

Ms. Mitzie Hunter: But why the three-year delay if you believe it in it?

The Chair (Mr. Ernie Hardeman): Thank you very much.

We will now go to the government side. MPP Crawford.

Mr. Stephen Crawford: Good morning, Minister. It's good to see you today.

I know the member from Waterloo touched a little bit at the beginning on the highways, the Bradford Bypass, the 413. I know that it has been very important to our government to get people from A to B quicker, safer. We've made commitments to build transportation in the Toronto area, with subways, and expand GO train service throughout Ontario. But also, people still drive cars. That's going to continue for many, many decades into the future. Knowing that the GTA is one of the fastest-growing cities in North America, why is it so essential that we build the 413 and Bradford Bypass for both businesses and families?

Hon. Peter Bethlenfalvy: Thank you, MPP Crawford, for that excellent question. Again, I'll go back to the numbers that you just touched on. The population growth of Ontario is expected to rise significantly over the years to come, particularly in the greater Golden Horseshoe: a million people every five years, and with the roughly 10 years it takes to build a highway, that's two million people. Many will want to live in the beautiful parts of the 905 where there aren't subways and you can't cycle to work. We need to move people and goods to their jobs and to market, respectively. So we have to look down the road and make the types of investments to help build Ontario, to make Ontario more productive.

It is noted that gridlock right now costs about \$11 billion in lost productivity. We have a productivity challenge. We've got too many people in gridlock. We're not getting goods to market. People aren't getting to their families. The 413, it's estimated, will save up to 30 minutes each way—an hour, two ways—in terms of traffic time.

But we're also building subways. We're building public transit, which is taking cars off the road, and we're doing that at an unprecedented pace in parts of the GTA and in Toronto. It's important that we think about the type of "building Ontario" productive assets that will benefit many in society. And it's not just highways; it's also hospitals that we talked about. It's also broadband. We've now sold almost \$4 billion of investments to wire up the rest of Ontario that is underserved—some over 700,000 households that either do not have Internet or have poor Internet quality—and we're doing it by 2025.

Our plan, MPP Crawford, is to make sure that we not only have a vision to build Ontario but that we actually get shovels in the ground and we give everyone in Ontario the opportunity for prosperity so they can raise a family, have a good job and get the benefits of this great province.

Mr. Stephen Crawford: Okay. Thanks. I'll pass it to one of my colleagues.

The Chair (Mr. Ernie Hardeman): MPP Smith.

Mr. Dave Smith: Chair, I turned my video off, because I'm actually in the rural part of Ontario where Minister Bethlenfalvy has been talking about increasing reliable

Internet. When I have the video on, the audio is a little bit choppy.

Minister Bethlenfalvy, there is a great resource in northern Ontario. It has been referred to as the Ring of Fire. You've heard me talk about this a number of times. The critical minerals that are needed for electric vehicles: we have them in Quebec, we have them in Manitoba, and the Canadian Shield is shared between Quebec, Ontario and Manitoba, so it is logical that we have them here in Ontario as well.

Just prior to COVID-19, our government signed a historic agreement with Marten Falls and Webequie that would see an access road to that area of the Ring of Fire and create an all-season pathway to prosperity to both of those First Nation communities. With the prevalence of electric vehicles moving forward as part of the green technology, the green infrastructure that is needed to help reduce carbon emissions, could you speak a little bit for me, please, about how the FES is going to harness that and use some of those resources to improve the lives for those in northern Ontario, for a number of the remote Indigenous communities, and for the world, really, with that green technology?

The Chair (Mr. Ernie Hardeman): One minute left.

Hon. Peter Bethlenfalvy: Thank you, MPP Smith, for your leadership and advocacy for not only the north but all parts of Ontario, and particularly electric vehicle production. As you know, we lost a lot of auto manufacturing jobs. It's undeniable: lack of investment in plants, and we saw one plant after another announce another shutdown. We've been able to reverse that. Over \$4 billion of investments announced for electric vehicle production here in Ontario, not the least of which will be at the Oakville Ford plant, which the federal government and ourselves co-invested in; and the Ingersoll plant for GM, building electric vehicle trucks.

But you raise a good point, the critical minerals—cobalt, lithium, copper, nickel—that goes into a lot of these batteries are available to us in Ontario. We don't have to go abroad for those minerals. And having battery manufacturing capability in this province, electric vehicle manufacturing capabilities and the safe, secure supply while creating opportunity for our First Nations and others in the north, is part—

The Chair (Mr. Ernie Hardeman): That concludes our time for round two. We will now go to round three for the official opposition. MPP Fife.

Ms. Catherine Fife: I believe MPP Arthur has got his hand up.

The Chair (Mr. Ernie Hardeman): Oh. MPP Arthur—my apologies.

