

Legislative
Assembly
of Ontario



Assemblée
législative
de l'Ontario

**Official Report
of Debates
(Hansard)**

F-31

**Journal
des débats
(Hansard)**

F-31

**Standing Committee on
Finance and Economic Affairs**

Fair Workplaces,
Better Jobs Act, 2017

2nd Session
41st Parliament

Friday 21 July 2017

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

Loi de 2017 pour l'équité
en milieu de travail
et de meilleurs emplois

2^e session
41^e législature

Vendredi 21 juillet 2017

Chair: Peter Z. Milczyn
Clerk: Eric Rennie

Président : Peter Z. Milczyn
Greffier : Eric Rennie

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



ISSN 1180-4386

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

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

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

Friday 21 July 2017

Vendredi 21 juillet 2017

The committee met at 0930 in room 151.

**FAIR WORKPLACES, BETTER JOBS
ACT, 2017**

**LOI DE 2017 POUR L'ÉQUITÉ EN MILIEU
DE TRAVAIL ET DE MEILLEURS EMPLOIS**

Consideration of the following bill:

Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts / Projet de loi 148, Loi modifiant la Loi de 2000 sur les normes d'emploi et la Loi de 1995 sur les relations de travail et apportant des modifications connexes à d'autres lois.

The Vice-Chair (Ms. Ann Hoggarth): Good morning. We're meeting here this morning for public hearings on Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts.

Each witness will receive up to five minutes for their presentation, followed by up to 15 minutes of questioning from the committee.

Just a reminder: Proper decorum is expected in this room. No clapping, cheering or heckling, and no political attire or material is allowed.

Are there any questions or concerns? Thank you.

**CANADIAN CENTRE FOR POLICY
ALTERNATIVES**

The Vice-Chair (Ms. Ann Hoggarth): I will call our first witness, the Canadian Centre for Policy Alternatives. The Clerk will pass out the submission.

I would ask that you identify yourself for the official record, and your five minutes will begin.

Ms. Sheila Block: My name is Sheila Block. I'm an economist with the Canadian Centre for Policy Alternatives. I very much appreciate the opportunity to speak with you about this important piece of legislation. It has the potential to bring Ontario's labour legislation into the 21st century, and to improve the lives of millions of Ontarians.

I want to start by talking to you about the increase in the minimum wage to \$15 an hour in 2019. That proposal has certainly generated more heat than light. But I want to assure you that the weight of the economic evidence is behind the drafters and supporters of this legislation. It's

really worth repeating that 20 years of peer-reviewed academic economic research refutes the claims of the business lobby that this legislation will be counter-productive and result in falling employment and incomes. Instead, the research consistently shows that there is little negative impact on employment from minimum wage increases.

As an economist, I can assure you that just as labour markets adjusted when we collectively decided that we should outlaw child labour, and when we decided that there should be a 40-hour work week, it will adjust to the changes that are proposed in this bill.

Employers will find ways to up their game, moving away from a low-wage model and increasing productivity, and they will maintain profitability. This will come from a combination of strategies—how they use labour; pricing—and it will shift some income from shareholders to low-wage workers in the end.

I particularly want to address the issue that some members of the business community are raising, that a move to a \$15 minimum wage is okay but the proposal is just moving too fast.

Businesses have to deal with price increases of inputs all the time. There can be a frost in Florida; there can be a drought in California. They certainly don't get 18 months' advance notice of that increase, and they find ways to adjust.

If we stay with the status quo of only inflationary increases, it will take 15 years to get to a \$15 minimum wage. I think it's really incumbent upon the business community to be clear about how fast won't be "too fast" for them.

This brings me to a recent analysis, which you've been given. I'm sorry; it's not actually my remarks. It's a paper done by my colleague David Macdonald. It shows that almost half of those who will be getting an increase as a result of the move to a \$15 minimum wage work in companies with more than 500 employees. Cutting through the rhetoric, this makes it clear that increasing the minimum wage is a big-business issue, and it really is time for workers in big businesses to get a raise.

What also gets lost in this fearmongering is who the beneficiaries of this increase are. A \$15 minimum wage will be hugely beneficial to precarious workers; those who are casual, temporary or part-time will benefit from this increase. There are more details in the paper that I gave you. David really took a deep dive into these num-

bers to look at some of the issues in terms of involuntary part-time workers and what the impacts will be.

Other measures in this legislation will also have a positive impact, and I'm sure other folks will be talking to you about that. But there's one thing that we need to be clear about: These enhanced rights will only have an impact if they are enforced, and really, one of the best ways to enforce these minimum standards is to be a member of a union.

There are proposals in Bill 148 to enhance enforcement and make it easier to join a union, but these provisions could and should be strengthened. I just want to draw your attention to a report that we released yesterday by Fay Faraday, who is a lawyer with a great deal of knowledge about this. In it, she provides advice on how to strengthen the legislation to provide protection to workers in the gig or on-demand service economy. This is really the new frontier of work and it's enormously precarious work. I would draw your attention to that paper.

In closing, I want to pause and step back to recognize that this is a momentous change in policy direction in Ontario and in Canada. It is aimed squarely at improving the lives of poor people, and it will require employers to play their part in decreasing income inequality. We haven't seen this kind of a commitment for a long time in this country, and I would really urge you to pass this legislation along with the amendments that have been and, I think, will be suggested to you today to strengthen it. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We will open the questioning with the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Sheila, for joining us this morning.

The Canadian Centre for Policy Alternatives: We all know your *raison d'être* has always been to move that yardstick in one direction. We understand that and we respect that, because you have to have a divergence of opinions, and economic opinion as well, in this country.

The studies that have been done have primarily been done by people who are already committed to moving—studies are being commissioned by people who are already committed to moving the minimum wage up and moving those standards. There haven't been nearly as many alternative studies, because they're not going to be fighting a ghost. There's never been a position by this government that they were going to move to \$15 an hour. In fact, in February, it was all fine. There were no plans for the government to move to \$15 an hour.

We do have alternative studies; the Seattle study shows a different view. But you talked about the fear-mongering of business. In my almost 14 years in this Legislature, I've never once seen the involvement of business to this extent on any particular issue. You can call it fear-mongering if you want, but there is a genuine fear out there. I can't speak to the total understanding of everything that may or may not happen, but there is a genuine fear. I've heard that word over and over again on

the part of business. There were hundreds and hundreds of applications to get to this committee, but they can't all get here.

I understand your position on this. Business is trying to provide a service to be able to also support the lives of their employees, but they're taking the time to come to this committee. I was there all through the first week in the north, and part of this week as well.

Are you simply dismissing the fears and the concerns of business? Because you're talking about how they've adjusted to price increases or cost increases before, but on January 1, their costs are going to increase by about 21% in that sector, and maybe more if there is wage compression that forces other wages up as well. They are concerned about that—and then, of course, there's another 10% or so on January 1, 2019.

0940

Do you not feel there's any legitimacy to their concern at all, or is this just fear-mongering? Or are they coming here in good faith to actually put forth their argument that this is something that concerns them?

Ms. Sheila Block: I absolutely agree with you that many employers do have legitimate fears and concerns about the impact of this. But I think what is really important is that you can't make public policy based on opinion or based on anecdote or based on those fears. You have to make public policy based on the evidence.

I want to be really clear. When I'm talking about 20 years of academic research—I am not in a profession that's known to be very progressive—I am talking about peer-reviewed research from academic economists who find that there is not a large negative impact, or "dis-employment," as my colleagues like to call it, resulting from an increase in the minimum wage. This is not policy research; this is rigorous research.

The Washington study raised some concerns among people, but we have to be clear: That was a working paper. It had not yet been peer-reviewed. There are a number of methodological issues that have been raised in such bastions of left-wing thought as the Financial Times about the methodology and the results of it. So I wouldn't take 20 years of research—I think it's seven Nobel Prize-winning economists in the US—against one study that is a working paper that has recently been released.

Mr. John Yakabuski: Well, I'm not talking about the studies as much as the people who have come here and have said, "These are my numbers. I'm not fudging them; these are my numbers. This is what will happen on January 1. I'm in a business that makes no money before June because I'm in a tourist area or whatever, but my costs go up immediately on January 1." This is what—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. John Yakabuski: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Just before we go on to the next questioner, I forgot to announce that I understand that there are people in overflow rooms. If you are one of the presenters in the overflow rooms, please make your way down to room 151 before your presentation time.

Also, members, just to remind you, for your information, as agreed to yesterday by the committee, the Clerk has distributed a printed stack of written submissions to each caucus, which you have received at the table.

I now call on the third party. MPP Fife.

Ms. Catherine Fife: Thank you, Sheila, for your presentation. We're already there on the \$15 minimum wage, but I do want to touch on the report that you shared, the Demanding a Fair Share report by Fay Faraday. This piece of legislation was introduced on the last day of the Legislature. We're travelling a bill that we haven't even had a chance to sort of debate as legislators.

She mentions that the Changing Workplaces Review "did not undertake an in-depth analysis of the needs of workers in the on-demand service economy." As the economic critic, I've seen this growing trend of this part-time, precarious contract work or this so-called sharing economy, where workers are off the grid, working in very, sometimes, unsafe, tenuous circumstances.

She goes on to say, "Bill 148 provides even less immediate protection for workers in the on-demand service economy." Because this is a growing trend, this is the opportunity to also address it. So I wanted to give you a chance to please weigh in on that, if you don't mind.

Ms. Sheila Block: Absolutely. I'm happy to. We have had concerns about the impact of this new form of work. What Fay Faraday has very helpfully done is offered some guideposts for how the bill could actually be amended so that it would, in fact, provide greater protection for workers in the on-demand economy. Given the fact that labour legislation seems to be amended about once every 25 years, I would really urge you to consider this.

If you go to page 13 of the paper called Demanding a Fair Share, she outlines ways in which both the Employment Standards Act and the Labour Relations Act could be amended to broaden that protection. One of them has to do with a definition of dependent contractors in the Employment Standards Act. Another one is shifting the onus of proof. Then she pointed out, I think quite importantly, that card-based certification for such a dispersed group of workers would be particularly important, because if our image of the old-economy workplace is 10,000 workers in one place, this is the epitome of the new economy, where these workers might never be in the same place at the same time.

Ms. Catherine Fife: That's right. So you would encourage this committee to use this opportunity, this window, to address this new group, a growing group, of employees in Ontario.

Ms. Sheila Block: Absolutely. I think it really is crucial. If you are trying to modernize the act and if you're trying to really get at precarious work, this is really, as you had mentioned, leading-edge.

Ms. Catherine Fife: I do appreciate that you've highlighted the fact that most of the reforms of Bill 148 have to do with amending the Employment Standards Act and are relatively minor on the Labour Relations Act.

She points out, "Ultimately, legislated standards in the absence of collective representation and effective rights

of collective action offer only incomplete protection." So not only should we be having a second look at the ESA but also the Labour Relations Act, to ensure that these folks have an opportunity to protect their rights as workers?

Ms. Sheila Block: Yes, I think. Yes.

Ms. Catherine Fife: That was the right answer. Thank you very much for coming in today, Sheila.

Ms. Sheila Block: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll now move to the government. MPP Colle.

Mr. Mike Colle: Thank you, Sheila, and thank you to the Canadian Centre for Policy Alternatives for putting forth this reality-based paper on the economic impacts on real people with this legislative change as a result of Bill 148.

You know, it's ironic. The chamber of commerce of Kitchener-Waterloo presented the other day and said that with the amendments to the Ontario Labour Relations Act for the first time in 25 years, and raising the minimum wage to \$15 an hour, it's going to make Ontario the most radical left-wing political entity in the western world. This is coming from a chamber of commerce. Anyway, there are some significant changes here, as you well know.

You also have addressed the myths—and we've heard the myths. This committee has travelled to 10 cities. We've heard some excellent presentations from people opposed and in favour. But one of the myths is that if you raise the minimum wage, all you're doing is impacting students, as if the majority of people who work in low-income, precarious work are young people who don't really need the money. Do you want to respond to that?

Ms. Sheila Block: Sure. My colleague David Macdonald looked at the data, and he actually found that 82% of workers who are making less than \$15 an hour in Ontario this year are over the age of 20. This really is not a youth employment issue; this is a working adult issue. These are people who are trying to support themselves and their families. That's why this kind of an increase really will have a widespread effect.

Mr. Mike Colle: So it's not just young people; it's single mothers, mature people and baby boomers who work in part-time, temporary work that this will help?

Ms. Sheila Block: Absolutely. When we're looking at it by age, he actually found this kind of interesting result that you are as likely to be a minimum wage worker if you're a baby boomer as you are if you're a teenager. I think that really points to issues around retirement security and other issues, that you wind up actually having a lot of people over the age of 55 working for less than \$15 an hour.

Again, when you take another slice of it and you look at people who are working involuntarily part-time—and that can be because they can't find a full-time job; it could be because they have an illness in the family or they have a disability themselves—over 50% of involuntary part-time workers would see an increase if the minimum wage goes to \$15 an hour. These are clearly

people who are precariously employed, who are low-income people and who need a raise.

0950

Mr. Mike Colle: The other myth that your paper basically explodes is the one about small business.

To my surprise, and others', we've had big business coming out, like the Ontario association of exporters and manufacturers. We had Magna with a big presentation, one of the largest entities. They're all saying, "We're against this change to the minimum wage because this is going to hurt us."

I never realized, until I heard these organizations come forward, that basically the majority of people who have precarious work, who work with low wages, work for big business or medium-sized business and not for small business.

Ms. Sheila Block: Our results actually showed that 75% of people making less than \$15 an hour work in businesses with more than 20 employees, and fully 49% of them work for employers with more than 500 employees.

You have to also be clear that in some ways, that's an underestimate, because franchises are considered separate, so that doesn't mean that the 49% are the people who are working for the McDonald's or the Tim Hortons. That's only including if you are the same employer. So those numbers, if you included that, would actually be a little bit higher.

Mr. Mike Colle: The other thing that we were trying to explore is, we've heard the negative impacts, supposedly, of increasing wages from the business community, but what about the positive impact on local spending? Because if people are making a few more bucks an hour, they're not going to spend the money—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Mike Colle: Okay.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. The deadline to send a further written submission to the Clerk is today at 5:30.

Ms. Sheila Block: Great. Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much.

ONTARIO CHAMBER OF COMMERCE

The Vice-Chair (Ms. Ann Hoggarth): I'll call the next presenter, please: the Ontario Chamber of Commerce. Good morning. Do you have a submission to hand out?

Ms. Ashley Challinor: No, I don't, but we'll be sending one in today.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. If you would state your name for the record, and your five minutes will begin.

Ms. Ashley Challinor: My name is Ashley Challinor. I'm the director of policy at the Ontario Chamber of Commerce.

Ontario businesses are the backbone of our economy and our communities. Local businesses create jobs and

opportunities for Ontarians across the province. The Ontario Chamber of Commerce and Ontario's chamber network represent 135 local chambers of commerce and boards of trade, capturing more than 60,000 employers that operate in all sectors of the economy and in all regions of Ontario.

There is no question that the proposed changes laid out in Bill 148 will put the success and competitiveness of Ontario's business community in jeopardy, particularly our small business community. In Ontario, small businesses make up 98% of all businesses, and employ over three million Ontarians.

We've heard from our members: With a planned 32% increase in the minimum wage over the next 18 months, business owners are predicting a struggle to quickly generate the revenue required to match rising labour costs. This means that a significant number of businesses fear they cannot keep their doors open.

The fair workplaces, better jobs plan does not live up to its name. The pending legislation will create winners and losers; job loss; increased costs of consumer goods; and economic hardship. This does not demonstrate fairness.

While we do not oppose increases to the minimum wage, we have some concerns about its true fairness in this form.

Research has shown a 6% drop in youth employment for every 10% increase in the minimum wage. Subsequent increases in consumer goods prices will hurt those on fixed incomes, like seniors, who will have to pay more for products even as their CPP, Old Age Security and guaranteed incomes will remain the same.

This legislation will also put an additional burden on taxpayers, as Ontario's public sector, part-time, casual, contract and temporary employees will also become more expensive.

If the government is committed to continuing along this course, we need to learn from other jurisdictions. California is taking five years to increase their minimum wage by 50% to \$15 an hour for employers with 25 or fewer employees. Seattle allowed for a four-year implementation of a 36% wage increase, yet Seattle has also found that raising the minimum wage so dramatically hasn't produced the desired results. There is strong evidence that low-wage workers are losing an average of \$125 per month due to fewer hours of work scheduled, and this is coming after a four-year phase-in.

How, then, are Ontario employers expected to absorb the costs of a 32% increase in wages in only 18 months? To plan effectively and to protect jobs, employers need predictability and the opportunity to adjust to these significant reforms.

But it is not only the increase in minimum wage that is a challenge. Bill 148 proposes sweeping reforms to our labour and employment standards that will increase the burden on business. On the issue of unionization, the proposed changes would establish a card-based certification process for the temporary help industry, building services sector, and the home care and community services indus-

tries. Card-based certification will prevent workers from having a say in their participation in a union.

Bill 148 would also allow for unions to have access to employee records if the union can demonstrate that a mere 20% of employees are involved in that union. On this issue, we believe the government should take the advice of the special advisers to the Changing Workplaces Review and keep the union formation and access to employee lists at the current 40% employee threshold, to better ensure employee privacy and prevent unwarranted pressures towards unionization.

