

Legislative  
Assembly  
of Ontario



Assemblée  
législative  
de l'Ontario

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## **Official Report of Debates (Hansard)**

F-31

## **Journal des débats (Hansard)**

F-31

### **Standing Committee on Finance and Economic Affairs**

#### **Estimates**

Ministry of Economic Development, Job Creation  
and Trade

Ministry of Labour, Immigration, Training and Skills  
Development

Treasury Board Secretariat

1<sup>st</sup> Session  
43<sup>rd</sup> Parliament

Tuesday 12 September 2023

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

#### **Budget des dépenses**

Ministre du Développement économique,  
de la Création d'emplois et du Commerce

Ministre du Travail, de l'Immigration, de la  
Formation et du Développement des compétences

Secrétariat du Conseil du Trésor

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

Mardi 12 septembre 2023

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Chair: Ernie Hardeman  
Clerk: Vanessa Kattar

Président : Ernie Hardeman  
Greffière : Vanessa Kattar

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LEGISLATIVE ASSEMBLY OF ONTARIO

**STANDING COMMITTEE ON  
FINANCE AND ECONOMIC AFFAIRS**

Tuesday 12 September 2023

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

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

Mardi 12 septembre 2023

*The committee met at 0900 in committee room 1.*

## ESTIMATES

MINISTRY OF ECONOMIC  
DEVELOPMENT, JOB CREATION AND  
TRADE

**The Chair (Mr. Ernie Hardeman):** I call the Standing Committee on Finance and Economic Affairs to order. Welcome back, after our summer recess.

The committee will now resume consideration of the estimates of the Ministry of Economic Development, Job Creation and Trade. There are now a total of one hour and two minutes remaining for the review of these estimates. When the committee last adjourned, the government had two minutes and 27 seconds remaining.

As always, please wait to be recognized by myself before speaking. All questions and comments will need to go through the Chair.

For the deputy ministers, assistant deputy ministers and staff: When you are called upon to speak, please give your name and your title so that we may accurately record in Hansard who we have.

I look to the government side to continue their round of questioning. MPP Crawford.

**Mr. Stephen Crawford:** Good morning to the committee and to the minister and your team for being here today.

I want to ask a question on the auto pact and investments in the auto sector, Minister.

I know you've made great strides in attracting investment to the province of Ontario, specifically in the auto sector, working collaboratively with the federal government and incenting companies such as Volkswagen, Stellantis etc. to build shop here in Ontario. In my own riding of Oakville, we're working collaboratively with the federal government—you had an announcement with myself a few years ago, as the Ford plant will retool.

Minister, could you explain how the auto pact and working with the federal government will continue attracting good, high-paying jobs to the province of Ontario and what economic impact this will have in the province?

**Hon. Victor Fedeli:** Thank you, everybody, for asking me to be at estimates today. It's a good opportunity to talk about the wonderful things that have happened.

A few years ago, Reuters announced that there will be \$300 billion spent in EVs around the world—production of EVs and parts—and zero was intended for Canada; that

means zero for our five auto plants in Ontario. We have worked hard to bring down the cost, pulling on every government lever to bring down the cost of doing business in Ontario. It's down by \$8 billion a year, which in itself is a great incentive. Unfortunately, the United States has developed an Inflation Reduction Act, and we need something to counter that. We have developed this brand new auto pact; it's a first since 1965. As a result, we have landed \$25 billion in EV and global EV parts. So we've gone from zero, and we are now listed by Bloomberg as the number two EV auto jurisdiction in the world—number one in North America, ahead of the US; number two in the world, only behind China. This is because we've seen Premier Ford stand up and say we will protect our 100,000 auto workers. This auto pact is absolutely critical and, unlike what you may hear—

**The Chair (Mr. Ernie Hardeman):** Thank you very much. That concludes the time.

We'll now go to the official opposition. MPP Fife.

**Ms. Catherine Fife:** Good morning, Minister. I'm going to go right to page 9 of the government briefing book on the ministry that states that Ontario is working to ensure that we are well represented in all matters.

Jack Hauen of Trillium recently reported that the Ministry of Economic Development has no record of any deals that have happened because of the province's three agents general. You'll recall that agents general are paid between \$165,000 and \$185,000 per year. One agent general previously worked as the chief of staff to the Premier's brother, and another is the former Ontario Progressive Conservative Party president. So you'll know that we have some issues with these appointments.

What I really want to know is, what accountability measures are you putting in place to make sure that these three representatives of Ontario are actually getting results for Ontario?

**Hon. Victor Fedeli:** Thank you very much for the question.

I must say, the agents general are really part of our dynamic trade group and investment network around the world.

This weekend, I will be with our agent general in Texas again, for the third time, because he has an entire collection of tech companies lined up for us to meet with, just like he did the last time I was in Texas.

So maybe the way the question was posed, not by you, but in the—

**Ms. Catherine Fife:** So is that the measurement? That's the accountability measurement? You're the accountability measurement? You go to Chicago, you oversee these three agents general?

**Hon. Victor Fedeli:** In effect, they all work for me, as do all of our people around the world. Unlike Quebec, which has 1,000, we have 100 around the world, and they have delivered time after time. So the question that was posed in the FOI—they get the answer to the question that they posed. The real answer is, they generate all of our leads. That's why I'm able to go down. They showcase—

**Ms. Catherine Fife:** Can you point to one deal that one of these three agents general was pivotal in securing for Ontario?

**Hon. Victor Fedeli:** There would be tech firms that you'll hear us announce in the near future. They have been working very diligently on moving the \$400 billion in two-way trade between Canada and the US up to \$460 billion. This is—

**Ms. Catherine Fife:** Minister, I look forward to hearing about those deals—

**Hon. Victor Fedeli:** You hear them almost every day.

**Ms. Catherine Fife:** —I really do. But to date, none have been recorded.

Just moving on to page 66—

**Hon. Victor Fedeli:** No, you're misrepresenting—

**Ms. Catherine Fife:** No, I haven't.

**Hon. Victor Fedeli:** There's \$400 billion that grew to \$460 billion. There's \$60 billion worth of trade that has grown—

**Ms. Catherine Fife:** I look forward to seeing that.

**Hon. Victor Fedeli:** I'm grateful.

**Ms. Catherine Fife:** On page 66, Minister, vote item 902-13—it's outlined that the strategic industries division provides oversight of Ontario's investment attraction agency, Invest Ontario, focusing on agent accountability and governance. Your government appointed a former mining executive from an international corporation. Said international corporation was recently subject to pay \$700 million for having engaged in bribes in a range of countries in order to win contracts and avoid audits. The behaviour was admitted by the company in a plea deal and occurred over a period of a decade. We still engaged with this company. I think the people of the province would like to know: Is the government at all concerned? When this particular company admitted that they were using bribes to avoid audits and secure contracts, was that concerning for you, Minister?

**Hon. Victor Fedeli:** I can tell you that we're very pleased with the successes of Invest Ontario. They have garnered investments from around the world. We have continued to work on a daily basis with Invest Ontario and with their board to continue to bring investments here into Ontario—it's unprecedented, the amount. The tech dollars are almost innumerable to count.

**Ms. Catherine Fife:** Minister, I just asked you a very simple question: Was it concerning for you that this particular company was subject to paying \$700 million in

finances for really unethical business conduct? Did this concern you when you, as the minister, found this out?

**Hon. Victor Fedeli:** I would say to you again that we enjoy our relationship with Invest Ontario—

**Ms. Catherine Fife:** Minister, that really is not an answer. I'm just going to move on because I have very limited time and there's really so much material to work with here.

Job migration is a huge issue. You will point to the fact that we did see a status level number of jobs, of people coming to Ontario for employment. We did, however, see a huge number of out-migration of really skilled workers from Ontario based on affordability, primarily about housing. In fact, an economist from the Smart Prosperity Institute said, "Usually, in any given year, about 80,000 people across Canada move to Ontario and another 80,000 leave." So it's sort of status quo, but "in the last 12 months, we've attracted the same amount of people, but we've actually lost an extra 50,000 or 130,000" workers. The institute really does point to housing affordability as the main problem. We all know this. We're hearing it from our constituents—housing, record numbers of rental evictions. I know that you understand this, because we were critics together a good number of years ago.

**0910**

Does your mandate letter recognize the importance of housing to the economy? That's the first question. And how is opening up land on the greenbelt to land speculators helping with the affordability housing crisis—if, in fact, the Ministry of Economic Development understands the connection between having shelter, having affordable housing and the economy?

**Hon. Victor Fedeli:** You mentioned, at the beginning, status level of jobs. That's absolutely inaccurate.

**Ms. Catherine Fife:** No. Workers coming into the province.

**Hon. Victor Fedeli:** We've seen 700,000 jobs created in the province of Ontario. You will recall very well, under the Liberals, always backed by the NDP, the loss of 300,000 manufacturing jobs. That's what happened before we got in office. Since getting in office, we've seen 700,000. This is unprecedented.

**Ms. Catherine Fife:** I'm going to rephrase the question for you, Minister.

**Hon. Victor Fedeli:** But you asked about that, and you said they're status level of jobs—that's not status.

**Ms. Catherine Fife:** Well, 80,000 in, 80,000 out is status.

This past year, we lost 50,000 to 130,000 workers. Is that concerning for you, as the minister?

**Hon. Victor Fedeli:** Well, I think you're missing the fact that this year alone—two months ago, the federal government announced 60,000 jobs created in Canada; 93% of those jobs were created here in Ontario. That belies the number that you're suggesting.

We had 500,000 immigrants come to Ontario last year. Our population is growing. Our jobs are growing—they've grown by 700,000. In fact—

**Ms. Catherine Fife:** You're not acknowledging the labour shortage in Ontario?

**Hon. Victor Fedeli:** I'm saying there are 380,000 jobs that need to be filled. We know that. There are 380,000 jobs that still need to be filled.

But I will tell you, last month, in a 48-hour period, we had 10,000 people from California apply to work here in Ontario. That's the reality of what's happening with all of the jobs—

**Ms. Catherine Fife:** That's great. Where are they going to live?

This goes to my second question. As the minister responsible for the economy in the province of Ontario, how do you see the value in opening up greenbelt land to speculators? How does that solve the problem? There's no infrastructure there. The employment is not there. There are no houses there.

**Hon. Victor Fedeli:** Let's take the \$7-billion Volkswagen success as an example.

**Ms. Catherine Fife:** Let's talk about the greenbelt. That's my question.

**Hon. Victor Fedeli:** In St. Thomas, we met with the mayor yesterday and talked about the thousands of homes that will be built in St. Thomas to accommodate the workers from the Volkswagen plant.

**Ms. Catherine Fife:** Not on the greenbelt.

So you're not going to answer my question; I see that.

**Hon. Victor Fedeli:** I'm saying to you that we have a plan to build 1.5 million homes, and in fact, in the \$7-billion now new business in Volkswagen in St. Thomas—there will be thousands of homes built there—

**Ms. Catherine Fife:** Is that in your mandate letter—to carve out parts of the greenbelt for land speculators, to generate the economy? There's no—

**Hon. Victor Fedeli:** My title is Minister of Economic Development, Job Creation and Trade, and I would be very clear to say that the economic development in Ontario is unprecedented. The 700,000 jobs that have been created make the job creation part unprecedented. And we have seen trade in the US grow by \$60 billion in the last couple of years. This is what's happening in Ontario.

**Ms. Catherine Fife:** We are seeing record people leave Ontario, Minister—130,000 people leaving—

**Hon. Victor Fedeli:** Well, the 10,000 who just applied to come here—

**Ms. Catherine Fife:** Well, they're not going to live on the greenbelt.

I'm going to pass it over to my colleague, please.

**The Chair (Mr. Ernie Hardeman):** Just stay with the questions and answers, and one at a time.

**Ms. Catherine Fife:** That's what I wanted—an answer.

I'm going to pass it over to my colleague MPP Kernaghan.

**The Chair (Mr. Ernie Hardeman):** MPP Kernaghan.

**Mr. Terence Kernaghan:** Thank you, Minister, for appearing at committee today.

Invest Ontario has recently been discovered to be connected to the unregistered lobbying efforts that led to preferential treatment for PC Party-connected developers

looking to carve up the greenbelt. If the ministry were to discover similar dirty deals in regard to Ontario Place, for instance, how would these be addressed by the government?

**Hon. Victor Fedeli:** Invest Ontario has a very long and successful record. All of the announcements that Invest Ontario have made have been very public and very vaunted and vaulted, because this is bringing new investment into Ontario. I can think of the \$50 million invested in Hamilton, at CCRM, for gene therapy. That was the very first announcement they made, and every announcement like that has been very—

**Mr. Terence Kernaghan:** Minister, here we're talking about dirty deals. If dirty deals were to be discovered by the ministry, how would those be addressed?

**Hon. Victor Fedeli:** I would say to you that Invest Ontario continues to make unbelievably successful forays into companies around the world, and those all roll out as very public investments. The due diligence that they perform is done by expert staff, and they continue.

I can tell you about being at Bosch in Waterloo the other day, another brand new office. I can tell you about the ribbon cuttings that we've had at—

**Mr. Terence Kernaghan:** I'm going to reclaim my time.

**Hon. Victor Fedeli:** —Bimbo in Hamilton, where—

**Mr. Terence Kernaghan:** Thank you, Minister.

It appears as though the ministry does not have any way in which to increase confidence, ensure their own accountability and ensure that there aren't further dirty deals, including the ones connected to developers.

**Hon. Victor Fedeli:** Well, those are your words, not mine.

**Mr. Terence Kernaghan:** In the ministry's vision, it outlines that attracting investments, supporting Ontario businesses and entrepreneurship, and fostering a growing innovation-and-technology economic system are priorities that drive economic growth. How is the ministry addressing the challenge of a lack of workers who support this economic growth?

**Hon. Victor Fedeli:** StatsCan will tell you that last month alone, we had 45,000 young people come into Ontario, just in August alone, so—

**Mr. Terence Kernaghan:** StatsCan also reported that in August, Ontario lost 9,000 jobs, and that includes in educational services—overall, 35,600 jobs lost. In manufacturing there were 13,600 jobs lost, and in building and other support services there were 11,200 jobs lost.

The Peel District School Board, for instance, announced that it's being forced to lay off nearly 500 educational assistants.

You're painting us a rosy picture here, Minister, but StatsCan is also clear in their numbers. We don't see those numbers being really properly addressed.

**Hon. Victor Fedeli:** Well, here, let me tell you the number: It is 700,000. Sometimes the months go up a bit; sometimes they go down a bit. Last month, 7,800 manufacturing jobs were created in the province of Ontario. The month before last, more than all 50 US states combined—

that's what happened two months ago. Three months ago, as I said earlier, Canada announced 60,000 jobs created in Canada—but 93,000 of them were here in Ontario. That's the reality.

So you can pick a specific month—last month, you can talk about the 17,000 construction jobs that we created. That's what happened last month—

**Mr. Terence Kernaghan:** Minister, respectfully, you were referring to August, and I'm showing you the very same numbers, released by Stats Canada, as well, that are showing a very different picture from the one that you're portraying here.

**Hon. Victor Fedeli:** You missed the 45,000 students who came in.

The bottom line: We have 700,000 men and women who went to work this morning, who didn't have a job when we were elected.

**Mr. Terence Kernaghan:** My next question, Minister: The CMHC shows that developing one affordable housing unit is estimated to generate between two and two-and-a-half new jobs. Given that this would create jobs and work to address our housing crisis, does this government consider building housing part of its economic development objectives?

**Hon. Victor Fedeli:** It's funny you say that, because the Premier just made a new position, an Associate Minister of Municipal Affairs and Housing, with a responsibility for modular homes, as well—

**Mr. Terence Kernaghan:** Due to the corruption crisis—that was the reason for the change and the cabinet shuffle.

**Hon. Victor Fedeli:** That's a new addition to address the severe housing crisis that we have, and that's why we want to build 1.5 million new homes in Ontario. My ministry—

**Mr. Terence Kernaghan:** Was it to address the housing crisis, or was it to address the corruption crisis?

**Hon. Victor Fedeli:** My ministry will be part of the job creation aspect, looking to develop modular homes here in Ontario, where they're currently only made in a small amount versus places like New Brunswick, Quebec, Indiana, which make them by the thousands. So it will be a great challenge to see the new associate minister develop a new industry in Ontario—

**Mr. Terence Kernaghan:** But, Minister, specifically, we can shuffle the deck chairs all we like and change titles and change the tiles on the door, but when looking at the priorities for the budget, this appears to be a glaring omission—that the government itself is not investing in housing, in particular.

0920

Why does this government not see housing as part of our economic development and long-term sustainability goals? Is the ministry concerned with the number of young workers leaving this province because they can't find housing?

**Hon. Victor Fedeli:** It's interesting; I just quoted—you love to quote StatsCan—that we had 45,000 young men and women move to Ontario last month alone. That belies

the narrative you're painting. We are building 1.5 million homes. You have voted against every single possible advantage that we've had to bring 1.5 million homes to Ontario—

**Mr. Terence Kernaghan:** You want to build McMansions on the greenbelt.

**Hon. Victor Fedeli:** —and you're thwarting at every possible turn the creation of those 1.5 million homes, every single time.

**Mr. Terence Kernaghan:** Minister, the posturing is unnecessary in this committee. I believe—

**Hon. Victor Fedeli:** Well, then, you should stop doing that.

**Mr. Terence Kernaghan:** We're not in the chamber right now with the empty words and the rhetoric—

**Hon. Victor Fedeli:** They're not empty words. They're quotes from Stats Canada, and they're the reality of what's happening in the Legislature. You're voting against everything.

**Mr. Terence Kernaghan:** Specifically, Minister, I was asking, does this ministry see the government creation of truly affordable housing as part of its economic development vision? Yes or no?

**Hon. Victor Fedeli:** I would say to you that what we're doing in St. Thomas, building thousands of homes to support—

**Mr. Terence Kernaghan:** Is the government building?

**Hon. Victor Fedeli:** You will see every bit of how we are supporting the homes to be built in St. Thomas. You will see that plan, because we have now attracted a \$7-billion company, and along with that comes a plan for infrastructure, for housing. It's all an integral part of how we're going to continue to grow and grow that 700,000.

**Mr. Terence Kernaghan:** In other words, the ministries themselves are not taking a leading role in the creation of housing but instead are sitting in the back seat while the bus is being driven by well-connected developers? Interesting.

**Hon. Victor Fedeli:** Well, that's your narrative. My narrative is that my ministry is very busy—

**Mr. Terence Kernaghan:** That is the media's narrative, I'm afraid, Minister.

**Hon. Victor Fedeli:** —attracting the 700,000 workers to Ontario, including the 45,000 new young men and women, the 10,000 tech workers who applied here in a 48-hour period. This is the reality of what's happening in Ontario—and sadly, the one that you vote against every single day of the week.

**Mr. Terence Kernaghan:** I'd like to turn my next questions to the 2023 business confidence survey. In the Ontario Chamber of Commerce 2023 economic report, they reported that business confidence in Ontario and the Ontario government has dropped to a new low—"only 16% of organizations expressing confidence in the outlook of Ontario's economy in 2023 (down from 29% in 2022)."

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

**Mr. Terence Kernaghan:** Inflation and labour shortages are primarily responsible for the lack of confidence among businesses. We have heard time and again about

the proliferation of agency nurses, which is taking money from our precious health care system.

My question, in particular: Has the ministry done any analysis of the economic impacts of ongoing health care vulnerabilities and—my next question—is the ministry concerned that their approach to health care and their privatization and destruction of the public system has resulted in the business community expressing concern on Ontario's economy?

**Hon. Victor Fedeli:** You missed the fact that last year 85,000 new businesses were registered in the province of Ontario. That sounds very confident to me.

You missed the fact that Ontario again, last month, was awarded the number one site in North America—

**The Chair (Mr. Ernie Hardeman):** That concludes the time.

We'll now go to the government. MPP Triantafilopoulos.

**Ms. Effie J. Triantafilopoulos:** Thank you, Minister, for joining us here today.

As we know, international missions are crucial for promoting Ontario as an attractive destination to invest and to do business. Investments and business partnerships create jobs and promote economic growth in the province. I believe you've recently returned from yet one more of these international missions that you and the team from the Ministry of Economic Development have been taking.

Could you please explain the importance of these trade missions to Ontario's economy and highlight some of the investments that have been landed directly as a result of those missions and relationships that have been built for the province of Ontario?

**Hon. Victor Fedeli:** Thank you very much for the question.

When we go on trade missions, unlike governments of the past, we're very lean—it's myself and perhaps a maximum of two of my direct staff. We are there to roll up our sleeves and have meetings and bring back results. That's the purpose of our trade mission. It's not any kind of tour other than really hard-core sales.