Mr. Ian Arthur: Thank you very much, and good morning, Minister. Thanks for being here. The last question was a great one to start from. I want to talk about climate change and the environmental plan in Ontario. The recent report on the environment was, frankly, damning, Minister, and the commitment that your government made for 2030 targets has identified that you are going to likely meet one fifth of the target that you laid out for yourself

and committed to. That leaves an 80% gap, and there was not a lot of significant funding in this economic update for tackling climate change, which is arguably the biggest issue facing any government in the world now. We just have to look to BC to see what the impacts of it actually are.

No money earmarked for a green car rebate that would actually allow you to meet some of those emission reductions for transportation; no money for energy efficient retrofits, which are by far the best bang for your buck in terms of emission reductions. Minister, it's not ideology; it's math. How are you going to hit your targets?

Hon. Peter Bethlenfalvy: Well, thank you, MPP Arthur, for those very important thoughts and questions, and thank you for your work in the Legislature. You raise a number of very good points. Let me just highlight some of the progress that we're making on achieving our targets and important investments that we're making for the future, not least of which is the fact that 94% of the electricity generation in this province is carbon-zero, so that's a significant achievement.

In terms of transit, as you know, we're investing billions of dollars for public transit, which will take cars off the road—investing in electric vehicles, buses and so on. That's going to be a big impact on the environment and the economy.

Green bonds: We're issuing more green bonds than any other province because we have more green projects than any other province by quite a margin. We'll continue to do that.

I just touched upon electric vehicle production. Not only will we want to be a leader in electric vehicle manufacturing in this province, which has really good jobs, but that will have the effect of also lowering emissions.

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I would also like to highlight the investment in Algoma Steel, taking coal out of manufacturing processes, as the Premier has highlighted and as various ministers have championed.

So we're doing many things, MPP Arthur, to invest in the future, and we're doing it now, not waiting for tomorrow.

Mr. Ian Arthur: Minister, I'm going to pass it off to my colleague MPP Fife, but I will say you didn't address an 80% shortfall in your own targets. You're only going to make 20% of your own targets, and there was nothing in your response that identifies how you're going to go beyond that 20%.

I know MPP Fife has a question.

The Chair (Mr. Ernie Hardeman): MPP Fife.

Ms. Catherine Fife: Just on the subsidy for electric vehicles, to build on what my colleague referenced, Minister, I suspect that this will be another decision that you're going to have to walk back. Given the protectionist nature of the United States and the competitiveness between our two jurisdictions, give electric vehicles a chance to actually fight and be successful in Ontario.

I want to reference a committee that I first spoke to the past finance minister about. This has to do with business

supports, which are missing in this budget bill as well. We both know, Minister, that high commercial insurance rates have been a significant and difficult problem that businesses have had to face in the last years. The pandemic highlighted how unfair the commercial insurance sector is.

Your predecessor recognized that these costs were too high for businesses. In fact, that happened right here in this room, at the very beginning of the consultations during the beginning of the pandemic. He admitted that commercial insurance rates are a problem and that they affect our competitiveness. He established a committee to review the problem and the sector and propose solutions.

I would argue that in order for us to recover fully economically, commercial insurance rates need to be addressed. Why haven't we seen the results of this group's work or any solutions from your ministry on a go-forward basis on commercial insurance?

Hon. Peter Bethlenfalvy: Thank you again, MPP Fife, for that question. We have been working with the insurance industry because we recognize the impact that COVID has had on insurance premiums and the economy.

The Chair (Mr. Ernie Hardeman): One minute.

Hon. Peter Bethlenfalvy: That's why we worked with the Insurance Bureau of Canada. They set up a business insurance advisory table to help facilitate the discovery and acquisition of premiums that meet the business needs in this province. We'll continue to work with various stakeholders. We continue to talk to the insurance industry—

Ms. Catherine Fife: I'm sorry, Minister: When will we see the results of this? Because we have to get this right very soon. There's an urgency to this. Can you give us a timeline, please?

Hon. Peter Bethlenfalvy: As I mentioned, MPP Fife, we continue to work closely with the insurance industry. We talk to stakeholders, and the number one thing that we hear from them is safely opening up the economy of Ontario, and we will continue to do so.

We have supported large businesses by the tune of \$10 billion; small businesses, over \$6 billion; helping over 110,000 small businesses—

The Chair (Mr. Ernie Hardeman): Thank you very much, Minister. That concludes the time for that. We now go to the government. Go ahead, MPP.

Mr. Vijay Thanigasalam: Good morning, Minister. Thank you for your presentation. Thanks for the incredible work that you are doing.

Minister, today I want to talk about nurses, their mental health and their work conditions. As we all know, the pandemic highlighted for many of us that our health care workers are truly heroes. Some of you may remember participating in or seeing videos of our neighbours applauding and banging pots and pans together in the spring of 2020 as a gesture of appreciation for our health care workers. But after more than a year of the pandemic, our health care workers are exhausted, both mentally and physically.