The proposed scheduling provisions are another cause for concern. The legislation would require employers to pay their employees for three hours of work if a shift is cancelled with less than 48 hours' notice, or if an employee is on call and not brought into work, or if an employee is given less than three hours of work. Employees will also be able to refuse a shift if their employer asks them to work with less than four days' notice. This will take a significant amount of flexibility away from business that is necessary to their operations, and will have an especially dramatic impact on small business. No other jurisdiction in Canada has such prescriptive scheduling provisions.

The government needs to listen to the advice outlined in the Changing Workplaces Review: It should work closely with employers and industry associations to develop dedicated exemptions for specific sectors. The current one-size-fits-all approach to scheduling is irresponsible and will be detrimental to valued industries in Ontario, especially seasonal and weather-permitting ones.

When creating new public policy, the OCC believes in the power of evidence. We have called on the government to conduct a complete economic analysis of the proposed legislation. With the government's unwillingness to appropriately test these impacts, we have commissioned our own comprehensive assessment to evaluate the outcomes of these sweeping reforms, in partnership with the Keep Ontario Working coalition.

Our ask is simple: for the government to consider a slower pace of implementation and demonstrate tangible support for business through this difficult period of transition.

We will be releasing a report in August that will outline the findings of this economic impact analysis and will include further recommendations.

Thank you for the opportunity to speak here today.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll open this round with the third party. MPP Fife.

Ms. Catherine Fife: Thank you very much for coming in, Ashley, and your guest.

We're trying to get a sense of what the pressures are on businesses right now. As was pointed out in the previous delegation, these pieces of legislation don't get opened that often. There's a window here for us to make both acts stronger, although I hear your perspective, anyway, on the Labour Relations Act. What are businesses telling you across Ontario about what their costs

are, the cost pressures that they currently have, as they're trying to grow or even stay open in Ontario?

Ms. Ashley Challinor: I think that you've heard from the Ontario Chamber of Commerce quite a few times on various input costs that are rising for businesses. Obviously, electricity has been a particularly hot one; the uncertainty of the new cap-and-trade regime and how that will impact their costs is another. Ontario's economy is a fairly heavily regulated one and that imposes further costs on business. So that's kind of the environment in which business is operating, one where their competitiveness is really challenged, especially compared to neighbouring jurisdictions. That's the main thrust of business fears and challenges right now. But to add on to that is that these changes are all coming at the same time and at a very quick pace, which is a massive challenge to business.

If you think of it this way, with most businesses, especially small businesses, the majority of their cost outputs are their labour costs. If you think about it on an individual level—for me, the majority of my cost outputs are rent. I certainly don't know how I would be able to adjust to a 32% increase in my rent in 18 months, or more realistically, a 23% increase—

Ms. Catherine Fife: It's interesting. Some of those cost pressures that you indicate—you say that they've come quickly. We've waited a long time in this province for clarity on the Employment Standards Act.

In the vacuum of not having clarity, we've seen this influx and this increase of part-time, precarious contract work. What are your members saying about that trend? It's undeniable. Every single month, part-time, precarious contract work goes up, particular for women, in this province. Has the chamber been tracking, following or doing any kind of analysis on those numbers?

Ms. Ashley Challinor: The first thing I would say is that budget 2017 points out that 98% of all new jobs created since the recession have been full-time, and 78% of those have been above-average wage for their respective industry. We do believe that the precarious work discussion is somewhat overstated. That said, our economy and our labour market are certainly changing.

1000

Ms. Catherine Fife: Sorry, you were quoting the Liberal budget 2017?

Ms. Ashley Challinor: Budget 2017. Yes.

Ms. Catherine Fife: I'm quoting StatsCan.

Ms. Ashley Challinor: Okay.

Ms. Catherine Fife: I guess we could argue about who has better numbers.

Ms. Ashley Challinor: I will say, to kind of round this out, when it comes to the changing labour market, it is a larger discussion, because I think we're seeing a lot of disruptive change coming from technologies and new business models. That's going to change the existing relationship between business, labour and government, but have much wider-ranging changes that can't be addressed in traditional legislation like this.

Ms. Catherine Fife: Okay, thanks. Just one final question: Who is doing the chamber's economic analysis that you're going to be revealing in August?

Ms. Ashley Challinor: That's the Canadian Centre for Economic Analysis.

Ms. Catherine Fife: Okay. Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Colle.

Mr. Mike Colle: Thank you very much. We appreciate the chamber for coming here today. I think it's important for the government and the committee to hear the impact of legislation. We appreciate your commentary about not one size fits all. Those are some of the reasons why we're having these hearings after first reading, because we know this is quite a watershed moment in changes to labour relations, as you've said, and the opening up of the act and the minimum wage increase. So we don't underestimate that. I think it's very valuable to us to have you, and we've had chambers come to almost every city. It is helpful, and hopefully, we can work on some of these suggestions you've made.

I know you mentioned basically three or four negative things that result from the minimum wage and the labour protection enhancements. Will the chamber look at the economic benefits of having 1.6 million Ontarians make a living wage? Will the chamber look at the fact that these 1.6 million Ontarians will have more disposable income to spend in the Ontario economy and local economy?

Ms. Ashley Challinor: The analysis that we've commissioned is an economic impact analysis, so it will capture all impacts in a different fashion.

To your point about individuals having more money to spend, unfortunately one of the side effects of the short timeline of the rise to \$14 and then \$15 is that businesses, particularly smaller businesses, don't have a lot of wiggle room with which to spend on these new labour costs. This means that they'll have to find another way to raise revenue, because they certainly can't increase their business revenue by 32% in 18 months unless they're in a very high-growth sector.

Unfortunately, one of the means available to them is raising prices. This will, in effect, likely negate much of the impact of having more money in your pocket if you're a minimum wage earner, especially when you consider the supply chain, where if one business is raising their prices to their customer who is also a business, they will likely raise their prices as well and so on, because not just the minimum wage but all of the labour changes will impact business all across the province, regardless of sector and size.

Mr. Mike Colle: Will your study look at the relationship between business success and profitability and the profits that are being made by some of the businesses that are complaining? Cara foods, I think they had a \$1.3-billion profit, a huge success story, which is great. They own a lot of the fast-food entities. The Brazilian consortium that owns so much: Their profits are quite handsome. Magna's profits—is there any examination of

perhaps sharing some of those profits with the workers so that they could pass those profits made at the international corporate level down to the local owner of a Tim Hortons and the workers at Tim Hortons, for instance?

Ms. Ashley Challinor: I can't speak to the individual business decisions of corporations, particularly those that aren't members of the OCC. That's part of their business plan, so I wouldn't be able to speak to that.

As for our economic analysis, I don't know the exact details of how we will look at a question of revenue versus profits, capital, liquid or otherwise, and what resources businesses have to adjust.

Mr. Mike Colle: I hope they do, because I think that's a comprehensive look at everything, from the worker on the floor who's basically helping to achieve those profits—and their health.

I hope you look at the cost of retention, because we know at Walmart, there's a 60% turnover in employees because they pay fairly poorly, whereas Costco, for instance, pays a living wage, and they only have a 16% cost in turnover. So I hope that study will look at that, too.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll now move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Ashley, for joining us today. I have to comment that my friend Mr. Colle over there seems to know everything that should comprise an economic impact study. It's a shame that the government didn't do one of their own. Perhaps he would have found out those answers if the government would have done an economic impact study on their own, prior to bringing in the legislation. Maybe we'd already have those answers. Anyway, Ashley, again, thank you.

They talked about the impact on big business versus small business. The ones that we've heard the most from are small businesses. I want to give you an example. In Westport, Ontario, the smallest municipality in the province that has water and sewage—700 people—the two biggest businesses appeared. One was a resort and one was a grocery store.

The grocery store has won multiple awards for their environmental initiatives, doing things to try to reduce the impact that they have on the environment. The impact that they said this was going to have on their business is one that they actually have a huge fear of: that this could result in the closure of their businesses.

They're the two biggest employers in the town. If that happens in a small town of 700 people like Westport, there is no more Westport. It's just a matter of time before that little village—I said "town"; it should be "village"—is hollowed out.

They also talked about how this may pressure them to go to more automation, to eliminate jobs, because once that job is eliminated, there are no more issues with a machine other than standard maintenance issues. You don't pay any wages to the machine or the computer or whatever system—automated checkouts, for example, at the grocery store. We certainly heard about those kinds of impacts. Perhaps your study will show that as well.

I'm going to turn it over to my colleague Mr. Harris, who has a couple of questions as well.

The Vice-Chair (Ms. Ann Hoggarth): MPP Harris.

Mr. Michael Harris: Good morning, Ashley. I know the chamber of commerce convened town halls across the province in many communities. I want to read a portion of a submission that we received, written by a company that felt they were denied that opportunity to consult. They go on by saying, "It bewilders and disappoints us that the perspective of one of the province's largest private-sector job creators is of little apparent interest to the government on a piece of legislation with potentially massive economic implications for Ontario businesses and manufacturers." I don't know if you want to comment on that.

Ms. Ashley Challinor: We've heard some similar comments, absolutely. Actually, the reason why I'm here and not my vice-president, Karl Baldauf, is because he's currently on a pretty intense road trip across the province doing our own town halls and consultations. He's actually visited more communities in the past week than the government has in three weeks. We're hearing a lot of those stories and they're all very similar.

I would quickly add, as well, that we are talking a lot about small business, but one of the sectors that we really can't forget is the non-profit sector, because they're also impacted by this. They genuinely have very little room and very little flexibility to work with when it comes to dramatic and large increases in labour costs. That's particularly concerning because the non-profit sector—charities and community service providers—is tremendously important to the goals that I know this government has and is trying to enact.

1010

Mr. Michael Harris: You mentioned that in Bill 148, the government actually ignored the advice of the Changing Workplaces commission in several instances. In fact, one of my colleagues stated that the big portion, the minimum wage increase—the Premier herself said in January, and then again in March, that she had no intentions of actually moving that, that she needed to depoliticize minimum wage increases, and that employers needed that predictability.

You spoke of another instance where they ignored the commission's recommendations with regard to access to employee lists. We had a presenter yesterday talk about the fact that that could be a clear violation of an individual's right to privacy. Do you want to expand on that?

Ms. Ashley Challinor: That's absolutely accurate. The current 40% threshold was recommended as being kept in place by the special advisers for that reason. A 20% threshold really does endanger an employee's right to privacy.

There were quite a few aspects of the Changing Workplaces Review that the government did not consider. A large one was a longer period of writing the legislation, doing more consultations, working closely with employers and industry associations as well as other stakeholders, and having more discussion in the Legislature itself, before actually getting to this point.

Mr. Michael Harris: Why do you think those changes were made, ignoring the commission? Why do you feel they moved the way that they did?

Ms. Ashley Challinor: Uh—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Ms. Ashley Challinor: Saved by the bell.

The Vice-Chair (Ms. Ann Hoggarth): The deadline for your written submission is—to be to the Clerk by 5:30 tonight. Thank you.

ONTARIO PUBLIC SERVICE EMPLOYEES UNION

The Vice-Chair (Ms. Ann Hoggarth): I call on the next presenter: the Ontario Public Service Employees Union.

Good morning, Mr. Thomas.

Mr. Smokey Thomas: Good morning.

The Vice-Chair (Ms. Ann Hoggarth): Please identify yourself for the record, and then your five minutes will begin.

Mr. Smokey Thomas: My name is Smokey Thomas. I'm president of the Ontario Public Service Employees Union. With me today I have Clarke Eaton, special adviser to the president. Thanks for the opportunity to make some comments.

Our union represents over 130,000 Ontarians. We're a bargaining union, we're an organizing union, and we're a social justice union. On all those fronts, we are pleased to see the general direction of Bill 148.

In the short time I have, I'm going to focus on one area in the bill only: changes to the Employment Standards Act under the heading "Equal Pay for Equal Work."

I don't think any organization in Ontario has campaigned harder on this issue, or longer, than our union has. We have talked about equal pay for equal work in our college organizing drives, where contract faculty and support staff are paid less than full-time, permanent staff. We have talked about it at the LCBO, where for decades casual customer service reps could never reach the same pay rate as their full-time colleagues.

Paying two people a different wage to do the same job is simply discriminatory. In the past, employers harnessed other forms of discrimination, like discrimination against women, to create tiered wage structures. Then employers started paying all workers less in the lower tiers.

This cheap labour strategy is now widespread. In a poll conducted in 2008, 28% of respondents in Ontario said they worked in a workplace where part-timers were paid less than full-timers. That number is probably much higher today.

Unfortunately, Bill 148 does not recognize that the current Employment Standards Act, which allows employers to pay workers less depending on their job status, is discriminatory. This is important. It is not an administrative issue. Equal pay for equal work is a human rights issue. This is recognized in the Universal Declaration of Human Rights.

In the European Union, all equal-pay-for-equal-work directives are explicitly based on the principle of non-discrimination. In the Netherlands, which has led the fight against discrimination in employment, the first article in their constitution bans discrimination for any reason, which includes employment status.

We believe that it is crucial that Ontario employment law recognize that discrimination on the basis of work status—as a casual, part-time, temporary, temp agency or other kind of employee—is wrong. Employment status must be recognized as prohibited grounds for discrimination under the Ontario Human Rights Code, and we recommend that Bill 148 include a change to section 5 of the code to that effect.

The equal-pay-for-equal-work language in Bill 148, while positive, is incomplete, as it fails to mention employee benefits. Equal pay for equal work should remove the employer's motivation for discrimination. Bill 148 does not do that. Given the cost of benefits, which can add 25% or more to compensation costs, Bill 148 will still motivate employers to use workers without benefits over workers with benefits. Again, in the European Union, employers must pay the same benefits to all workers doing the same job, on a pro-rated basis. Bill 148 must include the same requirement.

I want to comment on one last issue. Bill 148 says that “no employer shall reduce the rate of pay of an employee in order to comply” with equal pay for equal work. This language mirrors the language in the Pay Equity Act, but it is not enough. I know this from hard experience.

In 2013, OPSEU filed a human rights complaint against the LCBO. In our complaint, we argued that the wage structure for casual customer service reps at the LCBO violated the Human Rights Code because it paid lower wages to workers in a female-dominated group. For over three years, OPSEU and the LCBO researched 40 years' worth of documents and held countless days of discussions but could not come to a settlement. To break the logjam, we agreed to binding arbitration.

In his award, the arbitrator put casual CSRs on a pay grid that reaches pay rates for full-timers. However, he also ordered changes to the wages and working conditions of full-time permanent customer service reps, eliminating Sunday premium pay and ordering dramatic changes to work schedules.

It is not clear whether this type of change in overtime pay would be viewed as a change to “the rate of pay” in Bill 148. What is clear, however, is that in Bill 148, employers are not explicitly barred from making scheduling or other changes that could have a very negative effect on workers in the higher-paid group, effectively making them pay for equal pay for their co-workers. This cannot be allowed to happen, and Bill 148 must be changed to make sure that it does not.

Bill 148 must be amended to ensure that no employee experiences any adverse employment effect, pay-related or otherwise, as a result of an employer complying with the equal-pay-for-equal-work language in the bill.

Thank you. I'll take your questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The government will open this round of questioning. MPP Colle.

Mr. Mike Colle: Thank you, Mr. Thomas, for coming here today.

The first question, you've been in this advocacy for workers for your whole life. At this time, people are saying—the opposition; big business especially is saying, “This is too much, too fast”—that we shouldn't raise the minimum wage so quickly, that we shouldn't open up the Labour Relations Act, which hasn't been opened in 25 years, and “let's wait more.” Given your daily interface with workers all across the province, do you think we should slow down and wait before we go ahead with these changes to the Labour Relations Act and the minimum wage?

Mr. Smokey Thomas: No, I don't think you should wait, but in our submission, we address some of the other concerns we have about other parts of some of those changes.

I would say that there are always unintended consequences, and you can't anticipate every consequence of any kind of change in legislation or otherwise. It will take a tremendous effort in the future to deal with the fallout of this, but I don't think the government should change the overall course of what they're trying to do here.

Mr. Mike Colle: The other thing that you mentioned about precarious work—one of the reasons why I think we're obliged to take a look at our labour laws and look at increasing protection is because, as you've said, there's more precarious work, there's more temporary work, there's more contract work and there's more casual work. Have you seen that trend towards this type of employment increase over the years? Is it something that needs to be addressed or should we wait?

Mr. Smokey Thomas: No, it should be addressed. It has increased dramatically over the years in all sectors: in the not-for-profits, in the for-profits, in the private sector, in government. It has been a way to reduce labour costs for a long, long time.

I'm not convinced, at the end of the day, that in every case it does actually reduce labour costs, because government—the last government and your government—have actually used temp agencies, which will charge \$50 or \$60 an hour for a worker that they're paying 12 or 13 bucks an hour to. So there's a whole host of issues here that could be addressed that could mitigate the damage and the overall cost increase.

But, again, I think it's just going to take a tremendous amount of work, once it's passed, and then figuring out how to deal with some of the fallout.

Mr. Mike Colle: The other thing—again, you've been so experienced at this first-hand—is the ability for workers to unionize. I know the Conservative opposition is most opposed to the expansion of card-based certification, saying they want to maintain the status quo or go back to where they were when they outlawed card-based certification. As you know, we extended it for unions in 2003.

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What do you think of this criticism that card-based certification is something that's going to impact the economy negatively?