The last mission, for instance—we just got back from Germany. You will hear the results as those deals are penned. There will be at least two, maybe three of these deals that will come from this mission in Germany. This was a mission to tidy up some really good leads that we had, to convert them into wins.

The month before, we were in Japan and Korea, and we were very pleased to announce that KDDI, a company out of Japan, had acquired data centres here in Toronto. It's a little over a \$1.35-billion deal. In Korea, we were able to secure a \$100-million life sciences fund.

These are the results that you get when you have, first of all, great staff, a great ministry team who put together our team around the world. Again, Quebec has a thousand people; we have a hundred people around the world—that's the difference. But our hundred people are finding these leads, nurturing the companies. They're doing all of the good work to bring these companies here. Our agents general in the US, all of the officers we have all around the world, whether it's California to Korea and everywhere in

between, are presenting these packages, and when it's time that we need closing, that's when we go and we meet the companies and we do our sales pitch.

When we need the real closer, either we bring the Premier on by Zoom or we invite the company to Ontario and meet with the Premier, like we did with Volkswagen four times. There's no better closer in the world on a deal than Premier Ford. Get in a room with him, and you're not going to leave that room without doing a deal; I can guarantee you that. It happens time after time after time.

This week, we'll have another announcement, on Thursday, from our most recent trip to India. We'll have an announcement of a tech company here. We've had three big Indian tech companies, one with 700 employees, one with 1,100 employees and one with 5,000—Tata consulting engineering, 5,000 employees here in Toronto. Those are the meetings that we have, those are the companies that we meet with, and those are the successes that we come back with.

That's why, again, there are 700,000 men and women working today. None of that happened by accident. It was really about pulling on all the levers that a government has to reduce the cost of doing business. Lower costs equal higher revenue for our government. That's the way it works.

**Ms. Effie J. Triantafilopoulos:** Minister, just to expand a little bit on that, can you share with us what is the consistent message you're hearing from all of those different technology businesses around the world about why Ontario is, in fact, able to attract these investments?

**Hon. Victor Fedeli:** Yes, it's quite fascinating. Around the world, no matter what country we're in, no matter what business we visit, without being prompted, all of these companies are saying the same thing. They say to us, in this post-pandemic world that's filled with turmoil and a lot of uncertainty, and when you have Russia's illegal war in Ukraine layered on top of that and that turmoil that it causes; when you have the elephant in the room, China, and the disruption of supply chains; when you have all of that against you, you look across the ocean at this beacon of light that's Ontario. That's what they all feel. They say that Ontario is stable, predictable, and that Ontario is the place that you want to do business because you see it as that sea of tranquility across the ocean. And they all say the second thing: that Ontario is safe. They know that it's safe here, and I mean safe for their employees, safe for their executives, safe for their families, and it's a safe place to invest. All of them, universally, unprompted, say that about Ontario.

**0930**

**Ms. Effie J. Triantafilopoulos:** You mentioned a moment ago in one of your responses to our colleague that that is one of the reasons why you believe the EV auto investment is coming to Ontario and, in fact, is number one in North America.

**Hon. Victor Fedeli:** Yes, we built this ecosystem that did not exist before. We saw auto companies leaving Ontario. We knew the reason why. We worked hard in the first year to begin to lower the costs. When we got the cost

of business lowered by \$8 billion annually, we went back to the auto companies. General Motors returned—2,700 men and women went to work in Oshawa this morning who didn't work there a year ago. That's the result of the renewed confidence that these companies now have in Ontario. It went from zero to \$25 billion, and we're nowhere near finished in the pipeline of prospects that our agents general, our offices around the world, our Invest Ontario have brought and packaged for us.

**The Chair (Mr. Ernie Hardeman):** MPP Byers.

**Mr. Rick Byers:** Thank you, Minister, for your great presentation this morning. I really appreciate that and all the amazing work you're doing.

I want to continue a little bit on the international theme. You talked about how when you talk to potential international investors, they mention stability and safety, which is so important, but they might get that from the United States or they might get that in other parts of Canada.

Are there other kinds of economic factors—whether it's reduction in the cost of doing business that you've been part of or the job market or other kinds of more economic factors—that they mention that are unique to Ontario or very strong for Ontario that are also attracting them to this province?

**Hon. Victor Fedeli:** Again, I go back to our \$7-billion deal with Volkswagen, and I keep doing that because it's one of the largest deals ever put together in Canada. That doesn't happen by accident; they have a massive team of site selectors who work on this and go through and slice and dice every single piece. In every single chapter they would start, Ontario got a green check; there were some at the beginning that we didn't, where we needed to explain what that means. Our universal health care, for instance—we needed to explain that, because their site selector was American; we didn't get any points. Something like that—going to the States versus Canada—would save a good-size company about \$40 million a year. It needed to be explained and nuanced. Our Canadian dollar—building a product in Canada with Canadian funds and exporting it to the US and being paid in American funds. That wasn't in their factor, because they all presumed this thing would go into the US, so they never had those two metrics.

But on all the other metrics, whether it's energy rates, which we reduced by \$1.3 billion since we were elected, for commercial and industrial businesses that hired those 700,000 people; whether it was the lowering of the provincial share of municipal taxes by \$450 million—it's about not going ahead with the Liberal government's \$465-million tax increase the January we were elected. We cancelled that tax increase and have not increased taxes since we were elected. In fact, we've lowered things like the gas tax. Unfortunately, again, the opposition voted against that 10-cent-a-litre savings to families as part of our package to fight inflation and lower costs in Ontario.

So, of all of these things, I would say the number one reason these companies land here is our talent; it's the people. When you have Toyota named the number one auto plant in the world, not the number one Toyota plant—the number one auto plant in the world is here in Ontario.

It's all about our people, and they acknowledge that we know how to build things in Ontario.

Under the previous government, they decided to get out of manufacturing and convert Ontario into the service sector, saying goodbye to 300,000 manufacturing jobs. The first thing we did was stop that, and then the second was turn that around to a level playing field, and now we're moving ahead, which is why we're the number one EV player in North America, number two in the entire world—ahead of Europe, ahead of the States. This is almost unprecedented—that it happened in three years. It's because we lowered the cost of doing business and put that “open for business” flag out there and have the goods to support it, have the goods to stand up and say, “We put in an accelerated capital cost allowance for businesses. That means you can write your equipment off in-year.” That's a \$1-billion savings. That's why they're hiring the people they're hiring.

The new auto pact—that's not writing a cheque to these companies; that's just forgoing their tax payments. So if you don't win the company, you get no revenue. If you win the company, you begin getting revenue in 10 years; you're not out-of-pocket for that money. That has been mischaracterized often. So you build a \$7-billion building, you put 3,000 people to work, you have tens of thousands of support businesses, whether it's in housing and roads and all of the other things that are being built as part of the infrastructure. You have all of the components of the battery that will be built here in Ontario, with announcements we hope to make. It didn't cost you, because you're forgoing the tax revenue, just like the municipalities are doing. They're forgoing their building permit. They're forgoing the development charges. They're forgoing the taxes. They put in an incremental tax, and the first year, it's 10%; the second year, it's 20% etc.; and in 10 years, you're collecting 100% of the tens of millions of dollars of taxes. So you're not writing them the cheque for the new auto pact.

**Mr. Rick Byers:** It's a great story. And I loved your earlier comments about how when you're out on the missions, you're there to bring back results—hard-core sales and closing deals.

**Hon. Victor Fedeli:** Well, that's the reality. That's exactly what we do. Every single time we come back, there is a new announcement to be made of a deal that we closed—and sometimes it's \$1 million or \$2 million or \$3 million or \$5 million or \$10 million; sometimes it's \$20 million; sometimes it's in the billions. That's where we are.

**Mr. Rick Byers:** You mentioned Volkswagen. As they look at these investments, they don't invest all that money to be there for six months or 18 months or—is it fair to say these are decades? Can you give a sense of the impact and the time frame of the impact of these jobs in those communities? It's a potentially generational type of investment in the community, is it not?

**Hon. Victor Fedeli:** It's definitely generational, definitely transforming and life-changing for a lot of men and women who didn't have a job.

In Windsor, they're going to be creating 2,500 jobs at the NextStar plant. They've already started their hiring. It's 130—those are the first people they've hired to get some of the pieces ready.

Volkswagen has said they do things by hundreds of years—100 years—and that's exactly what we expect from companies like that. The building they are building will be, if not the largest, one of the largest built in North America. The building is 1.6 kilometres long by one kilometre wide. It's a 16-million-square-foot building. I've never seen one in my life. I've been in Tesla's plant, which is 11 million square feet, which they claim is the biggest building in the United States. So at 16 million square feet—this is happening in Ontario, right under our noses. These are the kinds of things that should be celebrated.

Do you know how many companies are looking to come here so they can be the proponent of the components that they need, whether it's an anode or cathode or separator, copper foil, electrolyte, lithium hydroxide? Each one of them are companies that will be a billion-dollar plant in Ontario—and we've got at least one, two and sometimes three prospects for each of those components. They all want to be near Windsor or near St. Thomas or somewhere in southern Ontario and in northern Ontario for the lithium hydroxide, near where the future lithium mines are made.

0940

Look at my own community in North Bay. We don't have any mines in North Bay, but it is bustling because we have 66 mining and machining companies in North Bay. They are making exploration drill bits and exploration drill rods today, right this second, to explore for lithium in northwestern Ontario. The city is bubbling because of that. Companies like Minesteel, companies like Miller Technology, that make underground electric vehicles right in North Bay—they make them there today so that they don't need ventilation.

One of the mines in Sudbury is spending \$1.3 billion to reopen Onaping Falls—it's an old mine that was closed down because they were down two miles and you can't ventilate down there. But it's nickel-rich. They're spending \$1.3 billion to reopen that mine, because you don't need ventilation in the same sense when you have electric vehicles down there—no diesel vehicles, so there's less requirement for it. So they're going deep; they're going to go down miles now. That's the reality of what's happening in Ontario.

We wish we had support right around the table for all of those jobs that were created—instead of voting no every time.

**Mr. Rick Byers:** Great, great story.

How much time, Mr. Chair?

**The Chair (Mr. Ernie Hardeman):** Two and a half minutes.

**Mr. Rick Byers:** I'll pass it over to my colleague.

**The Chair (Mr. Ernie Hardeman):** MPP Anand.

**Mr. Deepak Anand:** Thank you again, Minister, for coming.

Minister, as you know, global growth is projected to slow down, and many countries are actually struggling. On

the other hand, when we talk about Ontario, Ontario is seen as the place where the world's innovation and investments are welcome, whether it is the government's investment in infrastructure of \$184 billion in the next 10 years—again, thanks to your efforts, along with your agents general—billions of dollars of investment, \$25 billion in EVs and \$3 billion in the life sciences. All these investments are helping to grow our Ontario. And then further to add to that is the organic growth of businesses like Sonora Foods in my riding, First Choice Beverage and Fastco nuts—these are the success stories we are seeing. We know that if anyone across the world is looking for a place to invest and come and live, Ontario is the place.

What I want to talk about is something on which especially our young Canadians look up to us—the global transition towards greener economies, with a significant composition of this transition consisting of the promotion and adoption of sustainable technologies. For Ontario's businesses to be able to globally compete as they invest in this transition themselves, they need to know that the government is on their side. We've done an incredible job.

What I want to know is how the government is supporting businesses as they are transitioning to prioritize sustainability and competitiveness in the green economy of the future.

**Hon. Victor Fedeli:** Well a great example is Dofasco—to be able to take them off of coal and produce green steel in Ontario. You buy an EV in the States and you're buying a car with steel made from coal power—

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

**Hon. Victor Fedeli:** You buy a car in Ontario in the future and you're buying 100% clean energy battery, 94% clean energy assembly and green steel. That's a true EV. That Hamilton change is like taking a million cars off the street, which is why Ontario already is very close to the 30% reduction by 2030; we'll likely be the only province to make it. Canada certainly will not make their 30% reduction by 2030, as they promised. Ontario is well on track to be there; we're in the mid-twenties—25% or wherever it is today. We are leading the country in that strive for net zero. We're building EVs that will be zero-emission. This is the goal. We are leading. That's why these companies are coming here.

**The Chair (Mr. Ernie Hardeman):** We'll now go to the opposition. MPP Fife.

**Ms. Catherine Fife:** I wasn't going to go down this road, and this may be unfair to you, Minister, but the financial budget officer just released their estimate of the Stellantis and Volkswagen deal, and the PBO estimates it will take 20 years for the Ontario provincial and federal governments to break even on the subsidies they gave to Stellantis, LGES and Volkswagen for EV battery plants. The original break-even estimate for the Volkswagen deal was five years. I hope your numbers bear out more so than the independent officer at the federal level.

You were talking about India and the value of India to the province of Ontario. You also referenced the 45,000 people who came into Ontario, mostly students, this year. India does look to Ontario's education system quite

favourably. However, I'm sure you saw the latest report that international students from India contribute now \$2 billion to the ministry responsible for post-secondary institutions, including colleges, and that's actually more than the actual ministry contributes. So international students have become a big part of the economy and certainly the funding of our colleges and universities. Many of those students—of course, you know I'm from Waterloo, so University of Waterloo, Wilfrid Laurier, Conestoga—are really finding challenges around housing. They're coming here—nine students in a two-bedroom house. One could argue that it's unfair, for sure, unethical, certainly. I think we can do better for those students from India and actually all international students.

Perhaps we can follow up on the PBO report so that we can get some clarity around those numbers, please. As you know, our critic down in Windsor was very supportive, of course.

You and I used to travel to the chamber of commerce business excellence awards and their economic summit—I think I even drove you a couple of times, as I recall, and you ate all my candy. In their latest report, Minister, from 2023, they reported that business confidence has dropped to a new low, with only 16% of organizations expressing confidence in the outlook of Ontario's economy in 2023. Obviously, we've talked about inflation. We've talked about labour shortages. But they've also pointed to some structural economic issues. Businesses pointed to a number of government policy-related reasons for their lack of confidence. So this is something that we can work towards; namely, the health care system, though, and those health care system vulnerabilities, including staffing shortages, are at the top of that list, with 46% of pessimistic businesses reporting this as a factor. And of course you know that emergency rooms in Ontario were closed 158 times this year, the equivalent of 184 days, and communities like Minden actually lost their emergency room altogether.

Beyond the positive impacts for our constituents to have a thriving health care system, there's obviously an economic benefit. I hope that we can agree on this. People are sometimes very much attracted to come to Ontario because of a strong health care system, but that system has taken some serious hits. The value to workers is better health care for them—they're healthier, they're more productive, they take fewer days off. So healthy workers produce more productivity.

So my question is, has your ministry done some analysis on the impact of a strong and sustainable health care system? Does your mandate letter specifically recognize this connection between a strong health care system and the economy? Does it call upon you to work with the Minister of Health to strengthen instead of weaken the health care system, and if so, can you please encourage the Minister of Health to understand this connection?

**Hon. Victor Fedeli:** I'd start with your discussion from the PBO, because—

**Ms. Catherine Fife:** Well, it just came out, so—

**Hon. Victor Fedeli:** Yes, I understand. The one thing that they do note is that these are production incentives. If

the IRA, the Inflation Reduction Act, in the US, goes away, these go away as well, so—

**Ms. Catherine Fife:** Yes, they're connected; I get that.

**Hon. Victor Fedeli:** Yes, they are absolutely connected, because—

**Ms. Catherine Fife:** As they should be.

**Hon. Victor Fedeli:** Well, I'm glad you agree with the fact that we have these incentives. It's encouraging to hear that. But they're not a blank cheque. It's—

**Ms. Catherine Fife:** But the cost to the people is the problem, Minister. That's the problem.

**Hon. Victor Fedeli:** It's not a cost to the people. You're not writing the cheque; you're forgoing the revenue. So if you don't—

**Ms. Catherine Fife:** Well, I'm going to give the PBO the benefit of the doubt, and as I said, I'm parking that question.

So my question to you, specifically—

**Hon. Victor Fedeli:** But I can't just leave it out there. I'm telling you that it's an incentive—

**Ms. Catherine Fife:** Well, we're likely going to disagree. You're going to disagree about this report, obviously.

But do you understand the connection between the health care and the economy, and does your mandate letter state it so?

**0950**

**Hon. Victor Fedeli:** I'll get to health care in a second—because we are building 50 hospitals, we've hired 8,000 doctors, we've hired 60,000 nurses. We have invested in the life sciences sector. We've seen Sanofi build—and we'll be opening it shortly—a \$1.5-billion plant to make Fluzone vaccine for seniors right here in Ontario; \$500 million from AstraZeneca—

**Ms. Catherine Fife:** My question to the minister was not to deal with—I asked him a specific question about his mandate letter.

We're going to see your mandate letter sometime this week, so you might as well just tell us what's in the mandate letter and if there is a connection. This is your opportunity to actually recognize and acknowledge the importance between the economy and the health care system. That's all I'm asking you, Minister.

**Hon. Victor Fedeli:** You've asked a lot of questions.

We've all heard our finance minister say we can't have a healthy economy without healthy people, which is why we built 50 hospitals, which is why we hired 8,000 doctors, which is why we hired 60,000 nurses, which is why we're building 30,000 long-term-care units—

**Ms. Catherine Fife:** Minister, you can't keep the emergency rooms open in Ontario, as it is. That's the fact. Minden does not have an emergency room anymore.

You're projecting these hospitals in the future, but right now the health care system in Ontario is fractured. There are significant labour shortages. This is impacting the economy. There's a direct connection to it. I just wanted you to acknowledge that the health care system has an impact on the economy, and you're refusing to do so. I don't understand.

**Hon. Victor Fedeli:** Well, you refused to vote in favour of all of the changes that we're making—

**Ms. Catherine Fife:** I refused to vote in favour of privatization of health care—any day, I will.

I feel, Chair—

**Hon. Victor Fedeli:** We're bringing nurses in. We have a Learn and Stay program.

**Ms. Catherine Fife:** Chair, the minister is refusing to answer the question. I'm just going to move on—

**Hon. Victor Fedeli:** We're funding nurses. We're—

**The Chair (Mr. Ernie Hardeman):** I would caution the minister that the time does belong to the member who's asking the question—

**Hon. Victor Fedeli:** Well, she has asked me a lot of questions. I haven't even got to the chamber or the—

**The Chair (Mr. Ernie Hardeman):** Mr. Minister, the Chair is speaking.

I would also ask the member to be cautious of—these are referring to the estimates of the minister, not the whole government.

With that, we'll go back to MPP Fife for questions.

**Ms. Catherine Fife:** Thank you, Chair. I'll start a new question set because I'm getting frustrated with that.

The Council of Canadian Innovators—and this will be connected through Ontario's skilled labour shortage—has asked this government to bring forward some policy and recommendations with regard to innovation. The minister referenced innovation in his previous comments. There are a lot of recommendations that are very low-hanging fruit that the ministry could adopt. For instance, improve access to talent for domestic innovators, which you and I have spoken about before; incentivize the development of corporate upskilling and reskilling; increase investments around integrated learning work programs—our critic on this issue, MPP Sattler, brought forward this legislation.

One of the recommendations from the Council of Canadian Innovators was to introduce an Ontario women's technology fund. This has been endorsed by OBIO and Communitech and accelerator centres all over Ontario. I want to know if this women's technology fund is even on the radar of your ministry, and if so, are there some timelines, when women entrepreneurs in Ontario may see some support from the government?

**Hon. Victor Fedeli:** Well, again, I'm sorry I couldn't answer the last five questions for you. I would have liked to have answered about the chamber and the 50,000 students we receive from India.

The Canadian Federation of Independent Business just declared that Ontario is a leader and other provinces should follow suit. That's, again, the kind of Ontario that we live in.

The Ontario Centre of Innovation just received \$50 million from our new critical technology—Vector Institute, \$27 million from the same fund. This is because we are leaders in innovation, and we want more development of innovation. We have set up agencies to help from R&D. We've always been very, very good at the research, but we've not seen the conversion of the development into final product. So we've put \$50 million into OCI. OVIN,

Ontario Vehicle Innovation Network, is a subset of OCI. Again, it's all about innovation, all about the program to support innovators—

**Ms. Catherine Fife:** Ontario women's technology, though—is there something specific for women?

**Hon. Victor Fedeli:** Well, we have AMIC, the advanced manufacturing, which is all meant for upskilling and reshoring, so there are a lot of programs that are available for everybody—

**Ms. Catherine Fife:** Thank you. I'm going to pass it on to my colleague MPP Kernaghan.

**The Chair (Mr. Ernie Hardeman):** MPP Kernaghan.

**Mr. Terence Kernaghan:** Minister, I think we can all agree that publicly funded and publicly delivered health care is a key economic driver and it makes Ontario a unique and desirable place to invest. However, we have seen under this government's rule that there has been a health care staffing crisis.