The question I want to ask you, Minister: Can you please explain what our government is doing to improve

the working conditions of our health care heroes, our nurses?

Hon. Peter Bethlenfalvy: Thank you, MPP Thanigasalam, and thank you for your advocacy as well. Human health resources are an absolute priority for us, and we thank them for all the work that they're doing.

I had the occasion to visit numerous facilities that have many of our hard-working front-line health care workers. I'll give you a couple of examples, like Credit Valley Hospital, where I toured the emergency area. Also, the lack of capacity—the ambulance bay had to be converted to an intake facility, because they had no room to onboard emergency patients into the hospital. That's in Mississauga. That's why we're building a new hospital in Mississauga. That's why we're also building a new long-term-care facility in Mississauga, a rapid build, which I had the fortune to tour.

Now, it's not just building capacity to support those nurses and others, but it's also the training and the recruiting and the retaining of nurses in those facilities. That's why we've embarked on an ambitious plan to train, to recruit and to retain our great nurses in this province, right across from personal support workers to registered nurses to registered practical nurses and, of course, nurse practitioners.

I also mentioned earlier the strain that the pandemic has wrought on our front-line workers in the health care system. That's why we increased, in the fall economic statement, the amount of money to provide for additional mental health and addictions support for those health care workers, which includes treatment options for one-to-one psychotherapy and workshops provided by the Canadian Mental Health Association Ontario and the Ontario Psychological Association. This funding will absolutely support the needs assessment, online peer support, and workplace mental health training and intervention services at select hospitals, to help those front-line workers whose mental health has been impacted by workplace and occupational stress. I've seen it first-hand. We're there to support our great health human resource workers, and we'll continue to be there for them.

Mr. Vijay Thanigasalam: Thank you, Minister. Before I turn it over to PA Parsa, I just want to thank you for that answer and thank you for the incredible work that you're doing.

Hon. Peter Bethlenfalvy: I appreciate it.

The Chair (Mr. Ernie Hardeman): MPP Parsa?

Mr. Michael Parsa: Good morning, Minister. Thank you very much for being here.

Minister, one of the things I want to applaud you on—and certainly, all of the government—is the level of transparency with the people of Ontario. I think the people deserve nothing less, even in times of crisis. I know that our province was the first jurisdiction to release a fiscal plan that reflected all the challenges of COVID. I know that this fall economic statement is, in fact, the seventh update that the government has provided to the people of

Ontario since the onset of the pandemic, so thank you very much for that. I think it's very important to the people of Ontario.

The question that I have for you—and this is also one that's quite important to many of us as we start moving into recovery—is about the tourism and hospitality sector. They're working really hard to recover from the impacts that we all know have been caused across the industry as a result of this pandemic. I'm wondering if you could please highlight what our government is doing to incentivize the Ontario families who are really eager for a change of scenery and to be able to explore the beautiful province of Ontario, for us to see what kind of incentives are being offered. The staycation tax credit is what I'm referring to, so I'm just wondering if you can elaborate on that. It will create thousands of jobs in the tourism and hospitality sector, so if you can just elaborate on that, I'd appreciate it, please.

The Chair (Mr. Ernie Hardeman): One minute left.

Hon. Peter Bethlenfalvy: Thank you, parliamentary assistant Parsa. You're doing an incredible job, and I appreciate your strong support and advocacy.

You mentioned the staycation tax credit. This is going to help the tourism industry. It's going to motivate people to travel in this beautiful province. I mentioned the benefit of that—up to \$1,000 for an individual, \$2,000 for a family; up to \$200 or \$400 as a credit.

Let me give you some of the quotes from the industry. David MacLachlan from Destination Northern Ontario: “The announcement today of the Ontario Staycation Tax Credit is welcome news for the tourism sector across the province and northern Ontario. Because of the pandemic, people in Ontario have rediscovered their own backyard. As we see the return of international travel, this tax credit will encourage families to continue spending their hard-earned vacation dollars here at home, exploring everything Ontario has to offer. We thank the Ontario government for their leadership, investment and continued support for our tourism industry”—

The Chair (Mr. Ernie Hardeman): I want to thank you for your kind presentation this morning, as we did just run out of time. We really appreciate the fact that you're here, Minister, to answer some of the questions and to enlighten us going forward.

With that, we thank everybody. This concludes our business today. As a reminder, the deadline for written submissions is 7 p.m. on Tuesday, November 30, 2021. The deadline to file amendments with the Clerk of the Committee is 6 p.m. on Wednesday, December 1, 2021.

The committee is now adjourned until 9 a.m. on Monday, November 29, when we will continue public hearings on Bill 43. Thanks again, Minister, and thank you to all the committee members for taking the time this morning for this part of the hearings.

Hon. Peter Bethlenfalvy: Thank you, Chair, and thank you to all the committee members.

The committee adjourned at 1001.

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