Mr. Smokey Thomas: I think if you're going to have card-based certification, it should be for everybody, not just select groups. The building trades have it. The bill proposes giving it to health care and home care. If you're just going to give it to one or two groups, that's incorrect. If it's going to be card-based, it should be for everybody across the board and there should be some more thought given to it.

My union is very successful in organizing without it. It's hard work; you put a lot of money in it. We've completed two of the largest organizing drives in Canadian history without card-based check-off. While it's a lot of work, we've done it.

But I do agree with the premise that if workers want to join a union, they should be able to join and it shouldn't be virtually impossible to join. So card-based certification is a good idea, but I do think that there are some legitimate concerns from business and from other groups in how you balance out privacy versus access. I think there's some work to do in that area as well.

Mr. Mike Colle: The other thing you mentioned and commented on: equal pay for equal work. As you know, that's one of the major changes in this legislation. One of the suggestions we had was that the language be enhanced to include "similar work," that this definition has to be tightened up because it can be skated around if you don't tighten that up.

Mr. Smokey Thomas: I'm not quite sure how you tighten that one up—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move now to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Smokey. I'm pleased that you introduced yourself as Smokey, because I'm not sure most people have ever used the name Warren very often.

It's interesting, what Mr. Colle has said about card-based certification. We have no position opposing it. We're looking at this legislation like everybody else. The one thing our position is clear on—and myself, as the labour critic—is that we support the constitutional right of every worker in this province or anywhere in this country to organize and be a member of a collective bargaining group.

It's interesting, the purported equal pay for equal work. Is it not fair to say that the biggest, and even the changes—I congratulate you for the success that you've had with respect to LCBO employees, limited success at this point, but you had to go to arbitration to get it. Mr. Colle used the words "skating the rules." Probably the biggest offender, because whenever I—every member has got LCBOs in their riding. Some would say it's one of life's necessities. They talk to me all the time about how many of their employees—some of them have been on part-time for longer than I've been sitting in this

Legislature. The government itself has been probably the biggest beneficiary of using that part of the Labour Relations Act. So it's interesting that they're talking about changes.

The changes, as you say, in this legislation, will they actually still allow the government to still be the—I know they'll say the LCBO is a crown corporation, but it's wholly owned by the province of Ontario. Is it still allowing the government to be the biggest skater on this issue?

Mr. Smokey Thomas: It might if it's not changed. I think what there needs to be is a legitimate enforcement mechanism for the spirit of all the changes in the legislation. The one problem you have is if you're non-union, you've got to go to a lawyer or a paralegal. Paralegals are 100 bucks an hour; lawyers are anywhere from \$250, \$300 to the sky's the limit. If there's not some sort of a reasonable enforcement mechanism that workers can go to, like the Ministry of Labour—I don't know if it has contemplated expanding the role of the Ministry of Labour to enforce some of these things. Creative people always find a way around rules. Lord knows workers do it, unions do it, everybody does it.

John, it really is—again, I go right back to this—about that balance. It's about how you're going to enforce it, and it's about trying to find that sweet spot so you don't kill business, so you don't eliminate jobs, so you don't cause employers just to reduce hours to stay afloat. There's some sweet spot in there somewhere, I believe.

Mr. John Yakabuski: Basically, equal pay for work of equal value was the main thrust of your presentation today. I see the written submission; there are a number of things on there. As you know, every submission is reviewed equally. Whether it's a written submission or verbal, it carries the same weight.

Smokey, good to see you again, and thanks for bringing your issues to the table here today.

Mr. Smokey Thomas: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The third party: MPP Fife.

Ms. Catherine Fife: Thanks very much for coming in. I do want to stay focused on the equal pay for equal work, because we have actually seen this growing trend in this very government of having people working alongside government employees and having temp workers make less money, less benefits—less protection, for that matter. Even nurses in our hospitals: We're having agency nurses work alongside hospital nurses. Clearly, this loophole has been allowed to continue for many years.

In your presentation, you talk about some of those discrepancies and the need for enforcement. Smokey, how do you think that this is actually going to happen, and do you think the government should start by leading and ending the practice?

Mr. Smokey Thomas: Government should start by leading and ending the practice. The government is one of the biggest abusers of part-time and agency work. In

the LCBO deal, we were able to bargain to get temp agency workers out. Now those temp agency workers will have an opportunity for the job they have been doing, but they have been making minimum wage while the person sending them in has been getting 50 or 60 bucks an hour. The government needs to look at all the agencies, all of the broader public service, where this practice is occurring.

The premise of equal pay for equal work will close that gender wage gap, because the largest portion of the public sector that works under their radar for minimum wage, or just above, is female; it's a female-dominated sector. So there could be very, very positive effects.

On the enforcement side, I say the government has the Ministry of Labour. They have the tools. If they were to staff up a bit, then people could actually file a complaint. It could be handled. Would it be without its problems? No, absolutely not. But there is a way to make it happen and to make it enforceable over a period of time.

Ms. Catherine Fife: Thank you very much. That's all I have to say.

Mr. Smokey Thomas: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have a further written submission, it needs to be in to the Clerk by 5:30 tonight.

Mr. Smokey Thomas: We gave it to the Clerk.

The Vice-Chair (Ms. Ann Hoggarth): Yes, you gave it to him. Thank you.

Mr. Smokey Thomas: Okay. All right.

ONTARIO FEDERATION OF LABOUR

The Vice-Chair (Ms. Ann Hoggarth): I would like to call on the Ontario Federation of Labour. Good morning.

Mr. Chris Buckley: Good morning. How are you?

The Vice-Chair (Ms. Ann Hoggarth): I'm fine, thanks. How are you?

If you would identify yourselves for the official record, and your five minutes will begin.

Mr. Chris Buckley: Okay. My name is Chris Buckley and I'm the president of the Ontario Federation of Labour. With me here today is Thevaki, our director of research and education, and our legal counsel, Daniel.

The Ontario Federation of Labour represents 54 unions and approximately a million workers across the province of Ontario. We champion the rights of all working people, both non-unionized and unionized workers.

The changes that the Fair Workplaces, Better Jobs Act will make to the Labour Relations Act and the Employment Standards Act are going to affect the lives of generations to come in this province. This is a chance to get it right and improve conditions for workers across Ontario, whether they are unionized workers or not. It is encouraging that the government has introduced this bill, which includes increasing the general minimum wage to \$15 an hour.

Although the bill makes steps in the right direction, there is a need to go further in a number of areas to create

stronger conditions for decent work here in Ontario. The OFL has set out the changes that are urgently needed before Bill 148 becomes law.

It is every worker's constitutional right to organize, access unionization, engage in meaningful collective bargaining and to strike. It is very important to protect these rights in Bill 148. For that reason, I'd like to start with needed amendments to the Labour Relations Act.

Fair workplaces are union workplaces. We know union workers do better. It must be easier for workers to join a union if they choose to. In particular, women, racialized workers, indigenous workers, workers with a disability and youth do better when they work in a unionized workplace.

All workers must be covered by the Labour Relations Act, with no exclusions. Many workers are still excluded from the Labour Relations Act under Bill 148, for instance: professional workers, domestic and agricultural workers. This is a significant omission that must be addressed.

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The legislation does not address giving franchise workers greater access to their right to join a union. Workers in franchises should be able to unionize not just their workplace but across the franchise. Bill 148 can make the change by treating workers of a common franchisor, like Tim Hortons, as a single employer with multiple locations, giving all Tim Hortons workers in the area the same bargaining rights.

Bill 148 should mandate employers to provide greater access to workplace information in order to strengthen workers' rights to organize. This includes information like employees' job classification, employment status and organization charts. This is the same information that is provided by employers in the federal jurisdiction.

Card-based certification must be extended to all workers in the province of Ontario. Bill 148 provides card-based certification to only three additional sectors: temp agency industries, the building services sector, and home care and community services industries. Why should any worker be left out? It is imperative that our government protect workers' rights to choose their own union through card-based certification. Without card-based certification, employees are vulnerable to employer harassment in the time between certification and the vote.

When employees have decided to join a union, they must quickly reach a first contract with their employer. The first collective agreement sets the foundation for workers' bargained rights, but employers can delay the first-contract bargaining, leading to labour disputes. Bill 148 should provide automatic access to first-agreement arbitration to support the right to meaningful collective bargaining.

Right now, unionized contract workers often lose both their collective agreement and their bargaining rights if the service contract covering the work site changes hands. This is the case even if the new contract provider hires the same employees to perform the same work in the same location. It should not matter whether workers

are employed in a publicly or privately funded contracted service: All workers deserve protection against contract flipping. Bill 148 should extend successorship rights to all contracted services.

Bill 148 can also meaningfully support workers' rights to collective action by prohibiting replacement workers. The law should not in any way undermine workers who are fighting for decent work by exercising their constitutional right to withdraw their labour.

The Employment Standards Act is also sorely in need of changes, and I will briefly outline the needed changes.

Bill 148 must extend Employment Standards Act coverage to dependent contractors.

Language on equal pay for equal work must be strengthened in the bill.

All parties, including unions, must be prohibited from contracting out of the Employment Standards Act.

Bill 148 must remove all exemptions to the minimum wage. It must also provide just-cause protection for all workers, and provide seven paid personal emergency leave days.

Bill 148 must support domestic and sexual violence survivors by establishing—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The first round will open with the official opposition. MPP—

Mr. Chris Buckley: Are you sure that was five minutes?

The Vice-Chair (Ms. Ann Hoggarth): I'm positive.

Mr. Chris Buckley: I was going as fast as I could.

The Vice-Chair (Ms. Ann Hoggarth): MPP Yakabuski.

Mr. John Yakabuski: Chris, thanks for coming. If you want to finish, if you can wrap it up in not too long a time, go ahead.

Mr. Chris Buckley: Sure. I will.

Most of us know a young person who is struggling to find full-time work, and 1.7 million Ontarians are earning at or near the minimum wage in precarious jobs. The OFL strongly expects that the government will amend the bill that has been presented to the Legislature. I urge you to make it fair for all Ontarians and make these amendments to Bill 148.

Thanks for allowing me to finish.

Mr. John Yakabuski: Thank you, Chris. Boy, you covered a lot of stuff. It seems like it was only five minutes, but you covered an awful lot of stuff there—

Mr. Chris Buckley: I would go longer if you let me.

Mr. John Yakabuski: —from franchises to first-contract arbitration to exemption.

We've met in the past, and I know you've been advocating for a long time for the \$15 minimum wage. We'll start with that.

We've heard from businesses all across the province, and I'm sure you've been following this as closely as I have because it's part of what you do. I'm sure you're not surprised to some degree about the level of concern that has been raised by them. Their issue is with respect

to the speed of a 20% and then another 10% in a very short period of time.

Do you feel they have a legitimate concern, the smallest of those businesses, about their own ability to continue to provide those jobs? Because they've said that some of those jobs may have to be reduced and/or eliminated.

Mr. Chris Buckley: Well, you know what? First of all, I want to thank all of you. You've had a busy two weeks travelling across the province.

I am not surprised in the least that businesses are pushing back. We fully expected business to push back. I was told today when I did a radio interview that there's an article in the Globe and Mail today from Magna Corp. saying that the increase to a \$15 minimum wage is going to hurt their business. I think I've told you before when I've been here that I represented auto workers for 27 years of my life, and I happen to know that Magna Corp. has made billions of dollars on the backs of workers in the province of Ontario. I have no sympathy for Magna complaining about an increase in the minimum wage.

I've also heard the government of the day saying that they understand that some small businesses might be negatively impacted, and they're willing to work with these small businesses to make sure there's very little pain.

I did not believe the vice-president of the Ontario Chamber of Commerce when he said, shortly after May 30, that it would be catastrophic to the province of Ontario because of an increased minimum wage. Over 1.7 million workers in this province are earning at or close to minimum wage, living in poverty. They're working numerous minimum wage jobs, making \$11.40 an hour, and then are forced to go to our local food banks to put food on their table. That's not the Ontario we want.

I know you're a business owner, or a former business owner. When we met, you told me you treated your people with respect and dignity, and I believe you. I believe you. Not every business owner does that.

I know some business owners are going to push back. You know what? It's not rocket science. I'm not an economist, but I do know one thing: If you pay workers a decent wage, that's more money that comes out of their pocket that they can spend in every community across this province. They can spend it in the businesses across their communities and they can help create thriving, stronger communities and an Ontario we want.

Mr. John Yakabuski: Chris, on that small business that really does feel threatened, you talked about the government offering some help. They're talking about socializing or some kind of a subsidy or something like that. Isn't that just transferring the responsibility of government?

If people are living in poverty, isn't it the responsibility of the government to see—they're talking about this guaranteed annual income experiment. Instead of the government doing what they should be doing to raise that standard of living, are they not just transferring it to the small business owner as opposed to doing what maybe they should have been doing already?

Mr. Chris Buckley: It's difficult for me to answer that because right now we don't know what any type of aid would look like. You're suggesting what it might look like. We don't know that yet because we don't have the law in place.

But I do know one thing. An increase in the minimum wage will generate \$5 billion a year in spending power for workers in this province. I've bargained collective agreements all my life. I've been representing workers for 30 years in the province of Ontario. I have yet to go to a bargaining table where the employer automatically put a big bag of cash on the table and said, "Help yourself. How much do you want?" It doesn't happen.

Mr. John Yakabuski: On the issue of binding arbitration—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We go to the third party. MPP Fife.

Mr. Chris Buckley: He can finish his question, if he likes.

Laughter.

Mr. Chris Buckley: I'm teasing you.

Mr. John Yakabuski: I don't think Catherine is going to give me any of her time.

Ms. Catherine Fife: Not a chance.

Mr. Chris Buckley: I tried.

Ms. Catherine Fife: Thank you very much for a really thorough presentation, also with specific amendments. This is good for us to have in hand.

We're already with you on many of the issues. The really glaring one for us is the opportunity to strengthen designated leave for survivors of domestic and/or sexual violence. You started to go down that road, Chris.

Perhaps these are unintended consequences—I'm not sure—but because the government is requiring workers to use their personal emergency days, it further shortens their leave entitlement and restricts their ability to use it for other purposes, such as illness or bereavement. You are recommending—for victims who are fleeing or trying to survive domestic or sexual violence, so that they have a chance of maintaining some stable employment—that Bill 148 should create designated leave for survivors, 10 paid days of job-protected leave. Can you talk about the 10 days, the importance of the 10 days? You also qualified that in your report. This is of great interest to us.

Mr. Chris Buckley: Absolutely. You all have our submission. Our submission has been forwarded.

We appreciate the emergency leaves, two of which are paid, but we're asking for a separate, job-protected leave for those women who are survivors of domestic or sexual violence.

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Let's face it, folks: This issue is not going away. When a woman has experienced domestic or sexual violence, the last thing she needs to worry about is taking time off and losing her job and income. Women need to have the security of knowing that (1) they still have a job, and (2) they're not losing any income, so that they have time to get their life in order. Every December 6, we

recognize the women who were killed through domestic violence in this country. It's not going away.

I think the government, regardless of which political party you're members of, should champion this cause and show women in the province of Ontario that if you're a survivor, the government is going to protect you; the government is going to help you get your life in order. And we're going to make sure that employers give you that leave, we're going to make sure that employers compensate you, so that when you come back to work you'll have a new beginning, and hopefully you'll never experience it again.

Ms. Catherine Fife: Absolutely.

I do want to thank you on behalf of our critic Peggy Sattler, who brought forward this legislation originally. You have been long-standing supporters of this.

Not only is there a compassionate case to be made for extending these days; there's actually an economic case to be made as well. Women are an important part of the workforce, and this legislation requires a better gender lens, if you will, going forward.

Mr. Chris Buckley: Sure it does.

Ms. Catherine Fife: Thank you very much, Chris.

Mr. Chris Buckley: Thanks for your questions.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Anderson.

Mr. Granville Anderson: Hi, Chris.

Mr. Chris Buckley: Hi. How are you?

Mr. Granville Anderson: Good, thanks. We have a long history, going back to the tribunal days.

Mr. Chris Buckley: Yes, you're in my neighbourhood too; you're in my region.

Mr. Granville Anderson: That's right.

Mr. Chris Buckley: It's good to see you.

Mr. Granville Anderson: Thank you for your advocacy on behalf of injured workers. I know you work hard on their behalf. We have had a few cases together. Thank you for being here.

You spoke about the removal of exemptions to the minimum wage. You referenced Tim Hortons, and I believe you included McDonald's in that as well. I don't know if there are any Tim Hortons etc. that are unionized at the moment. You want the exemptions removed to make it easier for card-based unionization of those. Do you want to talk a little bit about that?

Mr. Chris Buckley: About card-based certification?

Mr. Granville Anderson: Yes.

Mr. Chris Buckley: Absolutely. It's a worker's constitutional right. You've heard the member from the Conservatives agree to that. I don't know why it's not in place under Bill 148, for every worker in every sector in the province of Ontario. Unions provide such a good service to this province, and I'm not saying that because I've been a member of a union my entire working life and am now the president of the Ontario Federation of Labour.

Our amendments to Bill 148 are intended to help every worker in the province, not just unionized workers. I know, through my years of collective bargaining, what

unions provide to workers in the workplace, what unions provide to our communities, and what value we bring in how we bargain. When we can, every time we go to the bargaining table, we make improvements, whether that's in paid time off, in paid leave, in vacation, in benefit entitlement.