In fact, agency nurses and the usage of them has gone up by—I believe the Toronto Star reported some 550%. These temporary nurses are creating a morale crisis within our health care institutions. When someone is working alongside someone else—the temporary nurses are paid at a far greater rate. In addition, those agencies are siphoning money off of our precious health care system. It's also leading to a great level of attrition within our health care system, and it also impacts the level of care that people receive. But not only that, prior to this, we also had a wage-parity crisis within the different fields of health care—acute-care nurses being paid higher than those in long-term care and those long-term-care nurses being paid higher than those in home and community care.

My question for the minister is, does the minister have a plan for working with the Minister of Health in addressing these enormous gaps in wage parity?

**Hon. Victor Fedeli:** I can tell you that we've seen the hiring of 60,000 nurses since we were elected. I'm very, very pleased, even in my own community, to see a Learn and Stay program for nursing. Not only do you become a nurse at either Canadore College or Nipissing University or a paramedic from a place like CTS, but you have your tuition paid for, you have your books paid for. The last time I looked, 234 people were registered. It has been a couple of weeks since I've been home to ask them what they're at today, but that's a stunning new offering for young men and women to become nurses and paramedics. We've seen, last year alone, 12,000 hired. We have converted the programs so that if you're a nurse elsewhere, you can more readily and more easily become a nurse in Ontario. So I think we're very pleased with the fact—

**Mr. Terence Kernaghan:** I'm going to reclaim my time, Minister, because unfortunately, you're not addressing the wage parity crisis that we have between the different areas of health care.

Investing in health care has an economic benefit. Unfortunately, this government is really giving seniors short shrift when it comes to the lack of investments in home care. When seniors have to retrain a new PSW each time

they have an appointment, having to re-explain their care, that impacts the level of care they receive.

And quite frankly, Minister, you also did not address the importance of investing in publicly delivered as well as publicly funded health care.

A recent StatsCan report found that all items of year—not seasonally adjusted—are up 4%, shelter is up 5%, rent is up 6%, and food is up 8%. With this government, we see that there has been an ideological fight against protecting tenants and having things such as rent control.

Minister, what do you expect the impacts on our economy are when wages are largely stagnant and people in Ontario are grappling with an 8% increase in the price of food?

**1000**

**Hon. Victor Fedeli:** Well, you should have supported our fight against the carbon tax instead of voting against this. The carbon tax puts a tax on everybody, from farmers to families to businesses. We are the only party standing up to fight them. We took them all the way to the Supreme Court—fighting you and fighting the Liberals. That’s what we have—

**Mr. Terence Kernaghan:** Chair, I’d like to reclaim my time.

Minister, we’re also talking about the cost of living and rent control. Again, we’re getting on one of these ideological crusades—that you’re trying to change the channel.

Rent control being removed from all buildings first inhabited after November 2018 has resulted in your creation of an exploitative system whereby tenants are at the mercy of landlords. And yes, I know, Minister, you’re going to indicate that you’ve increased fines at the Landlord and Tenant Board, but we know that those fines are almost never levied. Again, it’s just a false flag, pretending that you’re standing up for tenants, when in actual point of fact you are not. The reinstatement of rent control would be one measure in which you could make sure that people maintain their housing and don’t fall into homelessness.

What recommendations does the minister have for a person who is working a full-time job in a competitive economy like Ontario but still cannot afford necessities like food and shelter?

You talk about all the people who are migrating to Ontario, but I wonder how many people will have to leave because they cannot find a suitable place to call home, because of the exploitative system whereby there is no rent control.

Does the minister truly think that Ontario’s job market is an attractive one if its workers cannot afford to live on their wages?

**Hon. Victor Fedeli:** Again, you paint a different picture than the reality of many in Ontario—when you’ve got 700,000 new jobs created in the province of Ontario, when you see 45,000 young men and women moving here last month alone, when you see 10,800 construction jobs created just last month. This is the reality of what’s being created in Ontario. Housing starts were the highest they’ve been in 30 years. That’s the reality of Ontario.

Again, I go back to the carbon tax. We wish you would have supported us on that. That would have saved on the

price of gas, the price of everything you wear, the price of everything you need to transport. That is one significant piece of inflation that you could have helped, and you opted not to.

**Mr. Terence Kernaghan:** Minister, in fairness, it was this government’s decisions that resulted in the federal government levying a tax upon Ontarians.

Minister, on the side of the official opposition, we hear from a lot of workers and we hear from a lot of tradespeople who can’t afford to live in the very house that they have helped to build. At this time of a labour shortage, when Ontario lost 9,000 jobs last month, Ontario is facing a mass exodus of young people. They can’t afford to live in the province. The only solution is for Ontario to fix its housing affordability problem.

We hear this number again and again—the 1.5 million homes that this government wants to see on the greenbelt.

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

**Mr. Terence Kernaghan:** In budget 2023, this government believes there will be about 80,000 new housing starts. This figure would need to be nearly doubled for this government to reach its goal.

Will this government consider housing part of its economic development objectives?

**Hon. Victor Fedeli:** Again, 45,000 young people came to Ontario in August. That’s from StatsCan. That’s very different than the picture you paint.

And 85,000 new businesses registered here in Ontario last year. That’s very different than the picture you paint.

The Canadian Federation of Independent Business just said that Ontario is a leader and other provinces should follow suit. That’s very different than the picture you paint.

Ontario houses are at a 30-year high—new construction is at a 30-year high. That’s very different than the picture you paint.

**The Chair (Mr. Ernie Hardeman):** That concludes the time.

The time is expired for the committee’s consideration of the estimates of the Ministry of Economic Development, Job Creation and Trade. Standing order 69 requires that the Chair put, without further amendment or debate, every question necessary to dispose of the estimates.

**Ms. Catherine Fife:** Chair?

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

**Ms. Catherine Fife:** The independent members don’t get their time?

**The Chair (Mr. Ernie Hardeman):** There’s no time left.

**Ms. Catherine Fife:** I thought this went to 10:15.

**The Chair (Mr. Ernie Hardeman):** No, there’s no time left. The time has been concluded.

No further debate? Are the members ready to vote?

Shall vote 901, ministry administration program, carry? All those in favour? Opposed? The motion is carried.

Shall vote 902, economic development, job creation and trade program, carry? All those in favour? Opposed? The motion is carried.

Shall the 2023-24 estimates of the Ministry of Economic Development, Job Creation and Trade carry? All those in favour? All those opposed? The motion is carried.

Shall the Chair report the 2023-24 estimates of the Ministry of Economic Development, Job Creation and Trade to the House? All those in favour? All those opposed? The motion is carried.

That concluding the time, I just want to take a moment to thank the minister for being here and answering the questions. Having your time split in two makes it a little bit more difficult. We thank you for going through that.

With that, the time being—

*Interjection.*

**The Chair (Mr. Ernie Hardeman):** —10:15, we will now recess till 3 p.m.

*The committee recessed from 1007 to 1500.*

#### MINISTRY OF LABOUR, IMMIGRATION, TRAINING AND SKILLS DEVELOPMENT

**The Chair (Mr. Ernie Hardeman):** Good afternoon, everyone. We'll call the Standing Committee on Finance and Economic Affairs to order. The committee will now begin consideration of the estimates of the Ministry of Labour, Immigration, Training and Skills Development for a total of two hours.

Are there any questions before we start? If not, I'm now required to call vote 1601, which sets the review process in motion. We will begin with a statement of not more than 20 minutes from the Minister of Labour, Immigration, Training and Skills Development.

With that, Minister McNaughton, we thank you very much for being here. The floor is yours.

**Hon. Monte McNaughton:** Good afternoon, Chair and members of the Standing Committee on Finance and Economic Affairs. It's great to be here with all of you today to talk about how our ministry is helping workers prepare for and find good jobs, making workplaces safer, and making it better and more attractive to work in our province. Everything we're doing is possible only because of the support and hard work of many people—the leadership of Premier Ford, the support of my cabinet and caucus colleagues and, particularly, of my parliamentary assistants who are here today.

I also want to thank my staff in the minister's office—the hard work of my entire ministry, including those here with me today and, of course, Deputy Minister Greg Meredith and his amazing team. We work so well together. We truly have amazing public servants. So thank you all.

I also want to thank my senior manager of issues, legislative affairs and operations, Ryan Whealy, who got us to this committee here today. Thanks, Ryan.

As we all know, Ontario is facing a historic labour shortage, with 300,000 jobs going unfilled every single day, costing the economy billions in lost productivity. The inability to fill these jobs holds back businesses from growing and spreading prosperity. At the same time, many people struggle to find good full-time jobs. Every job that goes unfilled means another paycheque that is uncollected,

another lost opportunity for a worker and their family to build a better life.

Today, I want to talk about how our ministry is addressing these challenges, how we are leading Canada and North America in finding ways to support and protect workers, keeping and attracting top talent to our province, helping people get training and good jobs, and keeping workers safe. I'm glad to say that our work, thanks to the leadership of Premier Ford and the support of the Ontario Legislature, is making a difference. In particular, our Working for Workers bills are already helping millions of people across Ontario.

In 2021, the Legislature passed our first Working for Workers Act that ensures our labour laws keep pace with new technology, automation and changes in how and where we work. It addressed changes in our economy and society that had been under way for some time but whose pace of change has dramatically accelerated. We needed to act, or workers would be left behind.

We protected personal and family time by requiring larger employers to have a written policy on disconnecting from work, to help workers focus on themselves and their families at the end of their shift. We're all more than our jobs—we're parents, husbands or wives, brothers or sisters. We have hobbies, passions or volunteer our time in our own community, and that time needs to be protected.

We also gave workers more control over their careers by banning non-compete agreements, a measure that also helps new and growing companies find the skilled workers they need and helps workers earn more. We streamlined the process for internationally trained newcomers to work in their regulated professions, helping them settle here in their new home, and helping address the labour shortage we face.

We also gave delivery workers the basic human dignity of access to a restroom at businesses they're serving.

To protect vulnerable workers, we're establishing mandatory licensing of recruiters and temporary help agencies. This licensing system comes into effect in January and will ensure law-abiding businesses know that they're working with legitimate temporary help agencies and recruiters; that those who operate without licences face the harshest fines in Canada; and that workers are protected from abuse and exploitation.

In 2022, we built on our first Working for Workers bill by passing the Working for Workers Act, 2022.

People deserve to know if, how and why their employers are monitoring them through their devices. Our legislation protects the right to privacy by requiring large employers to disclose how they're monitoring their workers electronically.

Additionally, to protect workers, we mandated that at-risk workplaces have life-saving naloxone kits on site and workers trained in how to use them. And our ministry launched a temporary program to provide free training for up to two workers and one free nasal spray naloxone kit per workplace.

To keep workers safe and to hold bad actors accountable, we again increased Ontario's occupational health and safety fines to be the highest in Canada for businesses.

We cut more red tape to make it easier for skilled professionals in regulated professions from across Canada to get the certifications they need to work in Ontario faster.

We also established foundational rights for digital platform workers who provide ride share, delivery or courier services. Once enforced, digital platform workers will be guaranteed a general minimum wage, protection of their tips, and the right to resolve their disputes in Ontario.

But we didn't stop there. In March, we introduced our Working for Workers Act, 2023.

Ontario continues to lead Canada and even North America in supporting workers.

To help employers find the workers they need and to further streamline international credential recognition, we're building upon our previous measures to help internationally trained workers become registered in regulated professions faster. We banned Canadian experience requirements, and we're ensuring alternatives do not create new barriers.

For our brave military reservists who put their careers on hold to join military missions at home and abroad, we are expanding the reasons to take leave to include time off to recover from a physical or mental health illness or other injuries resulting from a military operation or activity.

We're also reducing the length of time members of the Armed Forces need to be employed before going on reservist leave—only two months, down from three—and we're ensuring there is no length-of-employment requirement at all if the leave is for assisting during a domestic emergency. Given the wildfires we've witnessed this summer across the country, this measure is even more important now.

I'd like to pause to thank everyone who has been involved in helping their fellow Canadians with the threats of forest fires, floods and other disasters, including firefighters, other first responders and members of the Canadian Armed Forces. Through hard work, dedication and skill, you are saving lives, homes and entire communities.

By proposing an increase in the maximum fine for corporations convicted of an offence under the Occupational Health and Safety Act to \$2 million, we are reinforcing the importance of putting worker safety first. This change would give us the highest maximum corporate fine under workplace health and safety legislation in the country.

We're also proposing the highest maximum fines in Canada for employers and recruiters who are convicted of taking or retaining a foreign national's passport or work permit. There's no excuse for ever doing that. It has to stop, and we're going to ensure that it does.

We're making work more attractive and enhancing transparency by requiring employers to provide basic information about pay, work location and hours of work to workers when they start a new job.

We're also making sure employees who solely work remotely are counted for mass termination provisions, and ensuring that they would receive the same pay in lieu of notice of termination as their in-office colleagues. This would mean giving thousands of remote workers a little

more time to find the next step in their career—something that can make a huge difference to them and their family.

We've also stepped up protections for the construction workers who build our province. In the next decade, we're going to need more than 100,000 new workers in Ontario's construction industry alone due to retirements and job growth. We need to get these boots on the ground as quickly as possible to deliver the essential infrastructure projects Ontario businesses and families require and deserve.

Yet the conditions our construction workers face can be tough. That's why we're now requiring that washrooms on construction sites be properly enclosed, equipped with adequate lighting, and where running water is not accessible, hand cleanser and sanitizer must be provided.

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We're also requiring women-specific washrooms on large construction sites and limiting how far away they can be. This is a key safety consideration, and it's a crucial step in making the trades more accessible for women.

We're also ensuring that properly fitting personal protective equipment and clothing be available to more workers, making construction work safer and more appealing.

Women belong on our job sites, and they should see themselves reflected in the equipment and clothing made available to them.

As a father, I want my daughter to know her future is unlimited; every occupation is open to her.

We've also stepped up to help Ontario's firefighters. We made it easier for firefighters, fire investigators and their families to get access to the Workplace Safety and Insurance Board supports they need and deserve. For example, we expanded presumptive occupational cancer coverage to include thyroid and pancreatic cancers for all firefighters—full-time, part-time, volunteer, First Nations and fire investigators—and we made it retroactive to January 1, 1960. We owe it to them and their families to ensure they have easier access to compensation for work-related illnesses. Firefighters die of cancer at a rate up to four times higher than those in the general population—including 25 to 30 firefighters every year in Ontario.

As I mentioned, our third Working for Workers Act is still under consideration by the Legislature. I urge all members to support our bill and all the important measures I've just outlined.

Our government has continued to support workers by raising the minimum wage from \$15 per hour to \$15.50 per hour, in October 2022. We also announced a further increase to \$16.55 an hour, which comes into effect on October 1, 2023. This will make Ontario's minimum wage among the highest of any province in the country, helping the workers who need it most and their families by enabling them to earn bigger paycheques, to make ends meet and create a stronger economy for everyone.

To make workplaces safer, we brought in new regulations under the Occupational Health and Safety Act to better protect workers' health and safety in the mining industry. Almost half of these workers work underground in conditions that must be continually monitored to ensure

they return home safe to their loved ones. These significant changes, which have just come into force, include improving ventilation and diesel equipment requirements, lowering allowable exposure limits to elemental carbon found in diesel exhaust to the most protective levels in North America, and allowing the use of electronic devices to evaluate hazards. These changes will ensure that Ontario's mines are the safest in North America.

We are also exploring how we can expand benefits like drug, vision and dental coverage to all workers. Many workers in Ontario with full-time, permanent jobs have coverage through their employers; in contrast, fewer than a quarter of those who work part-time or in precarious jobs have similar benefits. That's why we created a portable benefits advisory panel, which has consulted with workers who currently don't have coverage, the insurance industry, labour advocates, employers, academics and think tanks, unions, health care professionals and benefit plan design experts. Their report and recommendations could help millions of workers and their families get coverage for vital health services. It would also provide peace of mind to workers who have coverage and would know that if they must change jobs, benefits will still be available to them.

Finally, I'd like to mention a few of the main ways we're helping workers find better jobs and earn bigger paycheques. As I mentioned, over the next decade, Ontario needs more than 100,000 new workers in construction alone. We need these positions to be filled to build the hospitals, schools, roads and subways families and businesses rely on every day, and to deliver on our government's ambitious plan to build at least 1.5 million more homes by 2031.

First, our government is streamlining the way employment services are delivered to better match job seekers with jobs. For far too long, we've had a fragmented system that failed the people who need it most. We need to make it easier for people to get the support they need to get back to work. Under our new system, when an Ontario Works or ODSP recipient seeks assistance for finding a job, they will not get lost in a sea of red tape. Instead, they're immediately connected with a career specialist offering tailored solutions to meet their needs and abilities. We've implemented the new system in seven regions across the province, helping put more than 72,000 people on the path to finding meaningful employment; more than 34,000 have completed their employment services, and 75% of them are now employed and working 20 hours per week, or more, in their new job. Thousands of these people were on social assistance and are now living with a purpose-driven job. We're also now serving a larger number of people living with disabilities, youth with higher needs, francophones and Indigenous communities. As the new system continues to roll out across the province, we will work with our partners to deliver stronger, locally focused employment and social assistance services that help more people find and keep good jobs.

That brings me to our Skills Development Fund Training Stream, our government's flagship program to help people secure better jobs with bigger paycheques. Through

an open application process that allowed unions, businesses, employers, trainers, service providers, community organizations and others to submit innovative projects, we offered over \$700 million in the first three rounds of funding. In August, our government added another \$160 million for another round of funding that prioritizes projects helping people with prior involvement in the criminal justice system, those on social assistance, and others facing barriers to finding a job. The ministry has received an overwhelming response—596 projects across the province are helping more than half a million people take the next step in their careers.

Because we know that training is what turns potential into a paycheque, we're helping to build state-of-the-art training centres. In June, we launched a new capital stream of the Skills Development Fund. It will offer up to \$224 million to help applicants, including unions, Indigenous centres and industry associations, to upgrade and expand existing training centres or build new ones.

To empower the next generation of skilled trades professionals, we launched the Level Up! skilled trades career fairs in 2022. We've extended them for a second year and doubled the number of locations, giving students in grades 7 to 12 the chance to learn about the 144 skilled trades through interactive exhibitions and hands-on activities. In 2022-23, 12,800 students, parents, friends and teachers visited events in Thunder Bay, Sudbury, London, Mississauga and Ottawa, joined by thousands more online. In 2023-24, skilled trades career fairs will be taking place in twice as many cities—Hamilton, London, Mississauga, Oshawa, Windsor, Ottawa, Sault Ste. Marie, Sudbury, Thunder Bay and Dryden—for at least 25,000 participants.

In 2022, we launched Skilled Trades Ontario, a new crown agency to help break the stigma surrounding the trades, simplify the apprenticeship system, and encourage employer participation. Skilled Trades Ontario is now serving tradespeople and employers across the province, addressing our critical labour shortage in the trades by developing marketing and advertising campaigns, building partnerships between industry and training providers, updating training and certification standards to reflect industry needs and new technologies, and working with industry to match recruitment and training to employer needs. Our ministry is continuing to support the development of the Skilled Trades Ontario online portal to provide apprentices and tradespeople access to services from their homes or workplaces, whenever is most convenient to them. I'm proud to say our efforts are paying off. Apprenticeship registrations for 2022-23 are up by 24%, and by nearly 30% for women.

This is just a sample of the work our ministry has accomplished.

Again, I want to thank my colleagues, and colleagues from all parties in the Legislature—and of course, the dedication of everyone in our ministry. I'd like to again thank all of them, and in particular, my parliamentary assistants, the member for Mississauga—Malton and the member for Scarborough Centre—

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

**Hon. Monte McNaughton:**—for their support, advice and, most importantly, their hard work and dedication.

I'm proud to say we're helping people find good and meaningful jobs, making workplaces safer, and addressing the historic labour shortages. We are truly doing our part to make Ontario the best place in the world to live, work and raise a family.

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**The Chair (Mr. Ernie Hardeman):** Thank you very much for the presentation.

We will now begin questions and answers in a rotation of 20 minutes for the official opposition members of the committee, 10 minutes for the independent members of the committee as a group, and 20 minutes for the government members of the committee, for the remainder of the time allotted.

As always, please wait to be recognized by me before speaking. All questions and comments will need to go through the Chair. And I just want to point out that that has not always been happening, so I encourage that to happen.

As a reminder, the ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. If you please, you may, at the end of your appearance, verify the questions and issues being tracked with the research officer.

For the deputy ministers, assistant deputy ministers and ministry staff: When you are called upon to speak, please give your name and your title each time so that we may accurately record in Hansard who we have.

We will start with the official opposition. MPP Fife.

**Ms. Catherine Fife:** Minister, perhaps you could introduce the deputy minister who is with you.

**Hon. Monte McNaughton:** He's Deputy Minister Greg Meredith. I mentioned him at the very beginning, to thank him for all his work and his team's work.

**Ms. Catherine Fife:** Okay. Sorry.

And then, my mom let me know that the live stream was down. Is it still down?

*Interjection.*

**Ms. Catherine Fife:** You're working on it? All right. My mom is watching. She's got the popcorn out.

Thank you very much, Minister. I really appreciate your comments.

I also am thinking, of course, of the construction worker who was struck on the 401 around 3:30 this morning. It was a hit and run. The driver fled the scene. He has been reported as having life-altering injuries.

And so, with that, I want to talk to you about the estimates as a whole, but as they relate to worker safety.

We have introduced vulnerable road user legislation, I think, six times now, Minister, which would address higher safety rates for pedestrians, for cyclists, for road users, for road workers and first responders. Why is the Ministry of Labour so reluctant to embrace a piece of legislation that would actually keep people safe in Ontario?

**Hon. Monte McNaughton:** Thank you very much for that question—and a shout-out to your mom. Hopefully the live stream is working. I'm glad she's keeping tabs on all of us here at Queen's Park.

The health and safety of every worker is my top priority. It's our government's top priority. And I know it's the priority of every MPP, regardless of political stripe. Every worker deserves to come home safely after a hard day's work.

That's why, in the nearly five years that I've been the minister responsible for labour, we've brought in a number of measures. We've hired more health and safety inspectors—over a hundred now—to bring that total to the highest in provincial history. We—

**Ms. Catherine Fife:** You did mention that in your opening comments.

What I'm specifically asking for, though, is around road user legislation. Is it in your mandate letter? Are you prevented from embracing working cross-party with us on this issue? Will you consider bringing legislation to the floor that would keep workers—like this construction worker, this morning—safer on our roads as they're performing a vital public service?

**Hon. Monte McNaughton:** I can tell you that we'll continue bringing forward pro-worker policies to better improve health and safety. It's why, in our Working for Workers legislation, we've continued to increase fines for those companies that break the rules and that are lawbreakers. And I'll continue to ensure that we're improving health and safety in workplaces.

**Ms. Catherine Fife:** So I heard a maybe—because that's what I want to hear, because I think that this legislation actually would keep people safer.

This also leads to the conversation around inspections. You can have the strongest laws in the land to keep workers safe, but if you're not inspecting and not ensuring that those laws are being upheld, then it's just words on a paper.

Tracking down the level of violence that workers experience in Ontario is quite a challenge. The WSIB has their rates, and I'm sure you would like to speak to them, but there is an organization called Workers Health and Safety Centre—I'm sure you're familiar with them. They estimated the amount of worker deaths in 2022 was about 10 times higher than what the WSIB put through—this is from Andrew Mudge, who is the executive director there. That would put the estimated worker deaths in Ontario in 2022 closer to 2,500. I'll just highlight how they came to that so you can reference it. They arrived at this estimate by evaluating research from the Institute for Work and Health, the University of Washington, and a study conducted by the University of Ottawa. They all suggest that workplace injuries and occupational disease are significantly under-reported to the WSIB and WCBs. Occupational diseases and the effects of long-term exposure to hazardous chemicals are believed to make up a large bulk of the cases that are not reported because these illnesses have latency periods—for instance, exposure to exhaust or sun exposure. The number of work-related deaths is higher than is being reported by WSIB.

So I wanted you or the deputy minister to address the quality of the data that's coming into the ministry, please, but also to address what resources are being applied for the

identification and eradication of workplace illness threats. We did see 22 inspectors just this spring be put on paid leave, under the threat of wage theft, and not doing their job. Sometimes workers are exposed to illness and dangerous chemicals, and sometimes those workers are low-wage workers and they don't have that sense of responsibility from an employer—so if you can address the level of inspections that are or are not happening and the data that you're getting from the ministry and what confidence you have in that data.

**Hon. Monte McNaughton:** I can tell you, in 2022, we did about 70,000 field visits. Again, health and safety is my top priority. That's why we moved quickly to hire more than 100 new health and safety inspectors, so we can do more proactive and reactive inspections.

We doubled the phone line capacity at the health and safety action centre to ensure that when workers have a problem or identify an issue in a workplace, on a job site, they can call a ministry official and we can do an investigation.

And I do just want to highlight, around the occupational disease issue that you mentioned, I'm proud to have with me today Dr. Joel Moody, Ontario's Chief Prevention Officer, who is leading a lot of our ministry's work on this and is doing great work.

The two things I mentioned in my opening remarks—the first of its kind here in the province—toughening up health and safety standards in the mining sector to ensure that diesel exhaust particulate is being lowered. There's still more work to do, and we continue to work with the Steelworkers union on that. And then, secondly, I would say, around the firefighters, to ensure that we recognize that presumptive coverage when it comes to thyroid and pancreatic cancer and to make it retroactive to January 1, 1960—

**Ms. Catherine Fife:** Thank you for that. I just want to say, around the level of inspections, that 72,000—the Ministry of Labour has been described by those same inspectors who work there—anonously, of course, because they fear retribution. They feel that it's understaffed, underfunded, and it's experienced by several former and current safety inspectors that they're not supported within the ministry. So I wanted to bring that to your attention.

And because you've mentioned the mining, I'm going to turn it over, please, to my colleague MPP West.

**The Chair (Mr. Ernie Hardeman):** MPP West.

**MPP Jamie West:** Good morning, Minister. I was thinking this morning we should all wear new clothes, as our back-to-school tradition, growing up.

You mentioned safety. I have a question that came up there. My colleague said that it's speculated that the stats are 10 times higher—2,500. But let's say that they are the stats that are already reported. Typically, across Canada, there are about 1,000 worker deaths; 250—about a quarter—of them come out of Ontario every year. That has been flatlined. It goes up and down a little bit, but it has sort of flatlined overall.

Several times, Minister, you said that you have the highest maximum fines, which I don't doubt, but how

many of these fines have been issued? I worked in health and safety for nearly two decades, and I can only think of two times when the maximum fines were brought forward—that's anecdotally. So how many times were the maximum fines issued since they've been raised?

**Hon. Monte McNaughton:** As I mentioned, we have a third Working for Workers bill in front of the Legislature today. I think the highest maximum fines is a tool in the tool kit to improve health and safety, but it's also important to ensure that we have those inspectors on the ground to also bring forward changes; when we talk about the mining, to lower the diesel particulate matter in those mines; to ensure that we're helping those firefighters on the front lines; to ensure that—

**MPP Jamie West:** I know, but I was asking about the fines—

**Hon. Monte McNaughton:**—workers who come from Ontario—

**MPP Jamie West:** I'll ask you about the DPM, as well.

Maybe what I'll do is, I'll ask Deputy Minister Greg Meredith if he could provide the numbers—about how many of the maximum fines have been issued, say, over the last 10 years. If you could send that to me afterwards—unless you have it off the top of your head.

1530

**Mr. Greg Meredith:** Sorry; I don't have those numbers right at my fingertips, Chair, but if I could bring up my ADM of enforcement, she might have some data to relay to the member.

**The Chair (Mr. Ernie Hardeman):** Can we make sure we identify ourselves before we start to speak?

**Ms. Sandra Lawson:** I'm Sandra Lawson, ADM of the fair, safe and healthy workplaces division.

Thank you for the question.

When it comes to the question, "How many fines have we levied that are related to the increase in maximum penalties," the fines that are levied are determined by the courts. I can tell you that we put forward dozens and dozens of part III matters under the Provincial Offences Act every year to be litigated, and the vast majority of them are settled out of court.

I can also give you numbers today on the number of offences from last year under the Provincial Offences Act, under part I. Our inspectors issued 786 part I offences; 771 of those were tickets, 15 of them were part I summons.

In addition, another strong enforcement tool that they use is a stop-work order. They issued just under 7,000 stop-work orders.

**MPP Jamie West:** The minister continues to talk about these high maximum fines, and I feel like if people aren't getting them—if I speed every day or I run a red light every day and no one every penalizes me, then it's okay to speed and run red lights. It's very similar to the Kill a Worker, Go to Jail campaign that has been going on. I'm not implying that every worker who dies—there has been liability, at fault. But I would imagine that if every year 250 people were to die in a parking lot or in an airplane, that at some point somebody would be liable. And the number is very, very low. So if we really are working for

workers, we have to walk that talk and ensure that workers are being represented properly and that when there is that fault, that people are held accountable.

The minister also talked about diesel particulate matter. Just to set the stage for my colleagues: The MLRC is the Mining Legislative Review Committee—it's under section 21 of the Occupational Health and Safety Act, so it's required to be there. Their role is to advise the minister. They have representatives representing miners—their workers—and the company. A friend of mine, Mike Bond, was the chair for many years, back when Gritziotis was the Chief Prevention Officer. Anyway, he talked about lowering the diesel particulate matter. The minister is aware that the Steelworkers, who are representing the miners, and the miners, as well, who sit on MLRC have long advocated that the levels were set at 0.02 milligrams per cubic metre of air. I believe the minister is also aware that the prevailing scientific consensus is also that levels be set at 0.02 milligrams per cubic metre of air.

So knowing that mineworkers are calling for 0.02—in fact, if you go to mines, you'll see them wearing stickers on their hard hats saying “DPM 0.02”—and knowing that 0.02 is what experts were advocating for, Minister, what led to your decision to set the acceptable time-weighted limits of diesel particulate matter at 0.12? What kind of data was relied on to make this decision?

**Hon. Monte McNaughton:** Well, I will say it was one of my proudest times, as the Minister of Labour, to be up near Sudbury with the Steelworkers union, with miners, with employers to announce the changes to that requirement. As I've said publicly many times, we're continuing to work on this. We'll continue to work with the Steelworkers union.

And I'll continue, as Minister of Labour, to ensure that we're bringing forward pro-worker policies to improve health and safety for all workers in Ontario.

**MPP Jamie West:** Is there a goal now to further reduce it, and if so, what are the timelines to achieve that?

**Hon. Monte McNaughton:** We're certainly continuing to focus on this issue, as well as other health and safety issues across the province. As the stakeholders know, in particular the Steelworkers' union, we're continuing to work with them and meet with them on a regular basis.

**MPP Jamie West:** I'll make sure to share that with them. They'll be happy to hear that.

I want to go to something I found that was a little disconcerting. This goes back a little ways to the previous government, as well. It's about the lack of enforcement for wage-theft orders. I'm not going to talk about the previous—I'm going to set the stage with the previous one. I want to know what explains the lack of enforcement on wage-theft orders.

You talked about workers and how important it is for them to have good-paying jobs and go home with money in their pocket. We did an FOI on the ministry's data, and it showed that there were 18,000 employment standards investigations in 2014—that's the previous administration; however, in 2021, that dropped by 10,000 investigations, so there were only 8,000 in 2022. In that, though, it

was found that \$9 million in wages that was owed to Ontario workers was pocketed by the employers, and this \$9 million was never collected or enforced by the Ministry of Labour. We brought this forward to the ministry's attention prior to the break. What has been done to rectify this situation so these workers have \$9 million that was owing to them?

**Hon. Monte McNaughton:** We take this very seriously. I've seen the same reports. We have recouped millions of dollars in lost wages. The labour laws in the province are crystal clear, and we're going to continue to beef up enforcement and make changes to ensure that workers get paid.

I'll turn it over to the deputy.

**Mr. Greg Meredith:** Thank you, Minister.

I'm not familiar with the \$9-million number, but I can tell you that during the pandemic, there may have been a lull in employment standards enforcement, just because there were less people at work.

Chair, the year that the member mentioned, 2021—there was \$19.6 million recovered; in 2021-22, the following year, \$20 million; and last year, \$21 million. So there is an effective enforcement for employment standards, wages owed, and we continue to enforce aggressively in the workplace.

**MPP Jamie West:** But I would argue, if you're leaving \$9 million on the table, that's a lot of money—that's nine houses, because of the cost of living going up. A lot of these workers who aren't getting their money—we're looking at low-paid workers in many cases. It's great to say the glass is half full, but I'm looking at the part that hasn't been in that glass, that these workers are waiting for.

I want to move on to Bill 124. I think everyone around the table here knows Bill 124 is a wage-restraint law that capped wages at 1%, and it has been a major issue. The minister would be well aware of this. You would all be aware of this. In 2018, the President of the Treasury Board said Bill 124 was intended to help shrink the province's budget—I would argue on the backs of workers—and he said that Bill 124 would demonstrate respect for taxpayer dollars. Then, in November, of course, the different unions challenged this—

**Mr. Stephen Crawford:** Chair?

**The Chair (Mr. Ernie Hardeman):** Point of order?

**Mr. Stephen Crawford:** Point of order: The purpose of today is to discuss estimates. I'm not sure if Bill 124 is relevant to that discussion, so I would ask the Chair to make comment on that.

**The Chair (Mr. Ernie Hardeman):** That's not a point of order.

Carry on.

**MPP Jamie West:** I'll bring it to estimates, for sure; I'm just setting the stage for what's happening.

This was challenged, of course, in the Ontario Superior Court of Justice, and Justice Markus Koehnen ruled that Bill 124 breached the charter and was therefore void.

Instead of repealing an unconstitutional law, the Conservative government has decided to appeal the decision.

I want to bring forward a couple of voices. OPSEU, representing wildfire firefighters, has said, “Ontario is 50 fire crews short because the Conservative government cut 67% of funding for wildlife management programs, and the wage-suppressing Bill 124 has negatively impacted many government departments. I’m well aware of the high turnover that does persist in Ontario’s aviation, forest fire and emergency services because of low pay and precarious work, which has made the crisis even worse. Ultimately, this means there are not enough experienced fire rangers to lead crews.”

Just around the corner from us here, USW Local 1998’s staff-appointed unit at the University of Toronto sent a strong message to the university, voting 95.4% in favour of going on strike, if necessary. Members voted to give their elected negotiating committee the right to call for job action, up to and including a strike. And the university is arguing that Bill 124 doesn’t allow them to increase pay beyond 1%.

ONA members are leaving their jobs because vacancies were not being filled, creating unmanageable workloads, leading to burnout and exhaustion driving employees from the workplace.

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Arbitrator Kaplan’s award—they were awarded. There was a challenge, and they won raises on top of the 3.5% this year and next year. So they’re being challenged. He talked about how high inflation is being taken into account when he makes his arbitration decisions.

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

**MPP Jamie West:** I’ll have to get back to this, but what I want to get to here is, when you look at what’s happening with ONA, for example—and the cost right now is going to be \$900 million. If they win the appeal, they’re forecasting an additional cost of \$2.7 billion. If you tie in what it costs in court cases and appeals, do you believe that this is demonstrating respect for taxpayer dollars?

**Hon. Monte McNaughton:** Certainly, my track record speaks for itself. I’ve taken the approach that government, labour and business need to work together. As you will know, my role as the Minister of Labour, Immigration, Training and Skills Development is to be a neutral overseer of the labour relations system. I always encourage dialogue, for all parties to get around the table, whether that’s in the private sector or public sector, to come to a deal that’s in the best interests of both parties.

**The Chair (Mr. Ernie Hardeman):** We’ll now go to the independent. MPP Bowman.

**Ms. Stephanie Bowman:** My question today is about the millions of dollars in services in the estimates for your ministry; if I’ve counted correctly, it’s certainly in excess of \$50 million. While that’s not \$8.3 billion, it’s still a lot of money. How can the minister assure the people of Ontario that the process for picking the vendors that provide those services has not or will not involve them being hand-picked or involve envelopes being handed from senior staff to vendors?

**Hon. Monte McNaughton:** Well, I can tell you that we’re investing record amounts in health and safety, in training for workers.

I talked about the Skills Development Fund and how we’ve now funded almost 600 projects. There’s a process for applicants across the province to apply. We’re continuing—

**Ms. Stephanie Bowman:** Sorry; is that in the “services” estimate line? I’m not sure that’s—

**Hon. Monte McNaughton:** I’ll pass that over to the deputy.

**Mr. Greg Meredith:** I’d have to unpack what’s in that exact number. But I can tell you that the minister is quite right that the Skills Development Fund, for example, is rigorously evaluated by public servants in a very non-partisan, professional way. There are teams of people who have pre-evaluation frameworks that they apply in a very objective way, and each one of those projects ends up being fairly rigorously evaluated. I would say the same thing applies to all of our competitive processes across the ministry.

**Ms. Stephanie Bowman:** So what kind of services would be in those line items called “services,” just in general?

**Mr. Greg Meredith:** If I could ask my CAO to approach—again, I can’t answer what’s in the exact lines.

**Ms. Stephanie Bowman:** I was thinking those would be consultants, lawyers, things like that, vendors—

**Mr. Greg Meredith:** They could be consultants. They could be vendors of record in almost every case; probably a large number of IT, information technology, services as well.

**Ms. Patricia Perez:** I’m Patricia Perez. I’m the chief administrative officer for the ministry.

What the deputy has stated is correct. Our “services” line does pay for third-party vendors that we bring into the ministry for a variety of services, including IT.

What I will say is that when we do procure outside services, we follow stringent competitive procurement processes and we abide by the procurement directive that tells us how to go about—

**Ms. Stephanie Bowman:** Thank you. Is that information public information—in terms of who those vendors are? Can we see the numbers that go into—

**Ms. Patricia Perez:** When the government tables public accounts—

**Ms. Stephanie Bowman:** Well, either vendors of record who are providing those services—that there has been a budget allocated for a specific kind of service here, there has been an estimate provided within each. For example, within “ministry administration,” there’s \$10.7 million in “services.” So I presume that’s either for a specific program or initiative—

**Ms. Patricia Perez:** In “ministry administration,” “services” are mainly for paying for legal services for the ministry, and that would be identified in further detail in the subitems in the estimates.

**Ms. Stephanie Bowman:** So are we able to see who the lawyers on record are who would provide those services?

**Ms. Patricia Perez:** In that case, it’s Ministry of the Attorney General lawyers. The way that government ministries pay for legal services is that we pay through

“services” to the Ministry of the Attorney General for lawyers they have on staff to support ministries.

**Ms. Stephanie Bowman:** So those are all, again, going through the procurement process—

**Ms. Patricia Perez:** Those are staff.

**Ms. Stephanie Bowman:** There’s no one hand-picked for those projects or services?

**Ms. Patricia Perez:** In that particular—for legal services—

**Ms. Stephanie Bowman:** Sorry, for legal, yes.

**Ms. Patricia Perez:** They’re not third-party vendors. They are staff who reside in the Ministry of the Attorney General, and ministries are required to pay for those services through our services—

**Ms. Stephanie Bowman:** So how can the public differentiate between services that are for—call it transfer costs, which is what it sounds like they are—versus money actually going out the door to vendors?

**Ms. Patricia Perez:** When government tables our public accounts, part of the information that’s tabled includes payments made to third-party vendors, and so there is a list of vendors that have received payment.

**Ms. Stephanie Bowman:** Do you know, Minister or your staff, the estimate in these numbers today for what would be going to outside vendors for services?

**Ms. Patricia Perez:** I don’t have that number readily available.

**Ms. Stephanie Bowman:** But you could get that for me?

**Ms. Patricia Perez:** Yes.

**Ms. Stephanie Bowman:** Thank you. I’ll turn it over.

**The Chair (Mr. Ernie Hardeman):** MPP Brady.

**Ms. Bobbi Ann Brady:** Thank you to the minister and Deputy Meredith.

Minister, do you have any data with respect to the number of investigations in Ontario involving temporary foreign workers?

**Hon. Monte McNaughton:** I can tell you that this has been a real focus for me as minister, because I want every worker, regardless of their passport status, to know that they’re protected under Ontario labour laws. That’s why, in one of our Working for Workers bills, we really increased the fines for those bad actors who withhold passports or other work documents.

I don’t have the number, off the top of my head, of exactly how many ongoing investigations, but clearly this is not only a problem here in Ontario but across Canada. That’s why I’ve made it very clear that we’re cracking down, and there has been a lot of great work happening out there and justice being served to those people who are breaking the law in Ontario.

**Ms. Bobbi Ann Brady:** I think you already answered my next question. Temporary foreign workers would be covered under the Employment Standards Act, just like any other worker in Ontario?