There are a host of issues that unions take care of with employers that maybe the government wouldn't have to dabble in, that the government wouldn't have to worry about providing. Unions across this province know how to get the job done.

Most importantly, absolutely, we're grateful that you've included three additional sectors. Include every sector. Make it fair. On May 30, the backdrop for the government's announcement was "Fair Workplaces, Better Jobs." If the government is absolutely serious about being fair, what better way to show being fair than giving card-based certification to every worker in every sector in the province of Ontario? That's making it fair.

Mr. Granville Anderson: I know you're genuine about that, because I know you probably don't have any employees you represent who make minimum wage, so you're here on behalf of all—

Mr. Chris Buckley: All workers in the province of Ontario. Together we can make this the Ontario we want.

Mr. Granville Anderson: That's right. I'm sure we all want that, and I believe in that wholeheartedly.

Do you want to expound on anything else that you didn't have an opportunity to earlier?

Mr. Chris Buckley: Number one, I thank you for your time. Our submission is before you. I'd ask you to take a serious look at it.

But most importantly—listen, folks: I understand politics. I come out of a very politically nasty local union. Trust me, I understand it. I have no time left in my head for politics. I know you folks have to—I know that's the life you lead—but let's think about one thing here. Let's think about collectively, between the labour movement and all three political parties in this province, if we come together, think about the good we can do. Think about the Ontario we can build. Think about the communities we can build. Like brother Smokey Thomas said earlier, there will be some bumps in the road when you implement or amend some of this legislation, but collectively, if we work together, think about the province we can build. Think about the people we can lift out of poverty.

Think about how much better our young people will feel. I'm extremely worried about the youth of our province. I'm extremely worried. Never before have we seen so many young people looking for stable, full-time jobs. Over 460,000 young people, as of 2016, were working in part-time jobs. Over 70,000 of those young people were holding down multiple part-time jobs. For the most part, our kids have listened to us. They have gone to school, they have got their education and they're graduating to the unemployment line or they're stuck in part-time jobs, working for temporary hiring agencies, or as contract workers. That's not the future we should be giving to our young people.

So, again, collectively, let's work together. Let's amend the contents of Bill 148. Let's move forward. Let's create the Ontario we all should be proud of.

Mr. Granville Anderson: Very well said, Chris. Thank you for being here and for your advocacy.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Chris Buckley: Thank you for your time.

The Vice-Chair (Ms. Ann Hoggarth): If you have a further written submission, it needs to be to the Clerk by 5:30 tonight.

Mr. Chris Buckley: I'll have Thevaki get on our draft, too.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Chris Buckley: Thanks for your time.

UNITED WAY TORONTO AND YORK REGION

The Vice-Chair (Ms. Ann Hoggarth): I call on the next presenter, the United Way Toronto and York Region. Good morning.

Mr. Pedro Barata: Good morning.

The Vice-Chair (Ms. Ann Hoggarth): If you could identify yourselves for the official record, and your five minutes will begin.

Mr. Pedro Barata: Pedro Barata, VP communications and public affairs at United Way.

Ms. Stephanie Procyk: I'm Stephanie Procyk, manager of research, public policy and evaluation at United Way.

The Vice-Chair (Ms. Ann Hoggarth): Would you please put your microphone a little closer?

Ms. Stephanie Procyk: Sure.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Pedro Barata: Thank you for the opportunity. Our comments today are focused exclusively on employment standards reform and the central importance of better aligning standards with the lived reality of Ontarians, so that we can fight poverty and drive an agenda for shared prosperity in our province.

We want to start this morning by underscoring why employment standards and that component in this bill are so important to working Ontarians. We will do that by referencing joint research that we've conducted with McMaster University into the impacts of the changing nature of the labour market.

Our two studies, which are a part of our submission today, surveyed more than a combined 8,000 working-age adults in the GTA and reveal that almost half of all workers in our region today are working in jobs with some degree of precarity. We've distributed a handout, and you can look to slide 3 for a breakdown of precarious work in the GTA. Our research shows that these kinds of jobs are having a distinct negative impact on individuals, children and families across all income levels, compared to those in more stable jobs.

Overall, workers in precarious circumstances are more likely to experience irregular income, suffer more anxiety and have more difficulty making ends meet. On slide 5,

you'll see, for example, that those in precarious employment were almost twice as likely to report poor mental health than those in secure employment and, on slide 6, those who were in less secure jobs and low income were more than twice as likely to be concerned about their standard of living and making ends meet.

So while the labour market has changed, our employment laws and income security policies have been slow to adapt, and most of these policies were developed at a time when standard, full-time, permanent jobs were really the norm. For this reason, we applaud the efforts that the province is undertaking to update our employment standards and bring up the floor of working conditions to mitigate some of the impacts of precarious employment on our communities.

We're particularly encouraged by the general direction of recommendations related to a few areas that relate to our findings, such as measures to create a more even playing field that ensures equal pay for equal work. On slide 7, you can see that those in precarious employment earn less than those in secure employment, in part because workers in precarious employment tend to have more irregular hours and incomes than secure workers. This is also due to the fact that the Employment Standards Act does not prohibit discrimination on the basis of employment status or hours of work. We believe that moving in the direction of equal pay for equal work is an important step.

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In the area of expanded access to leave, we know that those in precarious employment have significantly less access to paid leave, and you can see that on slide 8. It makes it very difficult to manage unexpected illnesses in their families, which can contribute to more anxiety and stress. We know that nearly half of those in low-income, insecure jobs report that anxiety about their employment situation interfered with their personal and family life, and that is why we welcome the expansion of unpaid and paid personal emergency leave days to more workers in the province.

In terms of striving for better predictability, nearly half of workers in precarious employment report they often do not know their work schedules in advance. This can make it hard for these workers to plan their lives, arrange for child care. For example, on slide 11, precarious workers were more than twice as likely to report that uncertainty in their work schedule and location limited their child care choices, so introducing greater certainty around scheduling would certainly be a welcome move.

Finally, we applaud the increased attention and funding that has been focused on employment standards enforcement. As you can see on slide 12, those in precarious employment were more likely to report that raising employment standards or health and safety concerns would negatively affect their employment. In order to have a strong employment standards system, we need standards to be enforced, and on that front, we are particularly pleased to see the move to double the number of employment standards officers.

In closing, United Way decided to move into this area of research because of the experience of our network of agencies and the changing nature of the people who are walking through our agencies, increasingly working but still not being able to make ends meet. That's important because it points to the tremendous toll that increased job insecurity is already having on human services and social services. We can be sure the same human and financial costs will be multiplied across our health care and criminal justice systems and overall productivity unless we act.

This bill is not just about those who are struggling in unstable jobs. It's about our bottom line and preventing costs to our social and health systems into the future. It's about our economic strength and recognizing that a strong workforce equals a strong economy. It's about our next generation and giving them hope for a strong future. It's about our values and the simple principle that putting in a hard day's work should be a pathway out of poverty and an opportunity to share in the quality of life that makes our province the greatest place to call home.

Thank you for your attention. We'd be happy to engage with your questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll begin this round of questioning with third party. MPP Fife.

Ms. Catherine Fife: Thank you very much for your presentation. I believe you also came out with—you do a lot of research and studies, which is valuable to us. But about two years ago, particularly in Toronto, you tried to paint a picture to give us an idea of who these people are who are precarious—obviously, racialized groups and women. You haven't delved into that in this presentation, because your focus is on the cost of precarious work; is this right?

Mr. Pedro Barata: In our submission, we have a demographic breakdown of precarious employment. As you would expect, factors that you've mentioned, such as race and gender, are certainly associated with a disproportionate incidence of precarious employment.

One of the things that we have found is how cross-cutting precarious employment has become. It's increasingly an issue which impacts on all of us and, very importantly, it's an issue that is not just about low income. We're seeing that, increasingly, across modest and middle-class incomes, the impacts of precarious employment are creating stress on individuals. Definitely there are marked differences in terms of just the ability to spend time with your kids, in terms of your ability to be able to predict what your income is going to be and to make major purchases.

We're also seeing that engagement in the community—obviously very important to all of us, including United Way—is an area where precarious employment cuts across low-, middle-, and high-income households. We're seeing that precarity really has an impact on the ability of individuals to be able to take part in their community.

Ms. Catherine Fife: I think what your data shows us is that things have gotten pretty bad in Ontario. We've

noticed that through the tracking primarily through Stats Can. We had a delegation earlier today from the chamber saying 98% of new jobs that are created in Ontario are full-time and, quite honestly, we know that is just not true.

I noticed that you've focused mostly on commenting on the Employment Standards Act and the changes that are contained within there. This morning, we also had a presentation which connected the importance around enforcement of the Employment Standards Act to the ability to form a union and to have access to organize and to collective bargaining as one of the key ways to actually ensure that rights of employees are upheld. You do raise some concerns around precarious employment and fears of precarious employees who really have no avenue to protect themselves unless the government actually steps up and does the enforcement.

Is this a gap that you'll be identifying in the Employment Standards Act to ensure that any changes going forward are not just—because legislation can be great and the language can be great, but the implementation and the enforcement of that legislation needs to be upheld.

Mr. Pedro Barata: There is a growing body of evidence about the importance of how you do enforcement as well, and how you can make that most effective and efficient, for example, by looking at which sectors of the economy have the greatest violations and being proactive in terms of some of your enforcements.

I think that with the additional resources that have been brought into the system, we have a great opportunity to not just increase the number but really increase the efficiency and the impact of that enforcement. We very much look forward to an opportunity to begin to consolidate some of the emerging learnings and to be able to have greater impact on that front.

Ms. Catherine Fife: And this is of greater concern in the on-demand service economy—so the gig economy, right? I mean, you can give it a sexy name; it still sucks, at the end of the day. It's still precarious contract work with no security and with no rights. Quite honestly, I think that if the government does address some of the amendments that need to happen with the ESA, the key piece will be ensuring that employees who will benefit from the legislation don't pay the price, at the end of the day, by falling victim to the implementation of that legislation.

Thank you very much for coming in today.

The Vice-Chair (Ms. Ann Hoggarth): We move now to the government. MPP Malhi.

Ms. Harinder Malhi: Thank you so much for your presentation and for all the great work that you guys do at United Way—

The Vice-Chair (Ms. Ann Hoggarth): Could you move closer to the—thank you.

Ms. Harinder Malhi: Sorry—and for all the great work that you do at United Way. We know that it's crucial to our communities.

I know that you're very supportive of the \$15 minimum wage, but throughout the last few days, we've

heard from some of our other stakeholders that this is too soon and that we're going too quickly. What would you think that the impacts of waiting to get to a \$15 minimum wage would be on all of the people that you support on a daily basis?

Mr. Pedro Barata: As an organization that's dedicated to fighting poverty in all its forms, obviously, the minimum wage is a key part of the tool kit along with the Ontario Child Benefit, social assistance, child care and many other elements. We believe that, together, they should ensure a floor out of poverty.

Certainly, adjusting minimum wages alongside other programs is an essential tool for fighting poverty. Our research is really on the employment standards side. The minimum wage is not an area of our expertise, and as such, we would rely on others who have appeared in this committee today and on previous days to really comment on that.

Ms. Harinder Malhi: Thank you. How do you think the minimum wage will improve the quality of life for those that you serve?

Mr. Pedro Barata: Again, the minimum wage, together with other elements of the income security system, is very important in terms of making sure that we can fight poverty in all its forms. Of course, increasing the minimum wage, alongside with increasing other income security programs and focusing on social assistance reform, is just another part of that mix that we think is key.

Ms. Harinder Malhi: Thank you so much. I know MPP Colle—

The Vice-Chair (Ms. Ann Hoggarth): MPP Colle.

Mr. Mike Colle: Thank you so much. I'm glad York region is represented here because the changing demographics up there are, I'm sure, daunting, given the newcomers that are coming into the area.

Pedro, I see John Cartwright is here. I have to plug the community benefits program on the Eglinton subway. We're employing people who have never been employed before as we build that subway, which should have been built a long time ago until those guys—anyway, I won't go into that.

I just wanted to ask, what is the face of people who are underpaid, don't have any rights, are newcomers to Canada? What kind of people do you meet every day through the United Way who need help and could benefit by more decent work, fair wages and fair treatment as workers? What kind of people are we talking about?

Mr. Pedro Barata: Our agencies on a daily basis serve a wide variety and diversity of people in the GTA. Obviously, you would expect some groups that have faced systemic issues and that have always had a harder time in the labour market, like younger people, newcomers, women, racialized populations and indigenous people. Those would be the faces that you would expect would be impacted by the ongoing changes in the labour market.

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But what is critical, in terms of our research, is that precarious employment is increasingly about all of us.

While at our agencies we may serve the groups that I referenced who are the worst off, increasingly we're seeing that the face of precarious employment is the face of Ontario, especially when we look at what's happening with the next generation and what's happening with young people who come into the labour market. There is a real concern, with the ongoing bifurcation of good jobs and not-so-good jobs, that all young people will find a labour market that will really make it difficult for them to move ahead. I would say that this is an issue which really impacts all of us and does not belong to one community alone.

Mr. Mike Colle: Yes, because these are the jobs that are becoming the norm, almost, sad to say. The trend is that they don't want to give people pensions and benefits. They don't want to give people a decent wage. So they go for the cheapest labour, where they can get the most out of them without any kind of overhead to the employer.

What is happening in York region in this area of precarious employment? I just want to get to that, because I know that's an amazing change up there.

Mr. Pedro Barata: We have replicated this exact study that we did for the GTA, specific to York region. The results are very much the same as they are for the rest of the GTA. We may have—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition. MPP Barrett.

Mr. Toby Barrett: Thank you, Chair. My colleague has a question as well.

I thank the United Way for the work you do in this area. There is very good work done in my riding.

You raised the concern around temporary work, part-time work—and, I would add, the seasonal labour as well, down in my area. You gave one problem, with mental health problems. What we're hearing from so many deputants, given the pressure of this legislation as it comes in, including the minimum wage, is that they're going to be laying people off by Christmas. The first round kicks in on January 1 on the minimum wage. They'll be eliminating these temporary jobs, these part-time jobs, these seasonal jobs—

The Vice-Chair (Ms. Ann Hoggarth): Sorry. MPP Barrett, could you get closer to the microphone, please, or speak louder? Thank you.

Mr. Toby Barrett: Just to add to the list on mental health: Obviously, you're going to see more poverty, more hunger and less ability to deal with housing and social exclusion.

I think of Ontario Works. I think of people on disability. I think of your book of business. How will your organization adjust to that, if we're going to see these types of jobs being eliminated with legislation that is being labelled by many as a job killer?

Mr. Pedro Barata: As I have mentioned, the reason why United Way decided to get into this area is because our agencies on the ground are really in the community and are really the bellwether on what's happening with Ontarians.

The impacts of the changing labour market: Our reality is that our sector has been having to adjust to them over the past decade. No longer is it the case that the people who walk through our agencies are primarily unemployed or homeless. We're seeing that, increasingly, there are people who have jobs who are trying to string together two or three jobs just to make a living, and who still can't make ends meet, who may work odd hours and can't find child care.

There are other issues that are in the context of work, such as housing, which is a huge cost driver for individuals and families in our province, and in our region in particular. Closing that gap between precarious incomes and rent is a real challenge.

This is an ongoing area of concern for our sector. We're very mindful—and what we really want is our businesses to serve people and our businesses to strengthen communities. We would much rather be in a position that, rather than putting Band-Aids on issues and just meeting urgent, immediate needs, instead we would be working in communities to create real resilience and to create economic opportunities such as through community benefits.

Part of the importance of this bill, and the direction that it moves in, is that it begins to look upstream as to why is it that people come into our agencies to begin with, and really focuses on prevention. We think that's an important perspective.

The Vice-Chair (Ms. Ann Hoggarth): MPP Yakabuski.

Mr. John Yakabuski: Thank you for joining us today.

I can't speak to the United Way in Toronto, but I certainly can speak to the United Way in my riding. The proportional level of the receipt of donations in my riding is not coming from multinationals or big corporations; they're coming from small businesses and individuals. When I go to an event, whether it's a fundraiser for one of the hospitals or the long-term-care homes or whatever, the people I see there are the small businesses.

What I'm also hearing is that if they're told, "On January 1, you're paying 21% more to"—the real concern is the compression of higher wages that they feel should be going higher as a result of changes to the minimum. I have businesses saying, "I gave \$20,000 in corporate donations to the hospital"—or whatever—"over the last few years. I'm going to have to take a hard look at that if I am told that my costs for labour are going to go up this dramatically over this period of time."

Do you see that as being something that could affect charities across Ontario?

Mr. Pedro Barata: It's certainly an important point. I really feel very lucky to work for United Way and to hear of the support around the table. Over the past decade, we've seen that the economy has really changed and so has the labour market. Despite those changes and the transitions that we've seen, we're lucky that right here in the GTA—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Thank you very much for your submission. If you have a

further written submission, it needs to be to the Clerk of the Committee by 5:30 tonight.

Mr. Pedro Barata: Thank you so much.

UNITED STEELWORKERS

The Vice-Chair (Ms. Ann Hoggarth): I call on the United Steelworkers. Do you have a written submission to hand out?

Mr. Tony DePaulo: Yes.

The Vice-Chair (Ms. Ann Hoggarth): He's got it? Okay.

If you could identify yourself for the record, your five minutes will start.