**Hon. Monte McNaughton:** Yes, temporary foreign workers—obviously, the program is administered through the federal government, but labour laws apply to all workers here in Ontario. And we’re continuing to really beef up

those penalties that anybody who mistreats these workers faces.

**Ms. Bobbi Ann Brady:** The reason I’m going on this line of questioning is just that there was a National Post article the other day that was titled “Canada’s Temporary Foreign Worker Programs Breeding Ground for Modern-Day ‘Slavery.’” It stemmed from a UN special report. To say that it makes me furious is an understatement, but my farmers and farmers across Ontario don’t appreciate this. I believe that the majority of farmers across this province are doing a good job with respect to treating their labour fairly and keeping them safe.

One of the things we need to remember—we recently made a comment to a constituent who was upset that she saw temporary foreign workers painting a residential fence. She thought this was an abuse of temporary foreign workers. But if they aren’t working, they don’t get paid.

You’re right; there are bad actors in any field. I’m just wondering if you can elaborate on what the fines are, through the program, for those bad actors and what happens with those bad actors.

**Hon. Monte McNaughton:** In our recent legislation, we dramatically increased those fines to those lawbreakers. I’m taking a zero tolerance approach.

But to your point, the overwhelming majority of employers, whether it’s in agriculture or other sectors of the economy, do a great job. They treat employees like family members. But there’s always, as you mentioned, those bad actors out there, and those are the ones we’re really focusing on, cleaning up those workplaces and those job sites.

One of the things that, as I mentioned, will take place starting in January is to have our temp help agency and recruiter licensing requirement in place. It’s the first here in Ontario, but it will certainly help clean up the system and better protect workers. It’s also good for employers, because they want to ensure that when they’re hiring workers through a temp help agency or using a recruitment service, they’re using one that essentially has been signed off on by the ministry and by the government. But there’s lots of work on this, and it’s needed.

1550

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

**Ms. Bobbi Ann Brady:** I would just end with how we can’t farm in Haldimand–Norfolk—we can’t farm in Ontario—without temporary foreign workers, and our farmers are the very people who know that very, very well. These farmers are also inspected continually by your ministry, and they grapple with an unimaginable amount of red tape. So I would say that the more we can prove that we are protecting every single worker in Ontario, the better it is for all of us and for our farmers and the farm workers.

**The Chair (Mr. Ernie Hardeman):** We’ll now go to the government. MPP Crawford.

**Mr. Stephen Crawford:** Thank you, Minister. It’s great to see you today.

My first question relates to the training of skilled workers in the province of Ontario. I know that recently Minister Lecce, the Premier and yourself announced some

pathways for secondary schools for skilled trades. You've supported organizations like Support Ontario Youth, which is focused on getting young people into the trades, and I recall that the government has been doing some advertising about getting under-represented groups in the skilled trades. This is all great, but what have you seen in terms of success or involvement from these particular government actions?

**Hon. Monte McNaughton:** I want to start out by recognizing you, MPP Crawford. You did a great announcement, through the Skills Development Fund—a training project with a local union, the operating engineers, who are doing a great job recruiting people into that trade.

I don't think anyone can deny there is momentum around the skilled trades in Ontario. I was actually with the board of Skills Ontario this morning, and I said that when I first got the responsibility, nearly five years ago—it's a world of difference today. When I'm talking to parents, to guidance counsellors, to young people, they're thinking about careers in the skilled trades, because they're meaningful, they're lucrative. In many cases, these jobs are now paying six figures, with a defined pension and benefits, and there's just endless opportunity. In construction alone, we need 100,000 more workers.

We've taken an "all hands on deck" approach. Under Minister Lecce's leadership and Premier Ford's leadership, we've introduced the skilled trades in grade 1. Through the Ontario Youth Apprenticeship Program, the OYAP program—we've expanded that program and hired more OYAP coordinators to go into schools, really with that mentality to meet head-on with university recruiters to talk about the pathways into the trades. We are doing consultation on what that looks like—to go from grade 10 into some of the skilled trades—and there is consultation to be launched very soon on that.

All of this is making a big difference, because in the last 12 months we've had 27,319 new apprenticeship registrations in Ontario, which is historic. That's a 24% increase year over year, and as I said in my opening, one thing I'm most proud of is that it's almost a 30% increase in female apprenticeship registration. So, certainly, encouraging young people to consider careers in the skilled trades is making a difference, working with our labour partners to recruit under-represented kids in the trades or under-represented people in the trades.

I think of a program that I launched nearly two years ago with the International Brotherhood of Electrical Workers in Sudbury. Through one Skills Development Fund, they're training 600 Indigenous people for unionized jobs as electricians, which is incredible.

These careers are life-changing. These stories keep me going every single day.

I remember meeting a young lady named Nattisha. She took a government pre-apprenticeship program through a group called Hammer Heads. I remember actually seeing it on Twitter—Hammer Heads put it out that Nattisha became a licensed ironworker. I found out her phone number and gave her a call to congratulate her, and I said to Nattisha, "What's the best thing about being in the

skilled trades and being an ironworker?" She said to me, "I grew up in a tough neighbourhood. I was on social assistance. For the first time in my life, my two daughters look up to me." To me, that's what a career in the skilled trades can do. By the way, she's making over \$100,000 a year, with a defined pension and benefits, and she's proud of what she does.

I could go on for hours just telling story after story about how careers in the skilled trades have changed lives.

**Mr. Stephen Crawford:** That's great to hear. These individual stories are what, I think, brings you and myself and all of us to public service—to see the benefits that we have.

And speaking of acknowledgements, I did want to mention: When I was with the operating engineers last week, they spoke so highly about this government's commitment to the skilled trades—and they wanted me to pass it on to you, so I pass that on to you right now.

A second question, in terms of attracting global talent: How has your ministry gone about bringing global talent—because we know that 500,000 people came to the province last year; the numbers continue to skyrocket as people immigrate to this province from around Canada and around the world. We want to make sure that they can access their background careers quicker. What has your ministry done to encourage people to be able to participate fully and quicker into the labour force in Ontario?

**Hon. Monte McNaughton:** It's interesting, because this has been that age-old complaint—where governments in the past, of all different stripes, have talked a big game about recognizing international credentials but just haven't done enough.

We were the first province in the country to recognize international credentials and eliminate the Canadian work experience requirement. This is a game-changer for these newcomers because they can come here, challenge their examination and requirements through the regulatory body and begin working much more quickly. And, of course, it still maintains and upholds the world-leading or global-leading standards that we have here in Ontario. I was joined a number of months ago by Professional Engineers Ontario, and they said that there are 7,000 job shortages in engineering, but this is going to fill those labour shortages in the province in engineering, because we eliminated the Canadian work experience requirement.

We've also done a couple of major things—with Better Jobs Ontario, we've opened up that program to newcomers. In the past, if you were an immigrant to Ontario, you couldn't qualify for certain training programs. Better Jobs Ontario really focuses on short-duration training, so all of the training is 12 months or under. It's up to \$28,000 per individual—you can pay, for example, living expenses out of that \$28,000 and child care expenses. We've really worked to reduce or eliminate all those barriers so newcomers can take advantage of the great training programs that we have here in the province. We're continuing to do a lot.

Lastly—I would say this is where I was going—we've also worked closely with the federal government to give

Ontario more control over immigration. By 2025, we're going to be able to select, as a minimum, 18,500 skilled immigrants to the province. We're focusing on skilled trades workers. A few weeks ago, we did a draw to attract 2,700 skilled workers to Ontario in the trades. We're also focusing on health care workers, IT workers—but really using immigration strategically to bring in the skilled workers we need to build our province and to give them a better life.

**Mr. Stephen Crawford:** I'll pass it over to MPP Anand.

**The Chair (Mr. Ernie Hardeman):** MPP Anand.

**Mr. Deepak Anand:** Before I start, I just want to acknowledge that I have one of my residents, Mr. Sridhar Rao, in the committee room. It's good that we were having a conversation and I happened to tell him that we were going to be having a committee on the ministry, so he wanted to come and see.

Mr. Rao, the streaming service is on now, so people can know that you're here—and I want to, in fact, say to other residents: Come and see the place of responsibility and how we work here. So, again, thank you for coming.

Minister, thank you for your strong leadership.

As Phil Jackson once said, "The strength of the team is each individual member. The strength of each member is the team." What I see here are the wonderful team members making our province proud of what our ministry is doing.

So thank you, everyone who's here.

1600

Lastly, before I ask the question, Minister, as you talked about your daughter—students have gone back to school, and I want to wish each and every student the best of success, especially the students in post-secondary who are starting their first year and chose a subject that they want to build their career in, including my daughter, who's taking nursing at the University of Windsor. So congratulations to all the students.

Talking about your daughter, my daughter, and women in the province of Ontario, Minister—we know that you repeatedly talked about how we need more women in the skilled trades, but is it just talk, or are we actually talking action with the investments we are making? I want to hear from you: What are the investments being made to help women enter the skilled trades?

**Hon. Monte McNaughton:** Thank you very much for that question, and thank you for your leadership as one of our parliamentary assistants. You've been a driving force of change within our ministry, so thank you for that.

I also want to pass along my congratulations to your daughter, especially for choosing a southwestern Ontario post-secondary institution. That's great for southwestern Ontario.

We've done a lot around recruiting women into the skilled trades—as I said, not just because I'm a father of a daughter; I want everyone to see themselves in the trades or whatever profession they choose.

We've invested a record amount in pre-apprenticeship programs across the province, working with colleges and

unions and other associations and training providers to give people a chance to try the different skilled trades.

Back to that story I told about Nattisha: That's how she actually got into the skilled trades—she did a 16-week pre-apprenticeship program where she got to try the different construction trades with the unions. I remember asking her, "Why did you choose to be an ironworker?" I'm afraid of heights, and I was curious why she chose it. She said, "I chose to be an ironworker because I wanted to face my fear of heights head-on." And the rest is history—so a really great story.

Another thing that we've really focused on is to ensure that job sites are safer and cleaner. I remember speaking in the Legislature and I felt like a lot of MPPs didn't realize the importance of this, but by having female-only washrooms on job sites, by doubling the number of washrooms on construction sites, by ensuring that there's hand sanitizer and cleanser if running water is not possible to be there—these things are very real to those people who work in the industry. I have to give a shout-out—I met two ironworker apprentices, both of whom started in a pre-apprenticeship program that our ministry funds, the Gladiator program. It was because I was at one of their training centres in Ottawa that they came up to me and, verbatim, they said, "We have to leave the job site on a daily basis to find a washroom at the local Tim Hortons." And then I started asking the question at union training centres and on job sites across the province, and it came up every single time—"We have to leave the job site. We can't find a washroom. We have to go to Tim Hortons." So we brought forward changes in legislation. I'm proud to say that on July 1, those new regulations came into force. It's things like this that really make a big difference.

We've had a 30% increase in female apprenticeship registration, which translates into 3,500 more female apprentices this year.

**Mr. Deepak Anand:** How much time do we have?

**The Chair (Mr. Ernie Hardeman):** You have seven minutes.

**Mr. Deepak Anand:** Thank you.

That's great, Minister.

Under your leadership, we have seen the expanding military reservist leave, so that they can serve our country. Whether it is about adding more, cleaner washrooms, providing safer and private washrooms on the construction sites, or fighting for more cancer coverage for firefighters, or talking about increasing fines for holding passports so that the foreign international labour can get the benefit that they need, or maybe talking about the right to disconnect, or making sure there's a temporary help agency registry in place—so all these things, when you're doing it at the same time, and we talk about Ontarians, through this government making historic investments—that's what we're talking about today, through the estimates into the Ministry of Labour, Immigration, Training and Skills Development. What would you like to say to the people of Ontario? How can they support—what are the other things they can do to strengthen your ministry?

The second thing I want to talk about is that, as we know, there is a need for more people in this province of

Ontario. There are over 380,000 jobs going unfilled. What is our government doing to support them to get a job?

**Hon. Monte McNaughton:** Well, certainly the reason we're doing everything is to better support workers across the province. You mentioned the right to disconnect. Banning the non-compete clause makes a big difference, so workers can go and get a job with a bigger paycheque. It's also good for employers—I think of the tech industry—that supported that change. Increasing fines for those holding passports to up to half a million dollars and 12 months in jail for those who are breaking those rules—everything that we're doing is about empowering workers, so they can really take the next step in their careers. That's primarily why we're doing it, but there is an economic benefit.

There's no doubt that over 300,000 jobs going unfilled is holding back our economy. I often reminisce about the election campaign last June. I saw more "help wanted" signs than I saw election signs, because almost every business has a "help wanted" sign in their window. So there are lost opportunities for workers, but also it's holding back our economic growth.

There have been a number of reports saying that the labour shortage is raising costs for families. It's increasing the price of products, and then it's also slowing down projects. I think of infrastructure. If we want to build projects on time and on budget, then we have to have the skilled workers to do that. Again, we're making a lot of headway on that by retraining and upskilling people. Through our Skills Development Fund, over half a million people now have participated, taking the next step in their careers.

One of the things that I'm really proud of, as well, is what we're doing around second chances. There are a million people in Ontario living with a criminal record; the overwhelming majority are for petty and non-violent crimes. But the deck is really stacked against these individuals, because 15 years after they've paid their penalty, whether it was prison or another penalty, half of them are on social assistance, and 41% of people who have a criminal record can't get a second interview. So we're doing a lot to literally train thousands and thousands of people who have a criminal record to pick up a career, whether it's in the skilled trades, health care, hospitality, tourism or IT—or banking, the most recent one that we funded through the Skills Development Fund. This is truly life-changing for those workers, but again, it's also good for the economy, because we're filling labour shortages and helping people earn more take-home pay, which is good for families.

**Mr. Deepak Anand:** I had the opportunity to criss-cross the province on the budget committee, and wherever we went, we heard loud and clear that the Skills Development Fund is doing a great job. I want to acknowledge this, and I want to say thank you to all the team members for supporting Ontarians. I wish you the best of success.

Chair, over to MPP Babikian.

**The Chair (Mr. Ernie Hardeman):** MPP Babikian.

**Mr. Aris Babikian:** Minister, we've seen in the last year thousands of Ukrainian refugees who sought shelter in Canada, escaping the illegal invasion and occupation of

Ukraine. I know many of them settled in Ontario. Can you update us on what your ministry did to help these refugees? And I have a follow-up question if the time allows; otherwise, I will leave it for the next round.

**Hon. Monte McNaughton:** Well, thank you for your leadership. I know you're a champion for newcomers in your riding and across the province.

Under the leadership of Premier Ford, we've been there for Ukrainian refugees fleeing Putin's war of aggression. We're going to continue to stand with them every single day to ensure that Ontario is a safe haven for them, and to ensure that they have an opportunity to build a better life here in our province. I was with Minister Surma and, of course, the Premier over a year ago now to announce about a \$300-million investment on behalf of the province to help Ukrainians coming here, whether that's ensuring that we have health care for them, schools for kids to attend, lots of job supports and job training through our ministry, and of course other services—social services and others—from across different ministries.

1610

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

**Hon. Monte McNaughton:** In our last round of the Skills Development Fund, we prioritized projects for employers and unions and others who are stepping up to train Ukrainian refugees for in-demand jobs.

I was in London to make an announcement a month or two ago, and I was joined by the folks from Youth Opportunities Unlimited. Steve Cordes is their executive director. They do a tremendous job in my area, helping newcomers and others find meaningful employment and well-paying jobs. There was a young lady there from Ukraine who came here on her own, still has family at home. It proves that the system is working. She was able to come to London. She got the contact at Youth Opportunities Unlimited. She's in a training program now and will be getting a well-paying job in the London area.

We're going to continue to support Ukraine.

**The Chair (Mr. Ernie Hardeman):** We'll now go to the official opposition. MPP Fife.

**Ms. Catherine Fife:** Since we're talking so much about women's bathrooms, I'm just going to say that obviously this is something that can be an accommodation for women, but it simply isn't enough, and I believe you and I have spoken about this before.

So I do want to know what you are doing to address the high rates of harassment and assault against women on construction sites in Ontario. You are calling on women to address the need for 100,000 new construction workers but providing no real safeguards for them. They will leave due to unsafe conditions, and you will be in the exact same situation as you were before, dealing with a labour shortage. You mustn't take my word for it, but Samara Sampson, who is a Red Seal sheet metal worker and co-founder of Women on Site, says that construction workplaces still feel unwelcoming. This is an organization which advocates for and supports both women and under-represented groups in construction trades.

There are reports, Minister, of unwanted comments, of unwanted touching, and not enough is being done to retain those who have chosen trades as a career. I agree with you 100% that careers in the trades can be a life-changing experience. You know I'm a proud mother of an electrician. But also, a carpenter working in Hamilton—"Swift says inappropriate comments, unwanted touching and harassment on job sites are well known to occur." And when I have met with the trades, they will admit there's a culture where women are not necessarily feeling comfortable or safe on some of these sites.

Also, there are the gender wage disparities that still persist, leading many women to work a second job even in the field. This is from the 2021 report by the Canadian Labour Market Information Council—they say women make, on average, less than half of what men make in skilled trades.

More family-friendly workplaces in the construction sector would go a long way.

So women are happy to hear about the recent changes, about female-only bathrooms on large construction sites, but they say that the culture in the industry has to change.

There is also the issue of enforcement. How many sites are compliant with having a female-only washroom on the site? How many enforcement orders have happened since the legislation passed? The data matters in these instances, because otherwise they're just words on paper.

I wanted to give you an opportunity to address the culture of construction and skilled trade workplaces and how they impact women, and what you have in store for them from an investment perspective.

**Hon. Monte McNaughton:** Well, I love the skilled trades. I think you realize that, and that's why we continue to bring forward stronger measures to support—

**Ms. Catherine Fife:** Is this on your radar, though? That's what I'm asking.

**Hon. Monte McNaughton:** I'll answer your question— all people in the trades, including women. I am proud that 3,500 more women have joined apprenticeships over the last 12 months.

The washroom change is something that I have heard a lot about, and I can tell you just by talking to people in the trades, and women specifically, that they're seeing and noticing the new regulations that came into effect on July 1. And we're continuing to send inspectors to job sites and all workplaces to ensure that health and safety rules are being followed.

The other issue—I'm going to answer your question—that we brought forward, and a big change because of listening to females in construction, is ensuring that PPE and uniforms fit properly, because that has been a long-standing issue in the construction industry. I'm glad there have been some advocates, females in construction, to champion that. That is also a big change in the industry.

Those 100 more health and safety inspectors, those targeted blitzes on construction, our partnership with unions—I think of the work that we've done with LIUNA and all of the other construction unions around some of these issues that you raise. Victoria Mancinelli—

**Ms. Catherine Fife:** Including the wage disparities?

**Hon. Monte McNaughton:** —has been a strong, strong voice for females in the trades.

Is there more work to do? Absolutely. Am I going to do more on this? Absolutely.

**Ms. Catherine Fife:** Well, then I want to put wage disparities on your radar, please.

You said in your opening comments, Minister, that you're acknowledging that there is a significant labour shortage in Ontario.

Ontario is facing a mass exodus of young adults who cannot afford to live in this province, and we can cite inflation and housing affordability as major factors.

The Smart Prosperity Institute said in an interview with the CBC, "Usually, in any given year, about 80,000 people across Canada move to Ontario and another 80,000 leave. In the last 12 months, we've attracted the same amount of people but we've actually lost an extra 50,000 or 130,000." The Smart Prosperity Institute stated that Ontario must fix its housing affordability problem.

The politics now around housing is obviously very complicated, but I do want to give you an opportunity to explain to the committee how opening up the greenbelt to land speculation is helping with the housing affordability crisis, when your own government—

**Mr. Aris Babikian:** Point of order, Chair.

**The Chair (Mr. Ernie Hardeman):** Point of order.

**Mr. Aris Babikian:** Chair, we are discussing the estimates of the ministry, not the greenbelt issue. So I think we should focus on the estimates aspect of the hearing today.

**The Chair (Mr. Ernie Hardeman):** I'll ask the member to make sure we get to the estimates.

**Ms. Catherine Fife:** The government members may like it or not, Chair, but the housing crisis is now very directly immersed with the greenbelt scandal, and I just want to give the minister an opportunity to address that. Housing and affordability of that housing is directly connected to either retaining workers or losing workers in Ontario, and we are seeing a disturbing trend which, quite honestly, should be alarming for all of us.

So, once again, how is opening up the greenbelt to land speculators helping with the housing affordability crisis when your own government's report says that it's not needed, because this land is also away from employment and away from transit? Do you see that connection, and would you comment on that?