Mr. Tony DePaulo: I'm Tony DePaulo. I'm the assistant to the director for the United Steelworkers in district 6—that's the whole province of Ontario. My director, Marty Warren, couldn't be here today due to a sudden death in the family. Here with me today for the question-and-answer segment is Mark Rowlinson. He's our assistant to the Canadian national director.

Our union has close to 70,000 members in Ontario, and they work in just about every industry and job. We have been deeply involved in the process that has led to Bill 148. Our union's rank-and-file members took part in the consultations across the province with Mr. Mitchell and Mr. Murray, the special advisers who were appointed by the government. We have provided extensively detailed and lengthy written submissions at each stage of the review. We have met with MPPs. We have made our views known to the Minister of Labour and his advisers, and my director has met with the Minister of Labour on several occasions to personally tell him what our concerns were.

We consider the final report of the Changing Workplaces Review to be an important piece of work and indeed the most comprehensive overview of Ontario's labour and employment situation in decades. So here we are today to deal with Bill 148, a bill that was announced by the government just one week after the review's final report.

Your committee has heard from others from my union already at your hearings in Niagara, Ottawa, London and North Bay. We will submit today to your committee a detailed written submission on the many aspects of Bill 148 that we think demand revision, change and improvement. As well, you have held days of hearings and heard dozens of presenters, many of them speaking about specific sections of Bill 148, and we thank you for your dedication to this process.

Today—I think you may not be too sad to hear this—I am not going to go into fine detail about the changes we seek. Instead, I want to talk about the direction that your anticipated amendments to Bill 148 should take.

I want to begin my remarks by relating the words of a well-known Ontarian who was interviewed on CBC Radio the day after the election of Donald Trump as President of the United States. This prominent Ontarian said that people were voting against a system that they

perceived wasn't working for them and was not fair. It puts the notion of building a fair and inclusive society right at the centre of this political discussion. We have to create conditions so that there is fairness in our society.

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This well-known Ontarian was Premier Kathleen Wynne. While my union may rarely be on the same page with the Premier, on that point she was correct. It surely is time to take innovative, bold action toward a fair and inclusive Ontario. Improving Bill 148, repairing the bill so that it truly strengthens employee rights, surely fits that goal.

When you read our union's detailed written submission, you will see that all of our proposed amendments are directed toward achieving that goal of fairness and inclusion. There is no substitute for the role of freely chosen, democratic, representative unions that are independent of the influence of employers and that also possess the legal foundation and the resources to engage in real collective bargaining. Indeed, section 5 of the Labour Relations Act sets out the guarantee of the right of every employee to join the union of her or his choice.

But the reality is that far too often in Ontario, this right is unreachable. It is fenced off by employer opposition and by the legitimate fears held by workers about reprisals and discrimination by their employers. Public opinion data shows that support for joining a union jumps by 10% to 12% when people are asked whether or not they would support an organizing campaign in their workplace if they could be guaranteed that their employer could not punish them for their union support. This data is confirmed by the real-life experiences of Ontario workers every day.

Our amendments focus first on the right of employees to freely join unions, including card-check certification, access to proper workplace information—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Tony DePaulo: Oh, I wasn't going fast enough? I thought I was going too slow.

The Vice-Chair (Ms. Ann Hoggarth): We will open this round of questioning with the government. MPP Dong.

Mr. Han Dong: Tony, do you want to go ahead and finish that presentation there?

Mr. Tony DePaulo: Sure. Our amendments focus first on the right of employees to freely join unions, including card-check certification, access to proper workplace information and broader-based collective bargaining models that are designed to fit our modern and changing economy.

Next, our amendments focus on the need to find a way to resolve long lockouts and strikes by following Manitoba's lead in implementing a system of binding arbitration to solve intractable strikes or lockouts. This option is vital in a world of global capital. Manitoba's experience shows that it can work.

Finally, our written submission provides our views on improving Bill 148 by providing for seven paid emergency leave days for all employees, and establishing a

designated leave for survivors of domestic and/or sexual violence, and prohibiting employees from contracting out of the ESA.

In closing, our submission also fully supports the submission of the Ontario Federation of Labour.

We thank you for your time. Mark and I will welcome your questions. Thank you for giving me the opportunity to finish.

Mr. Han Dong: Thank you, Tony, and thank you, Mark, for being here and presenting to the committee.

I want to thank you for your involvement with the special adviser on the Changing Workplaces Review. In your opinion, do you feel that this piece of legislation captured or addressed the concerns that your union brought forward?

Mr. Tony DePaulo: I don't think that it went far enough on what our union proposed. We proposed card-check certification across the board for everybody, for every employee and every worker in the province of Ontario. We also strongly stressed the domestic and sexual violence part, in that it should be separate from the emergency leave. We're experiencing that in a lot of our workplaces in negotiations, and our union has made it a priority to try to bring this to the bargaining table in our negotiations.

Last but not least is the Manitoba legislation for long strikes and lockouts. As I'm sure you're well aware, everybody at the table, we went through a two-year lockout with Crown. Our employees were locked out. We believe that if something similar to the Manitoba legislation was implemented, we would have been back at the bargaining table in a certain period of time and those employees would have been back to work.

Mr. Han Dong: Earlier on—I've been listening to the questions and answers—my colleague from the Conservative Party tried to hint one time that people earning minimum wage and in a low-income situation seem to be the sole responsibility of the government. Through this bill, he feels that we are putting the pressure on small business to solve that situation.

In my opinion, I think we've done quite a bit—the introduction of a child tax benefit, tuition fees, the basic income pilot—and are continuing to help people and lift them out of poverty.

In your opinion, do you feel that lifting people out of poverty is the sole responsibility of the government, or society as a whole?

Mr. Tony DePaulo: I feel that it is the responsibility of the government, and I believe that the fears of small business are unfounded. I think the minimum wage has to be done in a responsible, quick, timely fashion.

You heard earlier from a previous presenter that there are people who are making minimum wage—we experience this in the city of Hamilton every Labour Day weekend. We go to the Wesley centre, and our members feed the homeless. We see sad cases where temporary workers, people who are making minimum wage, are forced to go to that food bank for a meal on Labour Day Sunday. I think it's something that's long overdue.

The Vice-Chair (Ms. Ann Hoggarth): MPP Colle.

Mr. Mike Colle: I just wanted to add on to that. Obviously the Conservatives are now saying that what we should be doing is increasing people's ability to get on welfare, increasing the welfare rates and social assistance, rather than having everybody share through giving people decent wages. They're saying, "Here's 1.6 million people who are working, who want to work"—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We now move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Tony and Mark, for joining us. It's amazing that the government can speak for what everybody else is saying, including telling the chamber what to put into an economic impact study.

I do want to touch on a couple of things. You've covered an awful lot here in your submission, so—

Mr. Tony DePaulo: I didn't think I went far enough. But you've got to remember, I'm a sub. I came in off the bench, so Mark's here to help answer some questions too.

Mr. John Yakabuski: Isn't it amazing, how fast five minutes can go by?

Mr. Tony DePaulo: Yes.

Mr. John Yakabuski: You talked about one thing, and that is dismissals and reprisals during a union drive. I wholeheartedly support what you're talking about there. No one should ever be penalized or lose their jobs as a result of trying to organize in a workplace. That is not what fair play is all about. At the end of the day, people should have the right to make a choice, and nobody should be subject to unfair conditions as a result of that.

You have in your submission, and you did talk briefly about, the domestic and sexual violence aspect and the 10 days. We, as a society, have every responsibility to protect those who are victims of domestic and sexual violence. I made a suggestion to a couple of the other labour leaders over the last couple of weeks, and today, as well; we haven't got time to talk about it, sometimes, in the five minutes, but I might have time with you.

So Peggy Sattler's bill—congratulations to Peggy for bringing it forward. I'm talking about putting in an amendment. People in a very small business could really feel the pinch, paying for an extra 10 days, so my suggestion was that they pay the days up front, because you have to have the protection for that victim. You have to have the confidentiality. Life has to appear to go on the same as before, so that there's no trigger or suspicion raised on the part of the abuser; right? Life has to be seen to be as normal as possible.

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So the employer would pay for that, but then could apply to the province—it's our responsibility as a society to protect victims of abuse—for reimbursement for those up to 10 days that are being used by that victim. The fellow who was from the OFL and CUPE thought that that was a good suggestion. How do you feel about it?

Mr. Mark Rowlinson: A couple of points: I think you have to be a little cautious when you're talking about government subsidizing employer obligations. I think it

can lead to sometimes not-so-great outcomes in the economy.

Of course, as Tony mentioned, we bargain such leave provisions into collective agreements wherever we can. We're as committed as any union to providing the support that is necessary for those victims and survivors.

The one thing I would say is that the government of Alberta—not, historically at least, a progressive labour law jurisdiction—has just introduced a provision that is very much like what we in the OFL are proposing. It seems to me that if the government of Alberta can do it, then the government of Ontario can do it as well.

Mr. John Yakabuski: Okay. Thank you very much for your submission. I appreciate it.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the third party. MPP Fife.

Ms. Catherine Fife: Thanks, Tony, for coming in. I wondered if you wouldn't mind passing on my condolences to your president, Marty. I'll see you later on today at the visitation.

I do want to pick up on the designated leave for survivors of domestic and/or sexual violence. Labour has been consistent in this, actually, in supporting these recommendations, but ironically, as you point out in your submission, it's actually part of the government's Action Plan to Stop Sexual Violence and Harassment. So the government has a plan which endorsed the 10 days of leave followed up by 60 days of unpaid leave, but they didn't actually put it in the act. This, to us, indicates that the legislation is imperfect. It helps when you have voices that have been fighting for these resources for years come to committee and reinforce the importance of them, and also just try to hold the government to account for their own plan, right?

Earlier today, though—and I'm going to tie it back down to the Ontario Labour Relations Act—we did hear about, and you referenced this in your deputation, the increase in workers in the on-demand service economy. There are very real barriers for them to organize, and Bill 148 provides even less immediate protection for workers in the on-demand service economy.

This is the growing group of workers in Ontario who have part-time, precarious, contract work, just trying to make ends meet. Right now, as the legislation is crafted, these workers would have to litigate to establish their entitlement to minimum standards of protection. The best way for these workers to actually have their rights upheld is to collectively join a union and form a union, and yet Bill 148 focuses most on the reforms to the ESA and not to the LRA.

Have you looked at these workers who are out there, who want to organize, but there are very real barriers? This legislation does not address a quick, clear pathway for them to organize.

Mr. Tony DePaulo: We've looked at it and we've experienced it. We've had contact with these workers who said that they need a union and who, for want of a better word, got in trouble with the employer or are really afraid that if they did join a union, they'd be let go

because of all the stress that is put on them in their environment already. They don't have the resources to go to pay for their own litigation or come to the Ministry of Labour. We think that that has to be addressed. That's really one of the serious issues.

Ms. Catherine Fife: Okay. Thank you very much for coming in today.

The Vice-Chair (Ms. Ann Hoggarth): Thank you so much. If you have a further written submission, it needs to be in to the Clerk by 5:30 tonight. Thank you, sir.

Mr. Tony DePaulo: Thank you.

CANADIAN FEDERATION OF INDEPENDENT GROCERS

The Vice-Chair (Ms. Ann Hoggarth): I call on the Canadian Federation of Independent Grocers.

Mr. Gary Sands: I'll read as fast as I can.

Good morning to the Chair and members of the committee. Thank you for the opportunity to appear before you today. I am the senior vice-president of the Canadian Federation of Independent Grocers. I'm also the chair of the Small Business Matters Coalition, which is now—

The Vice-Chair (Ms. Ann Hoggarth): Sir, I need you to say your name, please.

Mr. Gary Sands: Oh. Gary Sands. Sorry.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Gary Sands: I chair the Small Business Matters Coalition, which is now the largest voice of small business in Canada and here in Ontario. The almost 2,800 independent grocery stores in Ontario account for almost 60% of all grocery stores in our province. This sector employs approximately 25,000 and generates about \$540 million in wages, salaries and benefits in Ontario.

Turning our attention to the planned imposition of a 32% increase in the minimum wage over an 18-month period, I first want to put this in the context of the retail grocery sector and, in many aspects, for small and medium-sized business in general.

Before I start, however, I would not be fair if I didn't acknowledge the government's really improved attention to matters affecting small business. In my capacity as chair, I can tell you that Minister Leal has been very open and a very productive partner to work with as we identify the challenges that have been facing independent grocers and small businesses, in particular as we're striving towards finding solutions.

Retail grocery is high-volume but with very low margins that run between 1% and 1.5% lower than other sectors. The independent grocer competes in a highly concentrated market, where a continuing consolidation within both the retail and supplier sectors has put further pressure on independents. What that means is that as larger corporate chains use their leverage to extract concessions from suppliers for everything from offsetting the cost of store renovations to retroactive price reductions, those cost synergies, as they are politely described, mean that the small-business independent grocer, who does not have the leverage to request synergies, is put at a competitive disadvantage.

I think one of the most recent examples where the issue of leverage was illustrated is in the area of credit card fees. Businesses in Canada pay about \$5 billion in credit card fees, among the highest in the world. Walmart recently pushed back publicly and aggressively against Visa on these fees, asking for better rates. At the time, Visa resisted the demands by Walmart, pointing out in full-page newspaper ads that this would put smaller stores at a competitive disadvantage. They ended up reaching an agreement on fees. By their very own words, small business was again disadvantaged. Small and medium-sized business does not have the clout of a Walmart.

This kind of scenario plays out in a myriad of ways in areas crossing all sectors. Did those passing out economic analysis on the impact of this minimum wage proposal look at the issue of credit card fees paid by businesses, which are invisible to the consumer and, I might suggest, with all respect, to some of the previous presenters?

The high cost of energy ranks as the most significant concern of my members. They operate in a sector that has unique energy demands. You can't turn fridges and freezers off at night. Notwithstanding upgrades and retrofits, our small business members are not eligible for the HST rebate to small business under the fair hydro plan. At the same time, energy consumption of these small business grocers is not high enough to obtain the large-volume cost offsets available to chains.

Recently, with support from Minister Leal, the IESO has agreed to begin a study of our sector to allow them to better understand the challenges our members face. This is a positive step, to be sure, and reflected the fact that the government was listening to our concerns in this area. We are hopeful a long-term solution will arise from this process.

I'm just going to move on, because you've got the written submission in front of you.

Another issue that we want to ensure is clearly understood in the debate over the \$15 minimum wage is that the \$15 in itself is a trigger for increasing other expenses. Along with costs such as the employer health tax, EI and CPP, which is tied to payroll, there is no doubt that existing employees who are at or just above the \$15 level now will demand commensurate pay hikes.

Governments are fond of citing the need to help Main Street, but to many of those businesses on Main Street, they see this minimum wage hike and the time frame proposed as a roadblock. By taking a one-size-fits-all approach to this issue, it is our view that there is no doubt there will be unintended consequences for the small business community.

Even within that community, particular sectors with unique challenges such as retail grocery will have two options. You either reduce costs by cutting jobs or you close. That's why we recommend that the committee endorse two courses of action for Bill 148: either the implementation schedule for the minimum wage be amended to allow for a longer phase-in period or, at a minimum—no pun intended—that a longer phase-in schedule be implemented for small businesses—

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. We'll move to the official opposition. MPP Barrett.

1130

Mr. Toby Barrett: Thanks for coming forward on behalf of the independent grocers. You mentioned our agriculture minister, and I publicly asked him to help out on this—obviously the Minister of Agriculture and Food, also small business—

The Vice-Chair (Ms. Ann Hoggarth): Mr. Barrett, would you move closer to the microphone, please? We can't hear you. Thank you.

Mr. Toby Barrett: —also rural affairs, a part of the country that I represent. He's funding one study. We would like to see an economic study.

You've presented information about profit margins around 1% to 1.5%. That's astoundingly low.

Mr. Gary Sands: That's grocery. And I have to admit, that's for chain and independents. The margins are the same; it's just that the ability of chains to recoup or do other things is not available to the smaller businesses.

Mr. Toby Barrett: Yes, and it doesn't seem to be much better as we go back on the value chain, as far as the food processors—very, very tight margins there. Go back a little further to the primary producers, the fruit and vegetable and Ontario's agriculture—very, very concerned with the minimum wage. It will cut jobs. It's going to cut the part-time, seasonal jobs, the student jobs.

Any comment on that, any impact from your members? What are they saying about that?

Mr. Gary Sands: Our links to the processors and producers are very strong. Independents don't buy local because it's a nice slogan for the TV commercials; they buy local, support local and hire local because that's part of what they have to do. They have to differentiate themselves. They have to establish very strong links within the community. So anything that impacts the independent grocer is going to also impact those further downstream in the food chain, and the converse is true as well.

Mr. Toby Barrett: I have well over 7,000 seasonal workers just in one county in my riding, the largest number in Canada. That's local food.

Mr. Gary Sands: Yes.

Mr. Toby Barrett: That's going to end a lot of that local food. At \$15 over a year and a half—they can't pay \$150 a day when Mexico is paying \$5 or \$15 a day. That will end another government-supported policy as far as local food. Again, I'm assuming your members, much of your—certainly your produce section, if you can, is local. Any comments on that?

Mr. Gary Sands: Yes. I'll just repeat: I'm not saying this because of where I work. I've been with this organization a long time. I've gotten to know these grocers and the producers and the processors. They are very closely interlinked. The independent grocers depend on those local producers and processors to be able to differentiate themselves. I just can't emphasize how important each sector is to the other.

Mr. Toby Barrett: As we downsize on the employment, Walmart is scrambling and we see the automatic

checkout stations, for example. Going further upstream, the restaurant trade, which purchases a lot from your organization, is looking at automating. What are you doing to replace workers, then, if this goes through?

Mr. Gary Sands: I wouldn't want to answer that question yet. I can only honestly convey to you what the members have told me. They're not speaking in public. The media is saying they are looking at closing stores or cutting jobs; it's one or the other. That's all I can say at this point in time.

Mr. Toby Barrett: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the third party. MPP Fife.

Ms. Catherine Fife: Thank you very much for coming in today. You've brought an issue, actually, that the committee hasn't heard about around a cost pressure, and that is around the credit card fees. It's a good venue to bring it, because it gives some context to the current business environment. By bringing it to this committee, though, and identifying it as an imbalance—actually, credit card fees are a long-standing imbalance in this economy, and no government has weighed in on these issues. Are you proposing that the current government take this on as an issue, by bringing it here to committee?

Mr. Gary Sands: No. With all respect, it is a federal issue. The previous federal government tried to do something to it, the Harper government. It was not anywhere near a satisfactory approach. The current government is reviewing it, and we hope we're making some progress.

In terms of bringing it to this committee, no, we're not looking to the province to take any action on this issue. This is something we're very much engaged with on a national basis, but it's still important that you understand that this is part of the costs that people deal with.

When your margins are 1.5% and a credit card interchange fee is 1.9%, you don't have to be an economist to realize that there are some significant challenges out there. When you pay with a credit card, the retailer has to pick it up and find another area to cover that loss.

I'm trying to give you a cumulative—

Ms. Catherine Fife: For sure, yes. It is timely, though. The provincial government supported a motion, for instance, to address two pieces of federal legislation with regard to Sears and their employees being at the bottom of the creditor list. These are the very people who built the company. So provincial governments can weigh in on federal legislative issues. In instances where small businesses are being negatively impacted, they're well within their rights to lobby their federal cousins, if you will. So I appreciate the fact that you did bring this as an issue, because I know chambers of commerce have identified it as well, and it gives context.

What I'd like to get a picture of at the end of your delegation is, who are your employees? What are their demographics? What are their ages? How many full-time, part-time, casual—

Mr. Gary Sands: Of the 25,000 employees, about 18,000 are full-time and the remainder are part-time. It can be different in chain versus independent. In inde-

pendents, particularly in non-urban areas, the demographic is right across the spectrum. It can be all age groups. It's just completely varied.

Ms. Catherine Fife: Are there any unionized employees in those independent grocers?

Mr. Gary Sands: There are two that I'm aware of.

Ms. Catherine Fife: Out of all of Ontario?

Mr. Gary Sands: Yes. Most of these stores are one-store independent operators.

Ms. Catherine Fife: They're mom-and-pop owners.

Mr. Gary Sands: Yes.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Dong.

Mr. Han Dong: Thank you, Gary, for coming in and for the presentation.

In my riding of Trinity–Spadina, a downtown Toronto riding, there are many small businesses. They are so important in encouraging the shopping experience here in downtown, whether it's West Queen West, the entertainment district and King West—you name it. I really, really appreciate them, and I hope they do well. I do everything to help them to do well.

At the same time, there are many people working at or close to minimum wage, and as you know, living downtown is just not viable; it's very, very difficult.

So here we are doing consultation on Bill 148 right after first reading. I know this is going to have a large impact on businesses.

We heard earlier that 25% of people who are working at minimum wage, or close to it, in Ontario work for a small business. So the vast majority are working for businesses that have over 20 employees.

This summer, the government's small business team is out there visiting dozens of communities, led by Minister Leal, looking for ideas and suggestions.

Do you think the government is being receptive or understands the concerns and the impact?

Mr. Gary Sands: I can only give my own experience at CFGI in this chair. We're opposed to this minimum wage increase, but we have felt that has been very much the case, especially with Minister Leal. The door is open, and they're listening. The minister has been very supportive of us. In fact, we got a recent 66% cut in our licence fees for those stores that are selling beer and wine. That was as a result of the discussions. I think, to be fair, he was responding to our concerns, and we appreciated that. There are other issues we're engaged with them on. My past life was political, and I have a real sense that we are being listened to.

Mr. Han Dong: Thank you. You guys are doing a good job of giving us advice.

You mentioned that there are two things that you want to suggest to the committee. The first one was phasing out the increase—

Mr. Gary Sands: A longer phase-in period, or have a different schedule for the minimum wage to go into effect for those defined as small businesses.

Mr. Han Dong: Okay, that's very good.

In the course of these consultations, we've heard many suggestions, and some very innovative ones coming from the restaurant sector, as they are impacted as well. Any suggestions? Because this is a great opportunity for the small business and restaurant sectors to come forward and say, "This is what we want to offset these impacts," right? Any suggestions that you hear from your members?

Mr. Gary Sands: We did take a survey of the members and we asked them to rank their top priorities—if we were to start to talk about other measures that could offset the impact of this. Number one, by far and away, was energy. Another one is to look at maybe a different threshold for the employer health tax. Perhaps there are some special measures that could be looked at when retail transitions to the HST. Maybe we could look at something around that.

Those are some of the ideas that have come forward. We've engaged in a dialogue with the government on that and it's been very constructive.

Mr. Han Dong: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. If you have a further written submission, it needs to be in by 5:30 tonight to the Clerk. Thank you, sir.

Mr. Gary Sands: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): This committee is recessed until 1:30.

The committee recessed from 1142 to 1330.

The Vice-Chair (Ms. Ann Hoggarth): Good afternoon. We are meeting here this afternoon for public hearings on Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts. Each witness will receive up to five minutes for their presentation, followed by up to 15 minutes of questioning from the committee.

Just remember that proper decorum is expected here. There is no clapping, cheering or heckling, and no political attire or materials. I understand there are people in the overflow rooms; if you are one of the presenters, please make your way down to room 151 before your presentation time. Are there any questions?

DR. HASAN SHEIKH

The Vice-Chair (Ms. Ann Hoggarth): I'm going to call the first witness for this afternoon: Hasan Sheikh, emergency medicine physician; and lecturer, University of Toronto department of family and community medicine; Decent Work and Health Network.

Good afternoon. If you could identify yourself for the record, and your five minutes will start.

Dr. Hasan Sheikh: Thank you. My name is Dr. Hasan Sheikh. As mentioned, I'm an emergency room physician here in Toronto and a member of the Decent Work and Health Network. I'd like to thank the members of the standing committee for the opportunity to talk about the anticipated health impacts of Bill 148.

I work primarily in a large tertiary-care centre here in downtown Toronto, but I also help fill shortages across the province in rural emergency rooms. The issues I see with respect to labour and health span across the province. I am no expert in public policy or labour laws, but I am an expert in the failures of these policies as it relates to the negative health impacts on my patients.

One such patient I'd like to tell you about is Linda. She's a 40-year-old lady who has a long-standing history of asthma. When Linda gets a cold, unlike you or I, it significantly affects her breathing. She presented to the emergency department on a Friday night after failing to get better over the last 10 days. At this point, simple puffers were not going to help her illness. What started as a simple viral infection had spread to her chest and resulted in a bacterial pneumonia.

When I asked Linda why she had taken so long to seek medical care, she told me that she couldn't afford to take a day off work. When I asked Linda if she had seen her family doctor, she said she couldn't afford to take a day off work and her family doctor is only open during business hours.

At the bottom of our ER charts, we write a diagnosis. That day I wrote "asthma exacerbation/pneumonia," but I wish I could have written "failure of our Employment Standards Act and Labour Relations Act." I prescribed Linda a course of steroids and antibiotics, but I wish I could have gone back and prescribed her access to paid personal emergency leave.

I am therefore very supportive of the proposal to expand 10 days of personal emergency leave to all working Ontarians. The inclusion of two of those days being paid is an important start, but I don't think it is enough.

If Linda's illness was triggered by the influenza virus, on average she would need four days off work in order to not spread that illness through the workplace. If Linda is a food worker and if she has a diarrheal illness, the Center for Disease Control would recommend that she have at least two days off work after the diarrhea and the vomiting have completely resolved.

Clearly two days is not enough. That is why the Decent Work and Health Network and I are recommending seven days of paid personal emergency leave. We've provided you with a brief that will highlight some of the evidence behind this recommendation.

As Linda was going home, she reached for the blue puffer we used in the emergency department and asked me if she could keep it. I said, "Of course," but it got me wondering if she was actually taking her puffers in the first place, and it turned out she wasn't. She told me that she works a minimum wage job, has no health benefits and couldn't afford her puffers. I was tempted to add "poverty" to the list of Linda's ever-growing diagnoses.

A 2008 Senate report estimated that 50% of all health outcomes are attributed to what we call the social determinants of health. At the very top of the list is income. Lower income is associated with significantly higher burden of disease and higher mortality. In Toronto, life expectancy is 4.5 years lower for men and two years

lower for women in the lowest income bracket. It results in significantly higher use of the emergency department and significantly higher health care costs.

A 2008 paper by the Ontario Association of Food Banks estimated that if you took the lowest quintile and raised them to just the second-lowest quintile, it would result in \$2.9 billion in health care savings in Ontario and \$7.6 billion federally. For these reasons, the Decent Work and Health Network and I are supportive of the increase in minimum wage to \$15. Again, I refer you to the brief for further evidence.

Every time I go in for an emergency department shift, I like to think I make a difference in the people's lives that I see, but the impact that I will have over a full career of emergency medicine will pale in comparison to the impact that you all will make, depending on the results of this committee. Addressing poverty through an increase in the minimum wage and allowing patients to get better at home, rather than spread illness through the workplace, with seven days of paid emergency leave are two crucial policy initiatives that I encourage you to support. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. This round of questioning begins with the third party. MPP Fife.

Ms. Catherine Fife: Thank you very much for coming in and sharing the story of Linda. I think it's powerful when people of your stature and your lived experience relay how legislation and policy actually plays itself out in the community.

What you have just described to us are really the social determinants of health and how we haven't addressed legislation through that lens of how the social determinants of health impact the people in our communities. Certainly, the story of Linda has cost ramifications, as you've pointed out—\$2.9 billion in savings if we were to address core issues. Is that right?

Dr. Hasan Sheikh: That's the estimate from that one paper by the Ontario Association of Food Banks, yes.

Ms. Catherine Fife: Your recommendation to committee, though, is that the Employment Standards Act doesn't go far enough in paid leave—

Dr. Hasan Sheikh: Correct.

Ms. Catherine Fife: Are there any other areas, specifically? Because this is the one window. We've waited 14 years for this government to do something on changing the Employment Standards Act and the Ontario Labour Relations Act.

Earlier this morning, we heard more about precarious, part-time contract work—the so-called “sharing economy” where these workers have almost no rights whatsoever. Do you have any recommendations on that growing sector of workers in Ontario?

Dr. Hasan Sheikh: I think it's a really important point that you bring up, and I have to be careful to not overstep my area of expertise. I think when it comes to the intricacies of some of the labour laws, it's a bit outside of my area of expertise.

Ms. Catherine Fife: Okay.

Dr. Hasan Sheikh: I will say that I know that the patients that I see who are precariously employed, who have part-time work, who are living in poverty—there are significant negative health impacts from that. It causes extremely high levels of stress. It's linked to higher rates of depression, anxiety and higher rates of suicide. Addressing those things is critical.

I think it's easy to look at a labour committee and think that your job is only to focus on labour, but I think the reason why I'm here is to really hope that I can bring that lens for you to think about this as a health issue.

Ms. Catherine Fife: The reason I asked the question is that the two acts are very much connected. If we do it right, if we amend the Employment Standards Act and it actually works, it will mean enforcement. It will mean oversight. There must be levels of accountability. In order to do that, it has been suggested workers need to be empowered to actually exercise their rights; obviously, in the precarious, part-time, contract world they do not have the opportunity to do so.

I appreciate the fact that you're not an expert in labour, but these two acts are very much connected. If we get employment standards right, with many amendments that need to happen, then we also have to get the labour side right as well, because it could be another 25 years before we get this opportunity.

My take-away from your presentation is that we can't afford to let things continue to go on the way that they have because there are health care and social justice costs to letting the status quo stay.

Dr. Hasan Sheikh: Absolutely.

Ms. Catherine Fife: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Wong.

Ms. Soo Wong: Thank you very much, Dr. Sheikh, for being here this afternoon. I've got three quick questions for you.

In your presentation, you indicated that you also work in rural emergency. Which part of rural Ontario do you also work in?

Dr. Hasan Sheikh: Essentially, I fill shortages through a group called HealthForceOntario, so I've been to all sorts of different places in the province.

Ms. Soo Wong: So not just in the city of Toronto.

Dr. Hasan Sheikh: No. As far north as Moose Factory, actually, recently.

1340

Ms. Soo Wong: Okay. My next question here for you, Doctor, is—this is the first that I've heard about the negative impacts, in terms of presentations today about the minimum wage, Bill 148. Can you share with the committee and on record the impact of this proposed new legislation in terms of the emergency room, the hospital where you practise, and your colleagues across the province in terms of—you gave the example of Linda. Can you share with us how that would affect the emergency room?

Dr. Hasan Sheikh: Sure. Thank you very much for your question. One of the anticipated impacts of this

legislation would be that if patients can take days off work without being worried about losing their job, or if patients have paid emergency leave that allows them to go see their family doctor when their illness is just starting—the hope is that that will lead to better health outcomes for patients. They won't get as sick, they won't have to wait as long and there will be less use of the emergency department.

Another driver of why patients have to go to the emergency department is what I mentioned: If patients can't take a day off work and see their family doctor during regular business hours, they're forced to use much costlier emergency services that are open 24 hours.

Ms. Soo Wong: So in your practice as an emergency physician—

The Vice-Chair (Ms. Ann Hoggarth): Can you put the microphone—

Ms. Soo Wong: What percentage of your patients in the ER is like Linda? You gave us one example of Linda. How many more hundreds of thousands of Lindas are using the ER exactly how you just said—about the bacterial pneumonia?

Dr. Hasan Sheikh: I wouldn't have the objective data to give you. I can say that basically every shift I see, there's probably someone there who has let their illness go longer because of their workplace regulations.

Ms. Soo Wong: On page 7 of your handout, you listed a number of districts or areas around the world, from Connecticut to Germany, where employees have paid leave. Can you share with the committee the outcomes? I see Germany has up to six months' paid employee leave; Connecticut, five days. What are the outcomes in terms of health for these communities that do have employee paid leave?

Dr. Hasan Sheikh: I really wish I did have that data for you. Unfortunately, there are so many things that go into that calculation, including access to medication, coverage and the social safety net structure of the communities, that it would be very hard for me to tease apart what specifically the impact of having 12 days of paid emergency leave in Iceland is. So I just don't have that information.

Ms. Soo Wong: Also, on the bottom of page 7, you indicated about the health of individuals and families. I'm very touched by what you wrote about caring for a sick child compared to the parent's role and the father's role. I assume that you will be supporting the government's recent passage of the budget bill, dealing with ensuring every child, starting January 1, has free pharmacare, pharmacare-plus, because this is what you're saying—promoting the health of individuals and families; making sure the child who is sick, who is being prescribed a prescription, is not being neglected by filling that prescription.

Dr. Hasan Sheikh: Yes, I'm absolutely supportive of increasing access to medications, and I think a robust pharmacare program is a really important step for Ontario.

Ms. Soo Wong: I think my colleague MPP Dong has some questions for you.

The Vice-Chair (Ms. Ann Hoggarth): MPP Dong.

Mr. Han Dong: Thank you, Dr. Sheikh. I just want to thank you for not only doing the good job you do in looking after our patients, especially the vulnerable ones, but also taking the time and effort to come to this committee, and sharing your thoughts on this very important bill.

We've heard concerns about how there might be a possibility of an employee, if this goes through, abusing the system. What are your thoughts on that?

Dr. Hasan Sheikh: I think that's a really important question. The data does not show that. I believe in the policy brief—we've outlined that there is a section that addresses that. There have been studies that looked at this that show that 45% of workers with paid sick leave don't take a single day off work. I think the concerns around abuse of this policy are vastly overblown—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move now to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Doctor, for joining us today. Have you ever done a locum up in Renfrew county?

Dr. Hasan Sheikh: I have not had the pleasure of going to Renfrew county. Is that your riding?

Mr. John Yakabuski: We certainly need them, particularly in the summertime, when the population explodes. We're very much a tourism destination. Certainly where I come from, the little village of Barry's Bay, we always have a population explosion during the summertime. It's a beautiful area. You should come up and visit us.

I thank you for your advocacy on poverty issues. I don't think any one of us wants to see people living in poverty. Over 50 years ago, when my father was elected to this Legislature, we were talking about eliminating poverty, and I don't think we're any closer to it than we were then; and that's unfortunate. Various governments of all different stripes have singled it out as a priority. We're certainly still fighting that fight, with maybe some successes here and there, but not success as a whole.

I was a small business employer, and I as well never wanted to see my people in poverty. I only had a small number of employees as I was a small Home Hardware dealer, but we did provide our employees with sick leave—five days of sick leave. This was back in the 1980s. We did have a health plan with dental, prescription drugs, long-term disability and a few others—I'd have to look. I don't remember the plan exactly or every detail, but it was there. That was something that was not mandatory for us, but we did it because we felt it was important for our employees. I think there are an awful lot of employers out there who feel the same way.