**Hon. Monte McNaughton:** The province is growing; you're accurate there. We do have a housing crisis, and we have a plan to build more than 1.5 million homes by 2031. Everything that I've been doing—and our team, through our ministry—is to make Ontario the best place to live, work and raise a family. So introducing changes like the right to disconnect; banning the non-compete clauses, which is really supported by your community; ensuring that we have stronger health and safety measures; increasing the minimum wage; moving to bring in portable benefits so millions of workers who don't have health and dental benefits get those—

**Ms. Catherine Fife:** And housing. I want you to comment on housing, Minister.

**Hon. Monte McNaughton:** You have to give me a chance—

**Ms. Catherine Fife:** Well, no, I have one question about housing.

**Mr. Aris Babikian:** Point of order?

**Ms. Catherine Fife:** I can reclaim my time.

**The Chair (Mr. Ernie Hardeman):** Order.

**Ms. Catherine Fife:** Stop interrupting me. I can reclaim my time and I can ask a question of the minister. This is my time—

**The Chair (Mr. Ernie Hardeman):** Order.

**Mr. Aris Babikian:** I have the right to raise a point of order.

**Ms. Catherine Fife:** Minister, can you just address the affordability housing issue—

**The Chair (Mr. Ernie Hardeman):** We have a point of order.

**Mr. Aris Babikian:** Chair, the housing issue—there are other forums to discuss it. Today, we are gathered here specifically to address the estimates of the ministry. I'm sure our colleague on the opposite side has plenty of opportunities to raise this issue in—

**The Chair (Mr. Ernie Hardeman):** I would point out to the member, on the point of order, it is a point of order, and we ask the member to get to the estimates. But it's not the Chair or not the committee's job to decide how they get the information from the minister.

Going back to MPP Fife.

1620

**Ms. Catherine Fife:** Please go ahead.

**Hon. Monte McNaughton:** The province is growing. We agree on that. We have a housing crisis. We have, as I said, over 300,000 jobs going unfilled. It's leading to higher costs for the people of Ontario. That's why I'm focused on ensuring that we have those people to fill labour shortages—to upskill and retrain people for jobs that are going unfilled all across the different sectors of our economy. Specifically, around the skilled trades, we need to ensure that we have more than a hundred thousand new workers to build those homes and to build all the other infrastructure projects that the government is focusing on.

One thing that we've also been doing is really focusing on using immigration strategically—so through the Ontario Immigrant Nominee Program—to ensure that we're bringing in those skilled tradespeople to help us on this mission to build these homes that, you're right, the people of Ontario and those newcomers desperately need.

**Ms. Catherine Fife:** But those immigrants are not living up on the greenbelt.

I'm going to pass it over to my colleague.

**The Chair (Mr. Ernie Hardeman):** MPP West.

**MPP Jamie West:** You talked about IBEW in Sudbury, and it reminded me that I have a document I want to share with you. I just want to make sure I bring it up. I was talking to Kevin on Labour Day about conditions in rural and remote areas. They're there for 10 hours a day, for 14 days at a stretch. But I'll send you that as an email, just because of the amount of time that we have.

You often talk about good trade jobs. I think we're aligned on the need to bring good trade jobs forward. But

there is a dirty secret when it comes to trade jobs, and I want to bring that forward, because you just said you want Ontario to be the best place to live, work and raise a family. CUPE trades workers in schools make substantially less than contractors and trades workers in other fields, and this has been going on for much too long. I don't understand why they're paid so little.

In the estimates, have you done any estimates on why schools can afford to pay a contractor—so the contractor and the company supplying them to do the work at a higher rate, plus whatever they make as a profit—but they can't afford to increase their in-house staff salary to match the median paid for the contractor trade workers? This reminds me a lot of privatization in nursing agencies—where the hospitals' long-term-care staff can't afford to hire their own staff full-time, but they can afford to pay two, three, sometimes a lot more than that, for the private contractors. Why can't we get these CUPE trades workers to be at least the median rate?

**Hon. Monte McNaughton:** As you know, I work closely with unions across the province, with workers and employers. I always say, if you're represented by a union, then those negotiations have to take place at the table. And as the neutral overseer of labour relations in this province, I encourage employers and labour to get together at a table and get a deal that's in the best interest of all the people, all the parties.

**MPP Jamie West:** Several times today, you talked about the leadership of the Minister of Education and the leadership of the Premier, and this is a good way that you can help actually have these workers in a place where they can work and raise a family and attract people to these jobs. If you are a trades worker going into a school, you are not going to have a good wage, and you're probably going to exit that field.

We talked about unions, and so you know, I wouldn't have a conversation without raising anti-scab legislation. It's one of the reasons that I'm here as an MPP. I started on a picket line and came here. Today is day 504 of ACTRA's commercial workers being locked out. During the time, the Conservative government has continued to buy ads for union-busting ad agencies. Why are you supporting union busting?

**Hon. Monte McNaughton:** Well, I'm not.

Again, I encourage both parties to get to the table and get a deal that's in the best interest of both parties.

**MPP Jamie West:** You say you're not, but are you comfortable that the Conservative government is continuing to buy ads from ad agencies that are using the replacement workers? "Replacement worker" is the polite word for scab.

**Hon. Monte McNaughton:** I've always taken the approach that government, labour and business must work together. I'll continue to champion workers across this province and continue to work with labour, which I've done for the past five years.

**MPP Jamie West:** Would I be able to get an estimate of how much money the Conservative government has spent supporting these ad agencies that have been using union-busting replacement workers?

**Hon. Monte McNaughton:** Well, that's not through our ministry.

Again, I continue to advocate in all workplace disputes to get to the table and get a deal that's going to support workers and their families in the best interest of both parties.

**MPP Jamie West:** I just want to point out, Minister—I've spent a year on a picket line—after 504 days, those are hollow words to these workers. When you are on the sidelines—if you think you're sitting on the fence, I want to remind you that your backside faces somebody.

Let's go on to food banks. Feed Ontario has said that Ontario food banks have had a 47% increase in people with employment accessing food banks since 2018, and 2018 was when the Conservative government was elected. I know this started with the Liberals. There's a trickle effect; it's not like you guys are elected and everything is your fault suddenly. But you've had five years, half a decade, to address this.

Why does the number of working people accessing food banks continue to increase every year?

**Hon. Monte McNaughton:** Well, as I said, on October 1, the minimum wage will go up to \$16.55 per hour.

We will be moving forward with portable benefits, as well, to provide millions of workers in Ontario who don't have health and dental to have those benefits, to help a lot of precarious workers or those who work part-time.

Also, one of my main focuses and missions has been to help people get better jobs and bigger paycheques. That's why we're investing record amounts in retraining and upskilling and training workers for better jobs. We talk about the skilled trades—I talked about Nattisha. She was on social assistance. She told me her story. She's a single mom with two kids. She never had a vehicle. She tried a pre-apprenticeship program. She did her apprenticeship program and became a journeyperson, an ironworker, and belongs to the union, making over six figures, with a defined pension and benefits. That's the story that we can tell. And there are literally thousands and thousands of those lives that have been transformed because of our training programs that we've—

**MPP Jamie West:** I'm 100% aligned with you. I have a similar story: A member of the carpenters' union grew up living in a car with his mom and now owns a house. We all have those stories.

I'm talking about the 47% of people who are accessing food banks. It's nearly a 50% increase.

Locally, here, Daily Bread says that the proportion of food bank clients with full-time employment has doubled in the past year, to 33%. And I want to point out the children—this is near and dear to me; I grew up under the poverty line. According to Daily Bread, it used to be that one out of every seven people accessing food banks was a child, and now we see one in four—that's a quarter of our children.

How successful does the minister estimate that children will be in school when they don't have enough to eat? That relates to jobs in the future. We really need to tackle this.

And absolutely, Minister, I don't mean this in a personal way—this is a way we can really affect people's lives, and I know you're aligned on that.

**Hon. Monte McNaughton:** It's really sad when you see these stories and meet these individuals.

I, too, met one lady, in particular—I remember being at the painters' union to do an announcement in the GTA, and there was a lady who is now a third-level apprentice with the glaziers' union. She was recruited into a pre-apprenticeship program from a women's shelter. Again, she's on the pathway to a career with six figures, with a defined pension and benefits.

We have to do, and our ministry is doing, everything possible to help lift people up to ensure that they're getting more opportunities, to spread opportunity to every corner of this province.

That's why, through our Skills Development Fund, to partner with 600 different groups, to have that really localized, innovative training, to help people get into better careers and new careers is life-changing.

**MPP Jamie West:** I'm going to go on to OW and ODSP. These are people who definitely need food banks. It's a sad fact. Feed Ontario has reported that two out of three people who access food banks are social assistance recipients; 32.5% are on ODSP, Ontario Disability Support Program; and 26% are on Ontario Works as a primary source of income.

I'll read a quote from Daily Bread: "A single individual on Ontario Works receives a dismal \$733 a month to survive on—the exact same amount as in 2018. Despite inflation having risen by 16.68%, a single individual on disability is receiving \$1,229 per month," which is \$900 below the poverty line. I looked up the numbers; I think ODSP is actually at \$1,308. But it's not much more.

In my riding, a one-bedroom apartment is about \$1,000 a month. I looked it up in your riding, Minister—it's between \$1,200 and \$1,400, but \$1,000 is easier for math. If you have \$1,000 for rent and you only make \$733 on OW, that means you start off every month \$267 in the hole.

I want to know, in terms of estimates, have you ever estimated how many jobs could be filled if recipients of OW and ODSP actually had enough money to meet their basic needs, if they had enough money that they didn't have to find \$267 to pay their rent, they didn't have to worry about hydro, food, transportation, work clothes and all that stuff? Can you imagine the number of jobs we could fill when people could actually look for work and not look for survival?

1630

**Hon. Monte McNaughton:** This is exactly why we're transforming the Employment Ontario network. And 72,000 people are on the pathway to a job; thousands of those were either on OW or ODSP.

I met a gentleman in the Hamilton area who was on ODSP. He ended up getting training, working with our Employment Ontario network in the Hamilton-Niagara region, and is now in a job, as a manager of a big-box retail store.

These are the kind of life-changing opportunities that we can give people, and that's why, exactly, we've introduced the new Employment Ontario system in seven regions across the province—

**MPP Jamie West:** But that system has been failing, Minister. Your own data shows that.

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

**MPP Jamie West:** It's actually a weird system, because it provides more money to these private contractors to find people work than those people would get while on OW or ODSP.

So I want to ask, because I only have one minute—\$284 million has gone towards this program. Can you confirm that? How much money are we spending on the privatization program that used to be publicly available?

**Hon. Monte McNaughton:** The Employment Ontario system that we're transforming is a competitive process. I was just down in the city of Windsor, that region—that's public sector. We have colleges running one of our regions—with Fleming.

The stats are clearly showing that this system is working. When you think that 74,000 people are on the pathway to a job—all kinds of people, from OW and ODSP—that's a good thing—

**The Chair (Mr. Ernie Hardeman):** Thank you very much. We'll now go to the third party. MPP Bowman.

**Ms. Stephanie Bowman:** You mentioned the labour shortage, the thousands of unfilled jobs we have, the shortage of skilled workers. I know we all feel that pain. You talked about the impact that may be having on rising costs and inflation.

We know that the economy is on shaky ground. Some economists are saying we may already be in a recession; others are saying we're headed there.

And, yet, we've got the Employment Ontario system—the spending is going down by \$188 million, the estimates for this year from last year. The actual spending is going down \$341 million.

So I'm wondering if you could talk about why your government believes that this is the right time to decrease investing in Ontario workers, when we know that, again, we've got a shortage of skilled labourers and we need to be investing to make sure we have the workforce we need.

**Hon. Monte McNaughton:** We are investing more in workers than any government in this province ever has. I talk about the Skills Development Fund, where in the last round, we specifically wanted innovative training solutions to come forward, to help people on social assistance. There are 800,000 people on social assistance in this province. Governments in the past have forgotten about these people, and we're there to help them.

I can tell you story after story of people who were on OW and ODSP, whether it was through the Skills Development Fund or the transformation of Employment Ontario, who are getting the training—and getting the soft-skill training, as well—to get better jobs to support themselves and their families. The data is clearly showing that the new system is working, and we're going to have more success stories, especially watching the Skills Development Fund projects come to fruition.

**Ms. Stephanie Bowman:** Again, I appreciate the success stories, and those are really good to hear. We all, I think, have heard examples of that.

And yet, we still continue to see unfilled jobs, a shortage of skilled labour—and it has been a number of years now. So we are facing this crisis, and yet the government has decided to decrease spending on these kinds of programs that, as you're saying, might be shown to be effective to get people back in the workforce.

We've also got workers like the TVO workers; you're not at the table with them to get them a fair deal.

So on one hand, you're talking about investing in workers, and I appreciate that, but we've got a decrease in spending in the estimates—we've got a decrease in spending from last year. So I don't think that we've turned the situation around yet, and yet we've got a decrease in spending. We've got workers who are not getting the appropriate support they need for them to feed their families, who are working for this government. That's what I'm talking about.

**Hon. Monte McNaughton:** Yes, but the labour shortage is a global issue. It's right across the country—300,000 jobs are going unfilled today.

I think about the skilled trades, for example. One in three journeypersons is over the age of 55, so there's a looming crisis around the trades. We saw and identified that problem early on, and we are signing up literally tens of thousands of people for apprenticeships every year in the province. We're making headway there, but this isn't an overnight fix; it's going to take time and investment.

That's why we just launched the fourth round of the Skills Development Fund. It's why we launched a capital stream of the Skills Development Fund to build training centres across the province, so people can get trained in their own community for jobs that are going unfilled.

We're going to continue on this mission to train the workers, train those newcomers who are coming here, help those populations that have been neglected by former governments, to ensure that they get the training for these jobs—and to really participate in the economy and seek those opportunities—

**Ms. Stephanie Bowman:** It was this government that cancelled increases to the minimum wage that the former government put in. So I don't think we need to talk about the former government at the moment.

This government is planning to spend \$341 million less than they spent last year on the Employment Ontario system. In my opinion, that's a mistake.

I know, Chair, I have time remaining. I'll hand it to my colleague.

**The Chair (Mr. Ernie Hardeman):** MPP Brady.

**Ms. Bobbi Ann Brady:** I'm going to reiterate the same concerns as my colleague here. If you can find efficiencies, I support that. But it does look like there is less spending on the Employment Ontario program.

You say there are 74,000 people on the pathway to a job. What does "pathway" mean? Does that mean they have a job? Does that mean maybe they'll have a job?

**Hon. Monte McNaughton:** Yes, it's all of that. There are some who are on the pathway to a job, actually getting

the training as we speak. And there are many—I think the stat I used was 75%—who are working at least 20 hours per week or more, which is really great for those on OW and ODSP, to help them transition into the workforce.

One of the changes that I made with Employment Ontario is to make it an outcomes-based system. In the past, under former governments, people were basically counted as they go in to get help and not counted as they go out and get a job. We're now following these workers, a lot who are on social assistance or maybe others, on how long they actually stick in a job after they've gone through the training. So it has moved to an outcomes-based system, which is really important, and I'd argue it's value for taxpayer money as well.

**Ms. Bobbi Ann Brady:** Yes, outcomes are very important.

I am wondering, though, if you can explain to me how the new tendering process works, because I am under the understanding that certain regions of Ontario do this a little better than others. Can you explain to me some of the changes that have been made and how we are going to fix those inconsistencies?

**Hon. Monte McNaughton:** There are 15 regions across the province that have an Employment Ontario system in that region. We've put a number of them out for a competitive process run through the ministry, and there is a wide, I would say, array of winners in some of the different regions. I mentioned my last announcement was with the city of Windsor, in southwestern Ontario. I know Fleming College in the Kawartha Lakes area is the system service manager of that Employment Ontario network. I believe the city of London, in my area of London-Middlesex, is the system service provider. So there was a process, and there were competitive bids that took place, and it was all handled through the ministry.

**Ms. Bobbi Ann Brady:** Is there a requirement for these employment counsellors to actually have a networking relationship with local employers?

**Hon. Monte McNaughton:** I'll turn this one over to the deputy.

**Mr. Greg Meredith:** The minister has indicated that we work very closely with the counsellors who are involved in Ontario Works and the ODSP program, so there's that requirement. But they also have local labour market boards that have labour market information germane to their catchment area. They work with them, so they do have an established network that they work with, both employer and the feeder groups, on ODSP and OW.

**Ms. Bobbi Ann Brady:** My last point will be that I have an email from a young man from Ottawa who had a hard time getting the ear of his MPP, so he came to my office. He has been to Employment Ontario four times, including as recent as this spring, and he tells me that the service from office to office is very inconsistent. He has been told by several administrators that it isn't uncommon for people to register at more than one office, hoping for better service. That's a poor use of the resources. It's a poor use of taxpayer money. And this young man, who is a university graduate and has work-related experience, is still unemployed.

**1640**

My parting remarks would be that we have to fix those inconsistencies—and perhaps going out there and tendering for who is going to actually get the job. I think there is a real need to make sure that those people who are helping in having those relationships with employers in the community—they have to be better trained and serving the public better.

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

**Hon. Monte McNaughton:** That's exactly why we're changing the Employment Ontario network. The Ottawa region was just awarded a new system service manager, so that inconsistency, that issue exactly won't happen again. That's why we're reforming the Employment Ontario system.

**Ms. Bobbi Ann Brady:** I'll let that young man know.

**The Chair (Mr. Ernie Hardeman):** We'll now go to the government. MPP Babikian.

**Mr. Aris Babikian:** Minister, as we have seen, the skilled workers issue is very critical for Ontario, and you're doing an excellent job in trying to explore every avenue possible to recruit new people to different skills so that we can fill in those shortages. One of the means—and I know you have done an excellent job on it—is the accreditation of foreign workers. You have been negotiating successfully with so many different colleges and regulatory bodies in Ontario to ease up a little bit on the accreditation issue so that we can recruit more people. I personally know hundreds of people who have excellent credentials, but they cannot practise their trade, and they are working on an assembly line.

Can you update the committee on the work you're doing vis-à-vis the accreditation issue in Ontario and how successful you are and what the future prospects are for this topic?

**Hon. Monte McNaughton:** Yes, this is certainly a big one. We want to ensure that when newcomers come to Ontario—or newcomers who are here today—they are working in a profession that they've studied. We all know the story of engineers or architects who are driving Ubers or driving taxis. They should be working as engineers or architects, because that's what they want to do.

We were the first government in the country to move forward to eliminate the Canadian work experience requirement. By December, all of the regulatory bodies under the legislation that we oversee have to have eliminated the Canadian work experience requirement, which will be a game-changer for newcomers.

One of the biggest injustices I learned about when I became responsible for immigration in Ontario is that only 25% of immigrants who are actually here in the province are working in professions that they've studied. That's wrong. So everything we're doing is about lifting them up, ensuring they're living their dreams here in Ontario—that Ontario dream or Canadian dream—and working in a profession that they've studied. It will ensure that they are providing more for themselves and their families and contributing to their community and to our country.

**Mr. Aris Babikian:** Just to follow up on the immigration file: The PNP program is another way to recruit

skilled workers, and you have been successful in negotiating with the federal government to increase Ontario's quota when it comes to the PNP recruitment. Can you brief us on if there is any possibility that those numbers will increase or if there are any negotiations with our federal counterpart to explore other avenues to recruit internationally trained skilled workers, other than the PNP?

**Hon. Monte McNaughton:** For our province and for the provincial government, that's our avenue to recruit the skilled workers Ontario needs, through the Ontario Immigrant Nominee Program. I give kudos to our ministry team, who have done a lot of work on this over the last couple of years in particular.

You're right; we've negotiated a new deal. So by 2025, we'll be able to select 18,500 immigrants, at a minimum. We expect that number, actually, to be considerably higher, and we're focusing on skilled trades workers, health care workers, and several others—but that's going to be where the main focus is.

I give credit to the federal government. I worked closely with the former minister responsible for immigration and citizenship and refugees, Sean Fraser, to get this new deal. I think that speaks to their recognition that we have a challenge in Ontario when it comes to labour shortages.

**Mr. Aris Babikian:** I will pass my time to my colleague David Smith.

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

**Mr. David Smith:** First, I must commend the minister and his team for the great work that we've been doing, being a part of the Ministry of Labour, Immigration, Training and Skills Development—myself and my counterpart Deepak Anand. There are so many things that are going on, so many moving pieces happening, and I'm very pleased to say that I'm quite comfortable in the direction under the five-year tenure of you, the minister, and the team.