However, with all of the changes that you're talking about and your suggested changes—there are a lot of businesses that are concerned, particularly with the pace of the change happening quite rapidly, that they may not be able to adjust. I can assure you of one thing: 50 years ago, the profit margins in business were better, and 40

years ago, the profit margins in business were better. We didn't have the global competition that we have today. Some businesses have brought their concerns to the committee, saying, "We can't adjust this quickly. We want to move towards the \$15-an-hour minimum wage, but we just can't do it within an 18-month period, with the bulk of it within the next six months." What is your response to that, Doctor?

Dr. Hasan Sheikh: I am not a business expert; I'm not a policy expert. I think you have to find the best available evidence to deal with that issue from that point of view.

I can give you the health lens and the health evidence—

Mr. John Yakabuski: But if some of those people actually lost their jobs or had hours cut as a result—these are some of the concerns that businesses have brought—that would not be good for their health either, would it?

Dr. Hasan Sheikh: Right. I think when you're having the discussions around what impact this is going to have for business—we're having discussion about whether or not this is going to cause businesses to bleed, but while we're having that discussion, our health care system is hemorrhaging. I really think that every day that people are living in poverty, they are sick, they are dying and they're costing our health care system billions of dollars. That's a crucial piece of information that I think is important for all of us to consider as we move forward, and to consider the balance of that information.

Mr. John Yakabuski: Sometimes when people cannot get in to see their family doctor, it's not because they're not leaving work; it's because they can't get an appointment with their family doctor for several days, and they end up in the emergency department. Is that fair, too? Is that—

Dr. Hasan Sheikh: Oh, absolutely. I have many other points I would love to make about the health care system, but I don't think that's the scope of this committee.

Mr. John Yakabuski: Well, believe me, some of the discussions at this committee have gone far beyond the scope of Bill 148. When it comes to people going to an emergency department—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. John Yakabuski: Thank you very much, Doctor.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have a further written submission, it needs to be in to the Clerk of the Committee by 5:30 tonight.

Dr. Hasan Sheikh: Perfect. Thank you so much.

DR. MICHAELA BEDER

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter is Michaela Beder. Do you have a submission?

Dr. Michaela Beder: I do not.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. If you could state your name for the official record and your five minutes will begin.

Dr. Michaela Beder: Hi. My name is Dr. Michaela Beder and I'm a psychiatrist working here in Toronto. Thank you very much for the time to present to you today.

I work primarily with people with severe mental illness, many of whom live in poverty, including many who are unable to afford housing and who live in shelters, on couches or on the street. I see daily, first-hand, the impacts of poverty on both the physical and mental health of my patients.

1350

There's ample research that shows that poverty makes people sick. You have before you here a vital opportunity to improve the health of Ontarians.

I'm here to speak strongly in favour of the \$15 minimum wage, the extension of 10 personal emergency leave days to all workers, and the elimination of doctors' notes. Further, I would ask that paid personal emergency leave be increased to seven days, from the current recommended two.

Income is the single most important factor that impacts health, and there's no question that living in poverty is bad for mental health. The poorer you are, the worse your mental health is. For example, for those living in poverty, the prevalence of depression is 58% higher than the Canadian average, and the suicide attempt rate for people on social assistance is a staggering 18 times higher than for higher-income individuals. Hospitalization rates for depression show that the lower your income, the more likely you are to be admitted to hospital for depression. As with many other health conditions, there's a really clear gradient: The poorer you are, the worse your mental health.

I work in a clinic where I assess people who experience homelessness. The vast majority of people I see want to work, because work gives a lot of meaning to people's lives, alongside the income that sustains them. But sadly, many have become so unwell that they have lost their jobs, their homes and often their families. Especially for people with a history of mental illness, often the only work they're able to get is precarious and low-wage, which then leads to further stress and anxiety.

Just recently, I saw a young woman who was working three different jobs in order to support her kids, unable to take any sick days until the stress of everything became too much for her. She ended up in hospital following a suicide attempt. This is a woman whose health—and the health of her children—would be greatly improved by having paid sick days as well as a \$15 minimum wage.

There's a large body of evidence that shows the link between precarious employment and poor mental health. I've seen again and again the stress caused by poverty.

I'd like to tell you about one of my clients, a gentleman I'll call Adam, who is in his 50s. Adam was abused as a kid, and he developed a substance use disorder, post-traumatic stress disorder, as well as depression. He is a proud man who has worked all of his life in construction and worked with his hands doing other precarious and often minimum wage labour. Despite working, he was

unable to afford an apartment and was, effectively, squatting in the unfinished apartment that his employer had. Unfortunately, his mental health got worse and he relapsed. Over time, the stress continued to build up. Because Adam had no sick days and no savings from his minimum wage job, he was unable to take the time to see a doctor or otherwise proactively look after his mental health. He became suicidal, and ended up repeatedly visiting the emergency department. After a few days of absence, he lost his job as well as his housing, and he became completely homeless.

I really wish Adam's story was unique, but unfortunately I hear such stories much too often.

Adam told me, in our sessions, about the struggle of living paycheque to paycheque, working a minimum wage job, with the constant stress and uncertainty as to whether he'd be able to put food on the table and whether he'd be able to obtain housing.

I've also had clients who, even though they are working, require food banks in order to sustain themselves. It takes so little to push somebody into a downward spiral of financial ruin.

It's clear that poverty leads to immense stress. If you don't have enough money, you can't afford healthy food, good housing, education. Even more concerning, when you're working precariously, you're unable to take a day off to see a doctor or a therapist and to proactively look after your health. It's clear that this is a problem.

As a physician, I know that we need a minimum wage of \$15 to allow everybody to live with dignity and with health. In addition to the 10 personal emergency leave days, we also need at least seven of those to be paid for, so that people don't have to live in fear of losing their jobs or, even worse, their homes when they need to take time off to receive care.

Mental illness can impact any of us, and we need to create workplaces that support all of us.

Thank you for taking this bold move to improve the health of all Ontarians.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The government will open this round. MPP Wong.

Ms. Soo Wong: Thank you very much, Doctor, for being here today, and thank you for your dedication and service to our community.

Your colleague, previously, also advocated for seven personal emergency leave days, so I want to push that envelope a bit further. There's a perception or a myth somewhere that people who do have these personal emergency leaves may abuse them or misuse them. What's your opinion? From your evidence, is that true or not?

Dr. Michaela Beder: I find that, more often, I'm in the position of urging patients to take days off. I often have people who come in who shouldn't have been going out to work and being active, but they have continued to do that at great cost to themselves. From my experience, this would actually be a way to both improve people's health, but also decrease downstream utilization of the health care system, because if you can take a small investment of time off to look after yourself, you won't

have the same adverse consequences as if you had let something go too long.

Ms. Soo Wong: I understand your colleagues from the Peterborough health unit have made this statement: "Having more money allows people to buy better food and improves their health." I'm going to assume you agree with this statement. Can you elaborate further from your experience as a psychiatrist working with very vulnerable people on the streets of the city of Toronto? Can you share with this committee both the benefits and challenges of this minimum wage, in terms of the health impact?

Dr. Michaela Beder: I find it absolutely shocking that we live in a society where people can be working and still not have enough money to support themselves and to put good food on the table for themselves and their children. When somebody comes to me and says, "Look, I'm working. I'm not able to make ends meet. I need go to the food bank," then I think we really need to look, at a system-wide level, at how we can support health, because we know that, if people are able to eat healthily and if they're able to have less anxiety, they will be able to look after their children better, to look after their own health better and to actually work better as well.

Ms. Soo Wong: So what I'm hearing from your remarks this afternoon is that you are advocating for all three parties of this Legislature to champion the whole issue of social determinants of health in terms of improving Ontarians' health outcome. Am I correct to say that?

Dr. Michaela Beder: Absolutely. We know that 50% of people's health really relies on the social determinants of health, and those are modifiable risk factors. We are able to increase the minimum wage. We're able to create better housing. Those are things that are within this government's hands to do. I think it's our collective responsibility to ensure good conditions. There's only so much I can do as a physician. We know only a small proportion of people's health is actually related to their access to health care; much more important is their housing, their access to food and their access to income—those social determinants of health that you mentioned.

Ms. Soo Wong: So when you said in that last statement "collective responsibility," you are saying not just the government; you are also indicating "collectively," meaning private sector and employers across the province.

Dr. Michaela Beder: Absolutely. I think it's all of us, from the health care sector to the employment sector. I wish we would see big business do the same. I think we are all responsible for creating a world where people can live with dignity and with health.

Ms. Soo Wong: Thank you very much for being here today.

The Vice-Chair (Ms. Ann Hoggarth): We'll now move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Doctor, for joining us this afternoon, and thank you for your work and advocacy on behalf of those with mental illness.

I'm certainly not a psychiatrist and don't pretend to be, but I have a little bit of experience in mental illness. It has been something that has dogged my own family, and certainly poverty has not been an issue. A number of my siblings have battled depression, and two of my brothers gave up that fight and took their own lives. So I've seen the effects of mental illness.

Dr. Michaela Beder: I'm very sorry to hear that.

Mr. John Yakabuski: Thank you. I think, collectively, we've done a poor job in our society of supporting those with mental illnesses. Poverty is a determinant, but it's not the single determinant. And \$15 an hour in the city of Toronto is not, in and of itself, going to lift someone out of poverty. Trying to live in the city of Toronto is a lot more expensive than that.

But I think we need to do a whole lot more on the issue of mental health, whether it's financial supports or recognition of stigmatization—all of those things. I think we can do a whole lot more to support those people who are fighting those battles on a daily basis—for many, a lifetime struggle that sometimes ends not in the best of ways.

1400

I do appreciate the work you're doing. I respect your opinion on how we might change that from a point a view of raising the income level as well. I respect your view on that. Thank you for coming.

Dr. Michaela Beder: Thank you very much. Again, I'm very sorry for your loss. I think that mental illness cuts across all socio-economic classes.

One of the powerful things that we have in front of us is an opportunity to modify those risk factors that are modifiable. You're right, some of that rests with the health care sector. We need to do a better job in access to health care services and being there for people in that way. At the same time, in front of this committee is an opportunity to modify the risk factor of poverty, which does have a very significant impact on mental health.

Further to your point of the \$15 not really being enough in Toronto, I completely agree. I think if it was up to me, I'd raise the minimum wage to \$25, but unfortunately, I don't have that power.

Mr. John Yakabuski: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the third party. MPP Fife.

Ms. Catherine Fife: Thank you, Michaela, for coming in and telling the story of—was it Adam?

Dr. Michaela Beder: It was Adam, yes.

Ms. Catherine Fife: I think it must be very frustrating. I'm trying to put myself in your position, though, as a professional. Just as the emergency room doctor had also indicated, there is only so much the front-line medical staff can do when the social determinants of health are defeating, really, the very people that you're trying to help.

I also wanted to delve into one of the questions that I had for you around access to medication, because, as my colleague here has indicated, there are multiple factors that bring people to this place of desperation. We have promoted a true pharmacare program where someone like

Adam would have access to medication. Is this something that you are also seeing as a barrier to your patients accessing the resources they need to achieve well-being?

Dr. Michaela Beder: I think that the working poor face particular challenges, one of which is definitely access to medications, to psychotherapy, to housing—to all of the aspects that would allow them to get better. So I would 100% advocate for a national pharmacare program, obviously, with whatever implementation is most rapid, as we see many people suffering.

Ms. Catherine Fife: We are hopeful of getting the government to embrace a full pharmacare plan. That would be part of this discourse on employment in Ontario as well.

There is one issue that has also come up in the Employment Standards Act, and that has to do with establishing a designated leave for survivors of domestic and sexual violence. I'm not sure if you have dealt with women who have experienced post-traumatic stress or the emotional labour of experiencing trauma. It is amazing that there are only two days proposed in the Employment Standards Act. The language in the bill, as written, falls short of fulfilling the purpose of the leave as set out above. So this act would require victims to use their PEL days in the event that they require time off.

Obviously, two days is not sufficient. Our labour partners have proposed at least 10 days of paid leave and 60 days of unpaid leave to try to navigate that space and that time, as was proposed in the government's own action plan. Do you have any comment on the time that would be required for victims of domestic violence to navigate that terrain, but also hold on to their employment, so they don't end up in poverty because of domestic violence?

Dr. Michaela Beder: I've seen many people who have experienced domestic violence and who have developed post-traumatic stress disorder from those experiences. I would say that the absolute maximum time that they have to heal and to get better, both in terms of paid days and then whatever other leave, while being able to maintain their job, would be very important.

Ms. Catherine Fife: Yes. Thank you very much for coming in today.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you want to send a written submission, it needs to come to the Clerk by 5:30 today.

Dr. Michaela Beder: Thank you very much.

FIGHT FOR \$15 AND FAIRNESS

The Vice-Chair (Ms. Ann Hoggarth): I call on Fight for \$15 and Fairness.

Good afternoon.

Ms. Pam Frache: Good afternoon.

The Vice-Chair (Ms. Ann Hoggarth): Do you have a submission?

Ms. Pam Frache: We are endorsing the submissions of the Workers' Action Centre, Parkdale Community Legal Services and others.

The Vice-Chair (Ms. Ann Hoggarth): Okay. If you would state your name for the official record, and your five minutes will begin.

Ms. Pam Frache: Perfect. Thank you. My name is Pam Frache. I am the Ontario coordinator of the Fight for \$15 and Fairness, which represents hundreds of anti-poverty, student labour and community organizations across Ontario that are fighting for a decent work agenda in Ontario.

I want to start by saying thank you for having me present because I know that many organizations and many individuals who are affected by this legislation didn't get a chance to speak. Many workers, student organizations, faculty associations and even labour representatives would have liked to present in person and couldn't be accommodated. So I thank you for having me today. I'm very glad to be here.

There are a number of things I would like to have time to speak to, but I think I'll focus primarily on the issue of a \$15 minimum wage and the need to have that apply to all workers. I'm happy to have a chance to respond to some of the dialogue that has taken place over the last two weeks of committee hearings.

The first thing I think is important to say is that we know the bulk of evidence shows that when we raise the wage floor, it actually is good for both workers and the economy, and frankly, for workers in Ontario who have been struggling at sub-poverty wages for decades. It's more than time to actually bring the minimum wage to a level that would bring workers to the poverty line if they were able to gain full-time work. So we think that's very, very important.

We also know that we need to make sure that we have equal pay for equal work. We applaud the provisions of Bill 148 that actually put that squarely on the table so that workers must be paid the same, regardless of whether or not they are working full-time, part-time or casually or for a temporary agency. We know that that is extremely important for women and for workers of colour and others facing inequity in the labour market, because far too often such workers are in part-time work involuntarily. We know that women often choose part-time work because they have the bulk of caring responsibilities. Having a strong equal pay provision will be a very important step toward closing the pay equity gap.

It's worth pausing on the notion of closing the gender pay gap, because there was a time when there was actually a lower minimum wage, a sub-minimum wage, for women workers. It came from the notion that somehow women didn't have real expenses, that they were only working for pin money and that somehow the work that they contributed was worth less than the work of their male counterparts.

Fortunately, society has evolved since then, and it is now ostensibly illegal to be paying women and men differential pay. But I want to note that the imprint of the systematic devaluing of women's work is still with us as we fight to address persistent inequality in the labour market. That's why I was so disheartened to hear such

things devaluing the work contributed by younger workers and by workers with disabilities at these very hearings.

Young workers are not merely working for the latest iPad. Young workers are contributing to household income, which increasingly relies on multiple wage earners to sustain a standard of living. Young workers are contributing to tuition fees and so forth. Workers with disabilities face real barriers in the labour market about attitudes that systematically devalue their work. I would hope that those outdated and old ideas are discarded.

I'm hopeful that Bill 148 will take us along the lines of actually implementing equal pay for equal work. That's why we do call on all members of Parliament to strengthen Bill 148 by eliminating the sub-minimum wages for students under the age of 18 and for liquor servers.

I also want to state for the record that we know the bulk of evidence shows that raising the wages has very little impact, if any, on jobs and prices, although we've heard information to the contrary over the course of these hearings. The bulk of evidence proves this. In fact, when you look at jurisdictions that have implemented increases in the minimum wage, they have, frankly, been thriving.

1410

We also know that the vast majority of Ontarians and, in fact, Canadians support a \$15 minimum wage—in fact, support at least a \$15 minimum wage—including over 60% of small and modest-sized business owners. Yet the Canadian Federation of Independent Business and the Ontario Chamber of Commerce would purport to represent a consensus on this matter, when we know the reality is that there is widespread support for at least a \$15 minimum wage and substantial support for an even higher level.

I want to say that this trend of not representing the voices of small and modest-sized businesses—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We will go to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Pam, for joining us today. I appreciate your submission. The title indicates clearly where you are on the issue, and we respect that. We understand that. There is always another side to this story.

I wanted to talk to you about the student wage component of it. I've talked to a number of employers who have said that they probably wouldn't hire students if there wasn't some differential. It's entry level, it's a job for the summer for a lot of them. By the time they're finished learning the job, for many of them, it's time to go back to school. If they had to pay the exact same rate for that job, they would likely hire somebody who is more mature and has more experience.