I'd like to start off by just making a correction. I'm from Scarborough, and the mention about the accident on the highway last evening—it's very important to understand that there are sufficient operations of safety on the highway. When we have idiots who want to break the rules and drive through barriers to get around, I'm not sure that is something we can control; however, as you know, safety first, safety last, and safety every time. This is not something that could have been avoided, because there are sufficient barriers. If any inspector had gone to that work site, they would have seen all the pieces in place—because if I, who is a part of that ministry, would have seen that, I would have made comments about it. When we have people who are irresponsible and do irresponsible things, it's hard to even consider that as a part of the conversation in this room.

Today, I want to thank the ministry, again, for removing stigma from the skilled trades. We've had that for many years, and our government has turned the table away from that type of behaviour and started introducing new policies and direction to have more workers coming forward.

I want to thank the John Howard Society. I want to thank Second Chance.

There are so many pieces that have been so positive to this ministry, and I'm proud to be a part of that.

I'd like to talk about mining. This morning, we had Minister Fedeli here, who spoke about the ventilation and the diesel. We can go deeper now into mines because of technology that has changed. And it's true—again, the Ministry of Labour, in their inspections, are making sure that workers are safe in the workplace. I'm also happy to report that.

We are going into our fourth round of the Skills Development Fund, and I know many persons are applying. Do you have a number that we can talk about? How many people are applying to the Skills Development Fund—and are we able to meet them?

The second part to that question: I know we are still in that quagmire, looking at 300,000 jobs that are still going unfilled, which, from a financial background, has a major impact on our economics. But are we seeing the numbers changing—because I know it had to be something. I know what we are doing is bringing more and more persons with skills, so that number is going down. And I know more people are coming into Canada, so as a result of that, the numbers look like it's not moving—but it is moving. Could you give us a sense as to what that looks like?

**1650**

**Hon. Monte McNaughton:** Absolutely. And thank you for your leadership as parliamentary assistant.

Definitely, we're moving in the right direction. There's still lots of work to do, and it is going to take more time. I remember, a couple of years ago, the Premier and I standing up and talking about this at press conferences. At one point, I think we hit 420,000 or 450,000 jobs going unfilled; today, it's around 300,000.

Around the Skills Development Fund, there's so much demand. My numbers may be slightly off, but I think I'm pretty close—in the last round, we announced that there's going to be \$130 million available, and I think we're close to \$2 billion in applications through that round. Certainly, there's a lot of demand out there.

You talked about a number of groups—the John Howard Society; Skills for Change, which is a good one. The other one I want to highlight, because I think this is something that we can all be proud of, is the government's partnership with Helmets to Hardhats. When military veterans come back to Ontario, they can enter a program called Helmets to Hardhats. It's a partnership with the building trade unions. I want to give a shout-out to Joe Maloney, who was formerly the international vice-president of the boilermakers union; he actually founded this program in North America. Today they've helped well over 3,000 military veterans pick up a career in the skilled trades; it could be any one of the construction trades. Again, they belong to a union, they have a defined pension and benefits, and they make well over six figures—so that's really good news and just yet another group that we've partnered with to spread opportunity to more people in Ontario.

**Mr. David Smith:** This is what I'm talking about. Sometimes, even when we have to cross over party lines

to talk about the great things that are happening—we must sometimes give praise to good work that is being done. And in this ministry, there's quite a bit of work going on.

We are talking about 60 recruiters in 800 schools to help young people explore careers in the trades.

We also have over 11,000 females who are getting into the skilled trades—almost 3,000 more than when we formed government.

We have OYAP, funded by \$6.5 million since 2018, and in 2023 we added another \$22 million in funding towards the operation, to get more persons in there.

Minister, could you explain to this committee what is the plan for OYAP? Where are we going with that, and are we seeing persons who are coming in larger numbers, wanting to be part of that? Because now that I find more and more young people are trying to get into the skilled trades—what is the direction? Are we going to be looking at more schools and so on and so forth to expand the program?

**Hon. Monte McNaughton:** The OYAP program is very successful, and we've invested heavily to expand that, to hire more coordinators to go into more schools, and we'll continue to make it a priority. Again, it's one tool that we're using. We know that a lot of kids make a decision in grade 7 and grade 8 on what pathway they want to go down. That's why we're working at getting the kids younger, to talk about the different pathways into the trades and other career opportunities for them.

One announcement that we just made, which is going to make a big difference, is our partnership with Skills Ontario. Currently, many MPPs may have seen the Trades and Tech Truck that they have going around to different schools. They've had one, I think, for the last couple of years. We've partnered with them to fund three additional trucks, so starting in 2024, there will be four trucks going around to different schools across the province to have kids come through and explore the different trades.

Everything that we've done, our entire plan, has been built around three pillars. One is ending the stigma around the skilled trades, to tell parents and educators and young people that these are meaningful, lucrative careers. The second is to simplify the apprenticeship system. That's why we wound down the Ontario College of Trades and we launched Skilled Trades Ontario, to really become a one-stop shop for apprentices, tradespeople and employers. For example, one of the things that Skilled Trades Ontario is doing is, they have electronic logbooks now, so not the paper logbooks. They're moving to digital logbooks, which is a big help. And then, lastly, we're ensuring that employers are bringing on apprentices, because we know employers have a major, major role to play in ensuring that we sign up apprentices, but also so those apprentices become journeypersons.

So we're going to continue on that mission. I know it's something that the Premier has made a top priority, and we'll continue to spread opportunities right across the province to get more people into the trades.

**Mr. David Smith:** My last piece that I'd like to speak about is that, as you know, Toronto seems to be the hub

for most new Canadians coming into Canada. They seem to like the area—even Mississauga or Scarborough.

What are we doing to bring more skilled trades into Scarborough? It's a big area, and there are a lot of people settling over there. You can name them—from the Ukrainians to the Afghanis and so on and so forth. I've been getting a barrage of calls in terms of the skilled trades in that part of town—so any highlights for us in that regard?

**Hon. Monte McNaughton:** Well, certainly, I know there are more partnerships that will be announced in Scarborough or in that area of the GTA—but really, right across the province.

One of the things I'm really excited about, again, is using immigration strategically. We know there are businesses in small towns in rural and northern Ontario that also need skilled immigrants to help build their communities and their businesses. Also, there's no doubt that it's a little cheaper outside of Toronto—so that will help build better lives and a quality of life to newcomers.

I know one the announcements we made in the Waterloo region was to attract over 100 entrepreneurs from outside of Canada and build business outside of the GTA.

So, again, it's all of these things that we're doing to fill labour shortages—but most importantly, to spread opportunity to everyone so they can have a better job and a bigger paycheck.

**The Chair (Mr. Ernie Hardeman):** MPP Byers.

**Mr. Rick Byers:** How much time have I got, Chair?

**The Chair (Mr. Ernie Hardeman):** You have 3.4.

**Mr. Rick Byers:** Minister, thank you very much for your presentation this afternoon and, more importantly, for all the great work that you've been talking about throughout, whether it's apprenticeship programs, skilled trades—so many important programs that you and your ministry have done. It's having a huge impact.

We've been talking a lot about the labour shortage, and I must say, this is one area, as I relate back to my financial past—if we were having a labour shortage in the past, it has typically been because there has been a huge period of strong economic growth and there just aren't workers around and the unemployment rate is really, really low. That clearly is not what we've been through with COVID, and so part of me is curious about what's unique about this situation. I don't know whether your ministry, around the data element of this—whether it's participation rates in the labour force or retirement triggers or whatever. Any sense of some of these factors which might have exacerbated what we're going through now, because we have not seen the strong economic—I'm just curious more than anything else.

**Hon. Monte McNaughton:** It's interesting; we're doing a lot of work around understanding the data, and we'll have more to say on that very soon.

When we think of the trades, it's an aging demographic—one in three journeypersons over the age of 55.

The pandemic certainly had an impact on the labour force. I always talk about my barber. I went to her for about 30 years, and I remember one summer she wasn't able to open up shop—one of the months during the

pandemic—and she ended up deciding that she wanted to retire, because she enjoyed a month or two off. So I think things like that happen. People were leaving certain sectors of the economy to find employment in other sectors of the economy, so a lot of that was changing.

One of the things I've been critical of in the past is that, really, governments haven't kept up with the changing labour markets or technologies. That's why we were the first in the country—maybe in North America—to appoint a panel to really look at these issues. That's why we brought forward the right to disconnect, banned non-compete clauses, and started our work on portable benefits and a number of other things.

That data is so important, and our ministry recognizes that, and we're doing a lot of work on that.

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

**Mr. Deepak Anand:** Minister, I quickly wanted to touch base and add to what you just talked about—the salons, the hairstylists getting retired.

Actually, my resident sent me a text; I just want to read it: “We're trying to help the Ukrainian refugees coming into the country”—some of them, for example, who want to be a hairstylist. One of the challenges they are facing is, when they are applying for the licensing, they need to prove the work from Ukraine, and it is very difficult for them to go back to the previous employer and get the document because the previous employer might not be there, or displaced. Getting those things is one challenge; the second is the licensing fees. When they flew, when they came, they didn't have enough money on hand, and sometimes they have to pick a choice, like they—

**The Chair (Mr. Ernie Hardeman):** That concludes your time.

We have one minute left, and that goes to the official opposition.

**Ms. Catherine Fife:** I want to start where we began, and that was around the inspections. We now have a growing body of evidence, Minister, that demonstrates that the inspections are not happening in real time. We are following the funding on this, because obviously, given the ups and downs with regard to the inspectors—the 22 inspectors who were let go last spring. This is something that we strongly believe: You can have good laws; you can have good intentions, even if sometimes we disagree on some of those; but you need to have the inspectors.

So I go back to the data. Are you able to share with us the data around workplace health and safety—

*Interjections.*

**Ms. Catherine Fife:** Excuse me—health and safety, and the prevention piece, which is so powerful—

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

**Ms. Catherine Fife:** I'll get back to you.

**The Chair (Mr. Ernie Hardeman):** The time has expired for the committee's consideration of the estimates of the Ministry of Labour, Immigration, Training and Skills Development.

Standing order 69 requires that the Chair put, without further amendment or debate, every question necessary to dispose of the estimates. Are the members ready to vote?

Shall vote 1601, ministry administration program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1602, pay equity commission, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1603, labour relations program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1604, occupational health and safety program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1605, employment rights and responsibility program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1607, Employment Ontario, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1608, global talent and settlement services, carry? All those in favour? All those opposed? The motion is carried.

Shall the 2023 estimates of the Ministry of Labour, Immigration, Training and Skills Development carry? All those in favour? All those opposed? The motion is carried.

Shall the Chair report the 2023-24 estimates of the Ministry of Labour, Immigration, Training and Skills Development? All those in favour? All those opposed? The motion is carried.

We thank the minister and the deputy very much for the presentation.

We now will recess for a few minutes, for what they call at Buckingham Palace the changing of the guard.

*The committee recessed from 1702 to 1712.*

#### TREASURY BOARD SECRETARIAT

#### SECRETARIAT DU CONSEIL DU TRÉSOR

**The Chair (Mr. Ernie Hardeman):** I call the Standing Committee on Finance and Economic Affairs back to order.

The committee will now begin consideration of the estimates of the Treasury Board Secretariat for a total of two hours.

Are there any questions before we start? Seeing none, now I'm required to call vote 3401, which sets the review process in motion.

We will begin with a statement of not more than 20 minutes from the President of the Treasury Board.

Welcome, Minister Mulroney. Thank you for being here. The floor is now yours to make your presentation.

**Hon. Caroline Mulroney:** Good afternoon, everyone. I'm so pleased to be here today with all of you. As President of the Treasury Board and minister responsible for emergency management in Ontario, it is my pleasure to speak to the committee today.

En tant que présidente du Conseil du Trésor et ministre responsable de la Gestion des situations d'urgence en Ontario, monsieur le Président, j'ai le plaisir de m'adresser au comité aujourd'hui.

Before I begin, I'd like to thank you, Chair, and the members of this committee for your commitment to ensuring that taxpayer dollars are treated with care and with consideration and that government spending receives the scrutiny it deserves. We welcome your review of our ministry's estimates, and we look forward to answering any questions that the committee might have about the work that we do at the Treasury Board Secretariat.

Tout d'abord, je voudrais donner un aperçu des nombreux domaines dans lesquels le ministère travaille.

At TBS, our priority is leading the government's efforts on accountability, risk management, openness and transparency. Like you, my mission is to make sure that each and every taxpayer dollar is treated with care and consideration. This philosophy is embedded in all parts of TBS's mandate and responsibilities. The work TBS does is ensuring that we deliver on the commitments we made to the people of Ontario.

Chair, as you know, Treasury Board Secretariat is now responsible for Emergency Management Ontario, EMO, the body that oversees the province's emergency management responsibilities; notably, planning, preparedness and response. EMO has not traditionally been a responsibility of TBS, and so this year's estimates reflect this new mandate that TBS has taken on.

Now, in taking on this new job, I want to make something clear to Ontarians and to this committee: There is nothing more important to me and to this government than the safety and well-being of our families, our communities and our loved ones.

Maintenant, en acceptant cette nouvelle tâche, je veux faire comprendre quelque chose aux Ontariens et aux Ontariennes, et aussi au comité : rien n'est plus important pour moi et pour notre gouvernement que la sécurité et le bien-être de nos familles, de nos communautés et de nos êtres chers.

I understand the responsibility of this position, and it's not one I take lightly. Ontarians across the province look to us to get this right.

Currently, EMO supports emergency preparedness and mitigation, and coordinates response and recovery with partners and stakeholders across the province to keep the more than 15 million people of Ontario safe, practised and prepared. As you might imagine, this is a 24/7, 365-days-a-year job.

Le Centre provincial des opérations d'urgence surveille constamment l'évolution des dangers et des risques partout en Ontario pour faire en sorte que les décideurs et les ressources provinciales puissent réagir le plus rapidement possible.

The stakes are incredibly high. That is why, in 2022, Emergency Management Ontario participated in 35 emergency exercises and drills to test emergency plans and procedures; this includes participating in Exercise Huron Endeavour in October 2022, which tested Ontario's nuclear emergency response plans. Of course, the 2023 numbers are not all in yet, but as you know, it too has been a very busy year.

To guide this important work, we developed and publicly released the Provincial Emergency Management

Strategy and Action Plan. This action plan represents the first made-in-Ontario approach to ensure that Ontarians are safe, practised and prepared before, during and after emergencies. I'm proud of all the work that went into this comprehensive plan—the first of its kind in Canada to require annual and public reporting on progress.

Since taking on EMO, TBS has strived to increase its capacity to help ministries, municipalities, First Nations and other organizations, as well as all Ontarians, be safe, practised and prepared for any emergencies.

In the 2023 budget, our government committed \$110 million over three years to support emergency preparedness and response. This is money well spent, as we know that the nature of our current environment demands that EMO expand its reach.

In 2022-23, we doubled EMO's regional field services staff to better support all regions in the province. The staff provide regular and ongoing emergency management support and guidance to communities.

Of course, this summer, we were reminded of the challenges of wildland fires across the province and the country. This drove home the necessity of coordination and response by EMO and its partners.

Gestion des situations d'urgence Ontario et le ministère des Richesses naturelles et des Forêts ont travaillé avec des partenaires de la gestion des situations d'urgence à tous les paliers de gouvernement pour soutenir l'évacuation des membres des communautés des Premières Nations touchées, à leur demande.

Approximately 500 members of the Fort Albany First Nation community were evacuated in early July due to nearby wildfire, with approximately 20 flights being coordinated to facilitate the evacuation.

As well, during the spring flooding season, EMO provided coordination and support for the precautionary evacuations of Fort Albany and Kashechewan, along with Attawapiskat First Nation.

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Additionally, this summer, EMO supported the evacuation of over 700 members of the Eabametoong First Nation due to a structural fire that rendered the community's water treatment plant inoperable for almost a month.

Chair, it is our pledge that EMO continues to meet the absolute highest standard of emergency management for everyone in Ontario.

Monsieur le Président, nous nous engageons à ce que GSUO continue de respecter les normes les plus rigoureuses en matière de gestion des situations d'urgence pour toutes les Ontariennes et tous les Ontariens.

Whatever the circumstances, it is our pledge that Ontario will be ready.

One of the main lessons that came out of the pandemic was the need to prioritize how we, as the government, can support businesses in Ontario. Pour ce faire, nous avons dû égaliser les chances, en réduisant les obstacles et en offrant à nos entreprises un meilleur accès aux possibilités d'approvisionnement pour le secteur public.

Every year, Ontario spends nearly \$30 billion on goods and services. Those purchases are made by more than 6,000 public sector entities. Historically, these purchases

have been made without broad or inclusive coordination. Chair, our government is changing that. We passed the Building Ontario Businesses Initiative Act, 2022. Once proclaimed, it will require public sector entities, where appropriate, to give preference to Ontario businesses when procuring goods and services, when under a specified amount. The proposed legislation is one way we are supporting Ontario businesses while also finding efficiencies that make sense.

Finding efficiencies was also the driving force behind the establishment of Supply Ontario. Supply Ontario is a centralized procurement agency the government established to implement a whole-of-government approach to purchasing goods and services and saving taxpayers money. In short, Supply Ontario will enable us to transform public sector procurement.

Cette transformation se traduira par de meilleurs services publics, un soutien accru aux entreprises locales et une chaîne d'approvisionnement plus résiliente sur laquelle les Ontariennes et les Ontariens pourront compter. It will enable and advance the centralization of public procurement, delivering greater efficiency and value for the people of Ontario.

The important changes I outlined came into effect on September 1 and will be followed by the broader public sector procurement directive on January 1, 2024.

Des changements de cette ampleur ne devraient jamais être effectués sans une consultation et une délibération appropriées. Mon prédécesseur à ce poste a consulté les entreprises et les associations de l'Ontario pour savoir comment ces changements les toucheraient. I am committed to continuing his work to use the feedback we received from our partners to enhance how government can best support innovation and growth through public sector procurement.

Chair, the people of Ontario deserve to have government programs run with fiscal responsibility and transparency. This principle is embedded in everything we do. It is why we established and maintain the Office of the Comptroller General.

Le bureau assure la supervision des fonctions de surveillance du risque, de contrôle et d'audit interne afin d'assurer une responsabilisation financière solide et la transparence dans la production des rapports et la gestion budgétaire.

The office works with other ministries and provincial agencies to provide advice, share information on effective enterprise risk management, and make sure that risks are properly identified and managed.

All this crucial work has one goal: to ensure that all public expenditures are delivering the most value for the people of Ontario.

I am pleased that our government has achieved five consecutive clean, or unqualified, opinions from the Auditor General on the public accounts of Ontario. I am confident that this year's public accounts will receive another clean audit opinion, reflecting continued confidence in our management of the province's finances.

This is also why we have made risk management an integrated component of the province's strategic planning

processes and day-to-day operations. At TBS, we are constantly evaluating risk at an enterprise level. Doing this provides the opportunity to look to the horizon and make smart decisions, while at the same time ensuring that smart management, better-informed decision-making and, ultimately, the best outcomes are achieved.

Je n'hésite pas à dire qu'à l'heure actuelle, l'Ontario offre au public des services de la meilleure qualité possible, et le gouvernement y parvient en prenant des décisions budgétaires réfléchies, délibérées et prudentes à tous les niveaux.

An integral part of this is making sure that risk consideration is a key part of every aspect of strategic planning. Risk management gives the province the advantage to better manage emerging geopolitical risks, the sustainability of the environment for future generations, and risks in areas of infrastructure planning and delivery. In these times, Chair, risk management has never been more important, and it was a key element to the work that went into the development of the 2023-24 budget—a budget that reflects the government's focus on infrastructure and economic resilience.

The government continues to take action based on information and careful assessments of the growing risks around the issues that matter most to the people of Ontario, like interest rates, housing shortages, tight employment markets, inflation and geopolitical challenges that we see Ontario facing on the horizon. We have seen first-hand how our fiscal best practices and responsibility have benefited the province.

Dans un environnement incontestablement difficile, l'Ontario a montré la force de son économie, qui a attiré des milliards de dollars d'investissement et a créé plus de 700 000 emplois bien rémunérés.

Chair, I believe that our focus on transparency and fiscal responsibility is bearing fruit and is a tremendous asset for this province right now and for the future.

As this committee knows, TBS also serves as the employer for various employment functions in the Ontario public service. To support this, the Centre for People, Culture and Talent in TBS provides leadership and oversight for OPS human resources strategy.

C'est une grande responsabilité, monsieur le Président, de veiller à soutenir l'engagement du gouvernement, à créer un lieu de travail sain, inclusif et accessible, exempt de racisme, de harcèlement et de discrimination. With this aim in mind, the Centre for People, Culture and Talent developed a comprehensive human resources strategy: the Ontario Public Service People Plan. This plan outlines how the OPS will focus its energy, efforts and investments over the next three years to improve talent management and organizational culture. It is a blueprint to address the fundamentals of attracting, developing and retaining the talent needed to serve Ontarians. The plan notes several modernization initiatives that will serve as catalysts of the large-scale changes that will take root across the OPS over the next three years. Part of this work is already under way, with the migration of the Workforce Information Network, WIN, to a modern, cloud-based infrastructure, and the

recent expansion of the FORTE talent-management application to all OPS employees.

In the spirit of consolidation and efficiency, key human resources functions were recently organized under one deputy minister within Treasury Board Secretariat, with an aim to improve its capacity and capabilities.

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De nombreuses initiatives différentes sont entreprises et j'en aborderais brièvement quelques-unes : le Programme de modernisation relative aux RH et à la paie pluriannuelle consiste à repenser les processus des ressources humaines et de la paie pour les rendre sans papier, à croître l'automatisation et traiter davantage de processus en ligne. L'initiative Modernisation numérique du recrutement permettra de faire en sorte que le processus de recrutement soit plus rapide, meilleur et plus stratégique, ce qui permettra à la FPO d'être mieux positionnée sur un marché de travail compétitif. Et enfin, pour répondre aux besoins des Franco-Ontariens, l'initiative relative aux ressources humaines bilingues de la FPO améliorera la capacité de la FPO à offrir des services en français.

This is just the tip of the iceberg. We are also continually striving to improve all aspects of the OPS's approach to HR. Our goal is to ensure a sustainable process that is aligned with the Ontario Public Service People Plan and that positions the human resources community to deliver efficient, integrated one-employer services. In total, TBS is working to shape and define the organizational culture, leadership capacity and talent development of the OPS to build a public service that both reflects and serves the people of this province.

Chair, it has been my pleasure to have the opportunity to outline some of the important work that TBS does. Of course, in the time allotted, I could not cover everything, but I hope that I was able to highlight for this committee the work that our government is doing to modernize public sector procurement, our unwavering commitment to fiscal responsibility, as well as the crucial work that happens every day in Emergency Management Ontario—

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

**Hon. Caroline Mulroney:** —to keep our province safe. Mais j'espère avoir pu esquisser pour le comité le travail que fait notre gouvernement pour moderniser l'approvisionnement dans le secteur public, le travail que notre gouvernement fait pour notre engagement inébranlable envers la responsabilité financière et le travail crucial qui est effectué chaque jour à la Gestion des situations d'urgence Ontario pour assurer la sécurité de notre province.

As members of the committee know, I've been in this file for just about a week now, and I will do my very best to answer your questions with as much detail as possible.

With that said, I look forward to taking your questions.

**The Chair (Mr. Ernie Hardeman):** Thank you very much, Minister, for the presentation.

We will now begin questions and answers in rotations of 20 minutes for the official opposition, 10 minutes for the independent members of the committee as a group, and 20 minutes for the government members of the committee, for the remainder of the allotted time. As always, please

wait to be recognized by the Chair before speaking. All questions and comments will need to go through the Chair.

As a reminder, the ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. If you wish, you may, at the end of your appearance, verify the questions and issues being tracked with the research officer.

For the deputy minister, assistant deputy ministers and the ministry staff: When you are called on to speak, please give your name and your title each time so that we may accurately record in Hansard who we have.

With that, we will start with the official opposition. MPP Fife.

**Ms. Catherine Fife:** Thanks to everyone from the Treasury Board who is here.

And thank you, Minister, for appearing before this committee. Congratulations on a new portfolio. I assume you also received a new mandate letter for this role. Is that true?

**Hon. Caroline Mulroney:** I am continuing the mandate that our government set—

**Ms. Catherine Fife:** That was already set, okay. But you know that the mandate letters have attracted some attention of late.

On page 12 of the Treasury Board Secretariat estimates, there's a lot of talk about transparency. I think transparency speaks to trust, especially when we're talking about the Treasury Board, which is probably one of the most important ministries in government. On page 12, it says, "TBS demonstrates accountability in action, restoring transparency and trust in public finances, delivering value for taxpayer dollars, and enabling investments in key programs and services that Ontarians rely on...."

You also have an internal audit function that I didn't notice in last year's estimates; perhaps I just missed it.

My question is really about these expenditures of the legal fees that the government expended on preventing the mandate letters from being exposed. It's fairly unprecedented for a government to do this. Mandate letters basically set a road map for the ministry. It's a vehicle that government uses to indicate what your priorities are, and it really speaks to trust.

You'll know, yesterday, that the number thus far, even before this goes to the other level of court, on preventing the mandate letters from being made public—the government has already spent 1,672 hours of legal expertise; I realize that this is in-house.

I was wondering, given the timing of this, has anybody—perhaps one of the deputy ministers—done an assessment of what this final tally will be for legal fees? Can you tell us what those legal fees are to date? There are a lot of guesses out there, and I think having some facts on the table will actually go a long way.

What is the risk assessment here from an expenditure point of view? How far, how long—how much money are we going to spend trying to prevent the mandate letters from being made public to the people we serve?

**Hon. Caroline Mulroney:** Thank you for the question. Absolutely, our government and the mandate of Treasury Board Secretariat is one of transparency, and we

are committed to transparency through our spending plans. That's why Treasury Board Secretariat and our government provide quarterly updates to the public on our spending. In fact, in only a couple of weeks' time, the Minister of Finance and I will be presenting our public accounts to the people of Ontario, which will be a final update.

As I mentioned in my remarks, our statements are audited regularly by the Auditor General of the province of Ontario. We just received, this year, our fifth clean audit. That speaks to the great work that the people sitting next to me and behind me do on a regular basis.

As I said, those quarterly reports—that regular reporting is that transparency. It gives Ontarians the chance to go through the numbers that we present, that we talk about here at Queen's Park. It's that regular reporting that people rely upon—

**Ms. Catherine Fife:** I'm going to reclaim my time.

Transparency, literally, is mentioned hundreds of times in the estimates book. I don't have any problems with using the word "transparency."

I'm just trying to find out, as an expenditure, how much the government has asked Treasury Board for with regard to their legal fees to suppress the mandate letters? As I said, if it's 1,672 hours thus far, there is still another round of court to happen—and you mentioned in your opening comments, Minister Mulroney, about the tip of the iceberg. I'm pairing that with the estimates, where I'm learning that the TBS is doing some kind of risk assessment and evaluation. What I'm trying to get to is, at what point—because this is a very litigious government, there have been a number of court cases; they haven't always gone in the government's favour, for a number of reasons. I'm just trying to get to that number, because I think that the people are owed an answer on how much the government has spent on suppressing their government's mandate letters, especially for ministers of the Crown. Are you able to provide that number?

**Hon. Caroline Mulroney:** What I can tell you is that the government and Treasury Board Secretariat provide numbers and reporting in line with standard accounting practices and in line with the expectations of the Auditor General on a regular basis.

In the coming weeks, we'll be presenting the public accounts to the people of Ontario. Those are going to be our audited financials that have been reviewed by the Auditor General. It will be in line with standard accounting practices and will be available for people to review.

**Ms. Catherine Fife:** I'm looking forward to that. I know that at that point we may have additional numbers around the hours that our crown attorneys have spent on this endeavour. You can understand that it's concerning for people when they learn that the government is spending their money, preventing them from accessing what is fairly basic information. I look forward to getting those numbers.

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I'm just going to move on, around the transparency and government accounting. I'm sure you got briefed on the Financial Accountability Officer's reports and on the Auditor General's report. In the report on this government's

Q3 finances, the FAO found that the province withheld \$6.4 billion in budgeted funds last year from the services people needed at the time when they were really hurting. All the sectors spent less than expected, led by other programs—other programs seem to be like this new catchment for the funding that doesn't get out the door and that it ends up in there. Other programs were \$3.5 billion less—health was \$1.24 billion, education was just under a billion, and it goes on. We actually heard this. This was sort of validated as the finance committee, SCOFEA, travelled around the province. We heard from individual organizations, mostly not-for-profits, who had been anticipating receiving the funding that was announced, but it never got to them. One organization, in particular, is still awaiting their 2022-23 funding.

I just want to ask you a question—also, given the fact that you're very new in the file: How can the people of Ontario trust the estimates that are before us, that we're examining today, when the pattern has evolved from this government where the budgeted funds are actually not being spent?

**Hon. Caroline Mulroney:** As I stated in my previous answer, the processes that we follow and the final accounts that we present are audited by the Auditor General of Ontario and follow standard accounting practices.

I'm confident that Ontarians can trust in the integrity of the numbers that we've put forward, but you're raising the work that is done by the Financial Accountability Office of Ontario. Obviously, the FAO does its own analysis of the numbers that we have. I can't comment or speculate, really, on the methodology. As I said, I'm new to the role, but I do know that the FAO follows a different approach, which looks at a snapshot in time of the province's spending—it doesn't take into account the full expenditure of the item. So—

**Ms. Catherine Fife:** We've heard the "snapshot in time" a lot—but the Financial Accountability Officer has stated very clearly that he is using Treasury Board numbers when he is doing these evaluations.

The methodology, though, is of interest to us, to try to figure out what's going on. Perhaps a deputy minister can answer the question as to why the government makes a budget commitment and it passes—there is a majority government; it passes—but then the money doesn't make it to Women's Crisis Services of Waterloo Region or the Alzheimer Society, or any number of other organizations. Is there a methodology? I'm just trying to understand, honestly, why the money doesn't get out the door.

**Hon. Caroline Mulroney:** The public accounts that the Minister of Finance and I will be presenting in a few weeks to the people of Ontario actually does provide those accurate comprehensive figures that you're talking about and show a full understanding of the project expenditure.

I'll turn it over to the assistant deputy to provide a little more technical explanation of assessment.

**Ms. Shannon Fenton:** Thank you, Minister.

I'm Acting Deputy Minister Shannon Fenton.

To address your question, MPP, which—thank you very much—to be able to speak to the commitment of the

ministry and TBS and the government to transparency in providing a full account of government spending. The responsibility of Treasury Board Secretariat is to work with the Ministry of Finance to set the fiscal plan and to provide the overall program expenditure for the government. In order to be transparent and methodological about that, the government produces quarterly updates following the production of the budget so that we are able to show publicly, tracking against the budget, the spending across government. Where there might be programs within ministries, where ministries have responsibility for that administration, the public can see—tracking spending against the original budget. As the minister has said, the full accounting of the actual expenditure on an audited basis is provided in the public accounts.

**Ms. Catherine Fife:** So when the money, though, does not flow, it ends up in this unallocated contingency fund, which the FAO has said, on average, is \$1 billion. It's prudent to have some money set aside for a rainy day. However, the numbers that we are seeing in this unallocated contingency fund, as I said to the finance minister when he appeared before estimates—he said that it was prudent to have \$4.4 billion in an unallocated contingency fund. I made the point that this is funding that was supposed to go to various ministries in all of our ridings. There was a formula to assign those particular dollars. We may disagree on the amount of the dollars. But the fact that they don't get to where they're supposed to and they end up in what we would regard as a slush fund, which removes our accountability piece as legislators around that funding, is quite problematic.

You've just said that there's a way for the public to track and to see those expenditures, but they're not broken down specifically. Are they broken down in a specific place? They're not here in the estimates per se.

**Ms. Shannon Fenton:** You were speaking to the contingency fund, which sits within the Treasury Board Secretariat allocation. This is set as part of the fiscal planning process to help mitigate expense risks over the course of the year; for example, in cases where our health and safety may be compromised or unforeseen events may otherwise adversely affect Ontario's fiscal performance. This reflects the government's very cautious, prudent and responsible fiscal planning.

**Ms. Catherine Fife:** Yes.

**Ms. Shannon Fenton:** The government is very committed to fiscal transparency, and all of the transactions from the contingency fund through Treasury Board orders are published annually in the Ontario Gazette and include a description of what the transfer was.

**Ms. Catherine Fife:** Or they're not. They just sit there in the fund. There was a carry-over from the unallocated contingency fund in 2022. So I've got your points—very clear.

I'm going to move on to another question.

In the review of Ontario's 2022 budget, the Auditor General found that the "understatement of provincial revenue from corporate tax for each of the three years" going forward is questionable. As well, contingency funds

recorded in other program expenses for the three-year period appear to be overly cautious—just so you know, I'm referring to March 31, 2023; March 31, 2024; and March 31, 2025. The concern around underestimating corporate tax revenue is that—this is a direct quote from her report—"when revenues are underestimated, the perception can be that the government has less funds available for decision-making than can be reasonably expected." So the auditor has found this pattern. The FAO has also found this pattern.

And in the past, in 2021-22, just for context, the government underestimated corporate income tax revenue by \$7.9 billion and \$7.8 billion, respectively.

"The amount budgeted for contingencies appears overly cautious"—we would agree with that. "Given the nature of contingency funds, it is challenging to assess their reasonableness." This is the province's independent officer of the Legislature, the Auditor General, who has now moved on.

In June of this year, the FAO also weighed in on this—that the province's spending plan shows that there will be \$22.6 billion in excess funds over the next few years, and that the health sector represents \$4.4 billion in excess funds, but most of the rest are likely contingency funds.

I'm trying to get a sense from you, as the minister and as staff, who thinks that this \$22.6 billion in excess funds is—who makes that decision, and who thinks that's fiscally prudent? That's a lot of money—especially when we have our ERs closing across the province. We had 158 emergency room closures in Ontario—that's equivalent to 184 days. So there is need out there in the health care system, in the education system, in Emergency Measures Ontario—they need additional funding. Who is making the decision to not get that money out the door to the people who need it the most? Is that you, Minister?

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**Hon. Caroline Mulroney:** Thank you for the question.

I think everyone knows that our government has been making historic investments across public services, and spending in health care is at an all-time high of \$81 billion. We've spent more on public education than any government that has come before us. We're at \$26.7 billion in base funding for school boards, and that's almost \$700 million more than in the prior year, and—

**Ms. Catherine Fife:** But when you follow the money, almost \$850 million didn't get out. You can say the government is doing record historic funding announcements—that's what they are, funding announcements, because the money is not getting out the door. I really do want to understand this. Obviously, the money is there. It's not fictional money. It's real money that came into this place through various revenue sources—and the need is in the community. So who makes the decision to not get the money to the community?

**Hon. Caroline Mulroney:** I am going to turn it over to the Comptroller General to address the first part of your question about revenues, because that really is more of a Ministry of Finance issue; it's not a Treasury Board issue.

I just want to say, though, that, in terms of the integrity of the numbers that we're putting forward, they're reviewed

every year by the Auditor General. We've received five clean audits, reviewing everything including the contingency fund—

**Ms. Catherine Fife:** Okay. Maybe we can hear from somebody else.

**Ms. Beili Wong:** Thank you, Minister. Thank you, Madam MPP.

My name is Beili Wong. I'm the Comptroller General and associate deputy minister.

Just to further what Madam Minister has spoken about—as you are aware, we are on track to release the 2022-23 public accounts late in September, and public accounts is an important document that reinforces the integrity of our financial statements and upholds our commitment to transparency in financial reporting to Ontarians. Also, public accounts are done according to the Canadian GAAP for public sectors—which is public sector accounting standards.

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

**Ms. Beili Wong:** Also, the minister has mentioned that we're very proud of our track record of achieving consecutive unqualified or clean audit opinions from the Auditor General.

**Ms. Catherine Fife:** Yes, I heard that.

**Ms. Beili Wong:** So I think your question in relation to the budget of the revenue—that is very much the responsibility of the Ministry of Finance. They are the ministry responsible for the forecast and the budgeting—

**Ms. Catherine Fife:** But the money does come back to Treasury Board, and then it sits there—and that's my question. I do have problems with the Ministry of Finance, like many people do, but my question is—in your own report, you say that you're assessing these high-risk areas, high-risk needs of Ontarians, which is really good; that's really good that you do that. So is it the Ministry of Finance that's preventing the money from getting out of Treasury Board? This is a serious issue.

**The Chair (Mr. Ernie Hardeman):** That concludes your time.

We'll now go to the independent. MPP Brady.

**Ms. Bobbi Ann Brady:** Thank you to the minister and everyone else here from the Treasury Board today.

Earlier today, I looked up on LinkedIn what the mandate of the Treasury Board was. I chose LinkedIn because that's what Ontarians would see if they googled that, and I wanted to get an idea of what the pitch to the people was. It's pretty much in line with what you've said this afternoon: "strengthening the openness, transparency, and accountability of government and works to get the best possible value for money, and improve the services that the people of Ontario rely on."

Going back to your mandate—I feel like the people of my riding, the people of Ontario, are not getting the best value for money, and every vital service that Ontarians are relying on right now needs dire improvement. I think you really have your work cut out for you.

You talk about infrastructure planning and delivery—and I think I'm going to follow up on what my colleague was talking about. It's very confusing for people to understand where the buck stops.

You're very well aware of my issue in Haldimand county—the Caledonia Argyle Street bridge. That's a bridge that has been due for reconstruction for a number of years. I know this government will point to the previous government, and that's fine—they didn't get the job done—but you're now the government of the day. I am also wondering, is this holdup of key infrastructure projects like the reconstruction of the Caledonia bridge—is that something that the Treasury Board goes to the ministry and says, "Hey, we need to get this done"? Where does the buck stop and what is the holdup on those types of infrastructure projects?

**Hon. Caroline Mulroney:** Thank you for the question.

In terms of the overall mandate of Treasury Board, I would also add that we're committed, and at least our government has been since we were elected, to protecting the sustainability of our public services for the long term—so not just for all of us here today and those who are coming to Ontario this year and next, but also for our children and our grandchildren. We've been very much focused on that.

That's why, as MPP Fife noted, we have developed an internal audit function within Treasury Board that's embedded within the secretariat. Comptroller General Beili Wong, actually, I think, is the person who is in charge of setting the audit and accountability committee to stress-test the programs and services that we're delivering to Ontarians, to make sure that people are getting the best value for money.

In terms of the prioritizations of different projects, our government and all governments put forward their budget and state the priorities and the commitments that the government is making to Ontarians. In our recent budget, we had a very strong commitment to highways and roads, as well as to building other types of infrastructure, investing in health care, investing in schools. So just like governments before us, we lay out our priorities and our list of planned expenses and expenditures in the budget, and Ontarians can then track that spending through the different quarterly reporting and then finally have a full review in the public accounts that are fully audited by the Auditor General at the end of the year.

**Ms. Bobbi Ann Brady:** I'm glad you mentioned highways. I'm just going to let you know that from my front door to Queen's Park is 131 kilometres. A drive that should take one hour, 59 minutes took me four hours this morning—no accidents, no construction; sheer volume.

It's amazing that this government continues to boast about all the new homes it needs to build for all the folks coming to Ontario—but if we can't move them around, what's the point?

Getting back to bridge reconstruction, I'm just wondering—in 2019, there would have been an idea of how much the bridge reconstruction would have cost. Now we've delayed. It's 2023. Do you have any idea, does Treasury Board have any idea what the percentage of increase to those costs are year over year?

**Hon. Caroline Mulroney:** Well, in my previous capacity, I would have come here with details to provide you, MPP, and so I apologize that I don't have them at the top

of my head. But I can tell you that the Ministry of Transportation has been working diligently to make sure that it can deliver the project in a safe way and has been working with the community in order to do so. But I don't have, at the top of my head, the cost from the previous ministry.

**Ms. Bobbi Ann Brady:** I can appreciate that, but my point is that with these projects, no matter where they are in Ontario, the more we delay, the more they cost. Again, it goes back to the idea of, why isn't the money going out the door? The money is there, apparently. Why aren't these projects getting done? And you speak about risk management with respect to bridges, highways, things like that. The Caledonia bridge is in really bad shape. So I hope that you don't have to risk-manage that bridge because we've delayed building, reconstructing it for so many years.

I don't have any more questions. I would just ask that you pay close attention to those projects that really need to

get completed, because you have a mandate, you have a definition within Treasury Board that says that you're accountable, and risk management is part of that. I wouldn't want to see a national headline with respect to a bridge in this province.

**Hon. Caroline Mulroney:** Well, what I could do is turn it over to officials to speak directly to the risk management work that we do at TBS.

**The Chair (Mr. Ernie Hardeman):** Well, like in the Cinderella story, the clock strikes 6 o'clock.

I want to thank everybody.

The committee now stands adjourned until tomorrow, Wednesday, September 13, 2023, when we will resume consideration of the estimates of the Treasury Board Secretariat.

Thank you very much, Minister, for being here. See you in the morning.

*The committee adjourned at 1800.*







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