I know my wife has made the comment sometimes that maybe she should send me to the grocery store—well, she's made that comment, too—but she sometimes says, "I'll just load my own," because the person filling the bag puts tomatoes on the bottom and cans on top of them. It's not very good for the tomatoes.

It takes a little while, I understand, when a person gets their first job to be as proficient at that job as someone who has been doing that job. For one of those reasons, there's always been a differentiation between that student wage and what we'll call a permanent, adult—whatever the definition may be.

I've had employers point-blank tell me that they hire students because they want to give back to the community, because they know that is a contributing factor. It helps the families, it gets people employed. It's tougher for students to get a job these days than it was when I was a student. I never had trouble getting a job in the summertime when I was younger because there were lots of jobs available for us. But if the rate is exactly the same, they're going to be looking elsewhere to fill those jobs.

Can you comment on that for me, Pam?

Ms. Pam Frache: You know, the same was said that women wouldn't be hired in the workforce if we were to have equal wages for women, and yet quite the opposite took place. Women entered the workforce in droves, especially when they were granted parity with their male counterparts.

Mr. John Yakabuski: So are those people lying to me?

Ms. Pam Frache: Not at all. What I'm about to say is that there is different evidence for different aspects of the impact on employment. There is a very, very marginal impact on the hours worked by students, per se, but those can be offset with other measures. In fact, the bonus to those younger workers being paid equitably and addressing unfairness in the workplace actually far outweighs the modest impact on the employment statistics. Furthermore, it actually begins to address the persistence of devaluing younger workers who are over the age of 18 because of the notion that somehow people are worth less because they are younger or less experienced.

I will add that Ontario is the only jurisdiction in Canada that still has this kind of differential. Where it was in place in British Columbia, it was eliminated, and so forth, and more and more jurisdictions in the United States are moving away from these two-tiered models of wages because it is not fair and because it's not the foundation of a just and equitable society.

Mr. John Yakabuski: Thank you very much. I appreciate your submission.

The Vice-Chair (Ms. Ann Hoggarth): Third party: MPP Fife.

Ms. Catherine Fife: Thanks, Pam, for coming in. You mentioned that you've been supportive of a number of the other social justice and labour groups that have presented very comprehensive briefs to us.

I want to focus, though, on the equal pay for equal work legislation, because there has been acknowledgement in principle that this is still a very big issue in the province of Ontario, particularly for women. It's important to note that, although the right to equal pay for equal work has already been in the Employment Standards Act for over 50 years, it did in effect provide very little

protection for women. This goes to the issue of oversight, accountability and compliance.

The law does state that males and females and other genders doing substantially the same work should be paid the same, and this creates an incentive for employers to establish or maintain minor differences. This is a concern that we have.

For any piece of legislation, the goals can be laudable but the language still matters, and the language as it relates to equal pay for equal work legislation still builds in a loophole here. I would like for you to address that, the need for stronger statutory language. And then, of course, you also need to know the lay of the land. Workers need to know where the pay grids are, so that they can hold their employers to account. Can you please speak to that?

Ms. Pam Frache: Yes, absolutely. As I said, putting this on the agenda is a very important first step, but we do need stronger language and we need to tighten up the language that says, for example, that any other factors can be used to determine whether or not there are pay differentials. I'm confident that this committee can bring forward the strongest language possible to address those, so that the legislation does exactly what it is supposed to do.

Ms. Catherine Fife: You have to admit that there is a problem before you can find the solution to the problem, so we will see how that goes forward. But I do thank you for coming in today and sharing your thoughts.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Malhi.

Ms. Harinder Malhi: Thank you so much for your presentation. I've been with the committee now for six days, and over the course of those six days we've heard quite a bit about how people feel that they've been blindsided by the \$15 minimum wage, that they hadn't heard anything about it. What would you say to those who feel that they are being blindsided by this legislation coming forward?

Ms. Pam Frache: Thank you for the question. I think I have to say that it's a little bit rich to hear that some people were surprised by this. The inadequacy of the minimum wage has been an issue for decades. Workers have been struggling around this for decades and campaigning around this for decades.

I also find it a bit rich that some employer spokespeople are saying that almost two years of notice is not enough, yet those very same employers are opposed to giving as much as two weeks' scheduling notice to workers of their schedules, saying they themselves need flexibility. They expect workers to be able to reorganize their lives at the drop of a hat, and yet two years' notice is not enough. I don't buy the argument.

And, frankly, it's actually not an issue of the phase-in. We've heard that refrain of "It's not the \$15; it's the phase-in." Well, let's be clear: Chambers of commerce have opposed minimum wage increases for decades. And, across the United States, where obviously the \$15 minimum wage is an issue, it has been openly opposing

them. I was going to say in my opening remarks that what is interesting is that that is actually at odds with the sentiment of its own membership. I'll just quote from a recent Bloomberg article that says:

"Another schism between the chamber and most of its membership is over the minimum wage. The Washington Post reported that leaked documents from Republican pollster Frank Luntz showed that 80% of business owners supported raising the pay floor:

"Luntz Global managing director David Merritt told state chamber executives in a webinar describing the results ... that it squares with other polling they've done. 'And this is universal. If you're fighting against a minimum wage increase, you're fighting an uphill battle, because most Americans, even most Republicans, are okay with raising the minimum wage.'"

That is consistent with what we're finding in Ontario, where 62% of small and modest-size employers actually support at least a \$15 minimum wage, and many believe it should be higher.

Ms. Harinder Malhi: Thank you. I know that the other issue that's come up is that we want to know a little bit more about the many people who aren't able to really take part in Ontario's very prosperous economy right now. We want to know how your members would benefit, or how people who have been advocating for the \$15 minimum wage would benefit from it, and how it would impact their lives.

Ms. Pam Frache: I'm sure you've heard this before, but it's shown in lived experience that when workers themselves have more money in their pockets, more disposable income, they can participate in the economy. What businesses need most are customers. No business is going to produce more goods and services if they have nobody to sell their goods and services to. That's why we need to raise the wage floor.

We know that a fundamental pillar of Ontario's and Canada's economy is domestic demand, which actually means the disposable income of ordinary workers. That's why raising the minimum wage, especially in these challenging times, is a way to go to make sure that that money is being spent in local communities, creating customers and creating engaged, healthy communities.

1420

I'll just say that I'm shocked to hear that there are people suggesting that decent wages and work are a threat to our communities and our economies, when, in fact, everybody knows that decent work is the foundation of strong, healthy economies, with substantial benefits for all of us.

Ms. Harinder Malhi: Thank you for your presentation and your time.

Mr. Granville Anderson: Any time left?

The Vice-Chair (Ms. Ann Hoggarth): Yes, MPP Anderson. One minute.

Mr. Granville Anderson: Thank you, Pam, for coming in.

I don't agree with my colleagues in the opposition a lot of times, but I did hear—an owner for McDonald's

came in and looked me right in the eye and said to me, "I hire a lot of students. If they're being paid the same as an adult, a mature worker, who do you think I'm going to hire? I have to spend the money to train these students, who will be gone in a few months. They're unreliable."

I want everybody to get the same wages. But what would you tell such an employer? I want to see a focus to see young people get that first job opportunity. This is a reality. So what would your answer be if you were in my position?

Ms. Pam Frache: I would just say that it's not actually a reality; it is what people are speculating will happen. I think one of the reasons why the predictive capacity of employer surveys has been so notoriously unreliable is precisely because it's hard for people to imagine a future where wages actually stimulate the economy and improve business.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. If you have a written submission, it needs to be to the Clerk by 5:30 tonight.

Ms. Pam Frache: Thank you.

MR. MARK WAFER

The Vice-Chair (Ms. Ann Hoggarth): I call on Mark Wafer of Megleen-Treadstone. Please state your name for the record, then your five minutes will begin.

Mr. Mark Wafer: My name is Mark Wafer. Good afternoon, committee members. Thank you very much for inviting me to speak to you. I'm a Tim Hortons restaurant owner with stores in Toronto. My wife and I have been in the chain for almost 25 years. I'm also a proud member of the Great White North Franchisee Association, the official franchise association for Tim Hortons owners.

Over the past two weeks, you've heard many different opinions of the bill that's in front of you today. As a business owner with 250 employees, I have grave concerns about how a \$15 minimum wage would affect my operation. But today, I would like to speak with you about how this bill in its current form could and probably will do considerable harm to the lives and livelihoods of Ontario's most vulnerable workers: those with disabilities.

By way of background, I'm not only a restaurant owner; I'm recognized as a leader in inclusion. I believe in real jobs for real pay for people with disabilities. My wife and I have employed over 160 workers with disabilities in the last 25 years. Today, 46 of our employees have a disability. That's 17% of our workforce. As a keynote speaker on this subject, I travel across the globe encouraging corporations to become disability-confident and to include workers with disabilities in their own hiring practices. It is working.

In 2012, I co-founded Canadian Business SenseAbility, a corporate membership-driven association designed to improve employment outcomes for people with disabilities in Canada's largest companies. It is working.

The unemployment rate for Ontarians with disabilities is over 50%. The difficulty in getting a job—any job—is

so much more profound than it is for the non-disabled community. It takes much longer to find a job.

During the Great Depression, the unemployment rate for Ontarians was 24%, and that was considered a national tragedy. Yet, today, Ontarians with disabilities face a 50% unemployment rate. It is a perpetual depression. However, things are changing and changing fast.

The employment landscape today for workers with disabilities looks much different than it did only 10 years ago. Although we have a long way to go, the lives of Ontarians with disabilities are better today because work, collecting a paycheque, paying taxes, contributing to society and living a full life are more achievable than ever before. Ontario is now a leader in encouraging employers to hire people with disabilities. The future is bright.

However, ladies and gentlemen, this could all unravel very quickly with the stroke of a pen if Bill 148 is implemented in its current form. Knowing that business will reduce labour, who gets cut first? The answer, of course, is those employees who do not generate revenue—the most vulnerable workers, those with disabilities and youth. This is the unintended consequence of an unprecedented minimum wage increase.

My focus today is on those with disabilities, as that is my expertise in the global labour market.

Those of us in the QSR sector are major employers of Ontarians with disabilities. In fact, 68% of Ontarians with intellectual disabilities who are working work in retail, with most of those in the QSR sector. Those individuals most often do not perform direct revenue-generating jobs. They do, indeed, hold highly important positions; their work is a vital part of the success of the business. But when employers are desperate, these non-revenue-generating positions are the first to be cut. It will become much more important to hire those who can be cross-trained to do multiple tasks. This is rarely possible with an employee who is developmentally challenged.

The province of Ontario and many of us in the advocacy world have made massive gains over the past two years in changing the attitudes and mindsets of employers so that they will include those with disabilities in real jobs for real pay. Just recently, Minister Tracy MacCharles rolled out Access Talent, Ontario's new strategy on disability employment. Ontario is the only province in Canada with an employment strategy for people with disabilities.

There are also other leaders in this area: Minister Jaczek, Minister Duguid, Minister Flynn and MPP Lorne Coe, as well as former MPP Christine Elliott. I am thrilled to be associated with this initiative and very proud of Minister MacCharles for her vision and leadership on this platform.

The minimum wage increase, as it currently stands in the recommendations, threatens all of this work. Employers are quite understandably in a defensive mode. Many have told me that they will not be hiring from Ontario's many social services agencies that represent our most vulnerable workers—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The first round will go to the third party. MPP Fife.

Ms. Catherine Fife: Thank you very much, Mark, for coming in and sharing your concerns as a business owner. I must tell you, my experience with you thus far has been in your capacity as a disability advocate in Ontario. You've come to the region and spoken quite eloquently about the value of those with a variety of abilities to be productive members of the workforce.

You ask an important question here, and I just want to be really clear if this is one of your primary concerns with the wage increase. You ask who will get cut first. Are you suggesting that it will be those with disabilities because they are unprotected, as the Employment Standards Act is currently crafted?

Mr. Mark Wafer: Yes, I am suggesting that, because those people who have disabilities, especially intellectual disabilities, are working entry-level positions—in my business, cleaning parking lots, cleaning the dishes and cleaning the dining room—jobs that are very, very important, but that don't necessarily have to be done on a regular basis. Those jobs would be the easiest ones to cut first.

I'm not suggesting that anybody would break the Employment Standards Act, but those people who have those types of disabilities will be hired less often. It will be more important to hire somebody who can be cross-trained.

It's common sense. If a business has to reduce labour, it's going to reduce labour in areas that are not revenue-generating.

Ms. Catherine Fife: As the Employment Standards Act is currently crafted and written, if it is to go ahead with the \$15 minimum wage, you would have the government at least build in some protection for vulnerable workers, which we would regard as those who have disabilities—because as you point out, on the totem pole of work, those are the jobs that you would consider easily cut.

It's an interesting point of tension, though, because in Ontario, those with disabilities live in abject poverty. Even when they work, they live in abject poverty, because they don't get the number of hours that they need—they get token hours—and because they work for the lowest level of minimum wage and are not empowered to even advocate and push that envelope. They don't feel secure enough to push their employer to pay them even a basic livable wage.

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It's a point of tension that we're trying to navigate here and, particularly to your presentation, a very vulnerable population. Regardless of this Access Talent initiative, these issues have been long-standing. It really is the private sector that has taken greater leadership, we think, than even the government on this level. That's why your voice at this committee is so important.

Can you address that point of tension with those who have disabilities and live in poverty in Ontario, and moving forward with the \$15 minimum wage?

Mr. Mark Wafer: You're absolutely right when it comes to living in poverty. Many, many people with disabilities do live in poverty. But having a job and having a paycheque and contributing to society, and paying their taxes, levels the playing field for people with disabilities.

The issue, however, is how difficult it is for these people to find work. Businesses are still buying into a series of misperceptions about what it's like to hire people with disabilities. It's those stereotypes that we're trying to get around. We have worked so hard, and we're getting there. We have so many Canadian companies now that really understand the business case, they really understand the value that a person with a disability can bring to a job: the innovative spirit that a person with a disability has, the different problem-solving skills that they have.

I'm getting enough feedback from business owners to understand where this is going to go. Those businesses that still do not really get the value of being an inclusive employer are simply not going to do it. They're going to say, "It's too expensive now. I can't afford to have somebody at \$15 an hour or whatever it is going to be."

The \$15 minimum wage is not in itself inherently bad. The concern I have is how quickly we're bringing it in: \$14 in six months, \$15 in only 18 months. It doesn't give us enough time to plan. The emails that I'm getting from Ontario retailers, and from Alberta because they have the same situation right now, say, "What do I do with the people who have disabilities who came to me from an agency? What do I do? I can't afford to keep them now."

Ms. Catherine Fife: Okay, thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Wong.

Ms. Soo Wong: Thank you very much, Mr. Wafer, for being here today. I remember seeing you at the Select Committee on Developmental Services task force. I want to say thank you for your advocacy work and for coming here before us this afternoon.

Your concern is about the increase of the minimum wage. There are also significant changes being proposed by the government when it comes to employment standards. I didn't really hear much about that. I know in your written submission you also focus on the minimum wage—that the increase has a short phasing in over two years.

The previous witnesses before the committee talked a lot about paid emergency leave. How does that affect your sector? We heard from two prominent physicians here in the city about how important it is to have paid personal emergency leave. As an employer, as a big advocate when it comes to disability in our community, what is your opinion about the paid personal emergency leave?

Mr. Mark Wafer: Okay, that's a good question. I purposely focused on the \$15 minimum wage because that is the one area where I feel that we're going to do the most damage to the disability community. However, there is more. If you look at the sick days, one of the

main stereotypes that employers hold about hiring people with disabilities is they will be sick more often. It's not true. In fact—

Ms. Soo Wong: It's not true? Okay.

Mr. Mark Wafer: It's not true.

Ms. Soo Wong: In your experience from your workplace, how many sick days from your employees? Because you say it's not true.

Mr. Mark Wafer: I have 46 employees who have a disability; I have 200 who don't. My absenteeism rate for the 46 is 85% lower than the 200.

Ms. Soo Wong: Wow, that's pretty good. Do you hear that?

Mr. Mark Wafer: Yes, very profound numbers.

Now, going back to the sick days: That will scare some employers in terms of hiring people with disabilities, absolutely, because it is one of the main stereotypes.

You also asked the other contributor today the question, "Do you think it will be abused?" I do.

Ms. Soo Wong: You do.

Mr. Mark Wafer: I do think it will be abused.

Ms. Soo Wong: Okay. The other piece that I'm going to ask you—right now Ontario, across the board, is doing well. I was in North Bay last week, and there are concerns that prosperity is not equally distributed across the province. In your opinion, can you share with us: Would raising the minimum wage not improve the quality of life and quality of health? Two physicians who spoke before you talked about the negative health impact of poverty. Can you share with the committee, in your opinion?

Mr. Mark Wafer: Yes, absolutely. I think a \$15 minimum wage is absolutely reasonable, but not in six months and not in 18 months. That is not reasonable.

Ms. Soo Wong: What timeline would you be advocating?

Mr. Mark Wafer: Four years.

Ms. Soo Wong: Four years?

Mr. Mark Wafer: Four years. If we could spread this over four years, we would have an opportunity to continue the great work that we've been doing in this space, the disability space.

The Vice-Chair (Ms. Ann Hoggarth): MPP Dong?

Mr. Han Dong: Good afternoon. Thanks for coming to give us your thoughts on this.

First of all, I want to tell you that the government's minister for small business, Minister Jeff Leal, is leading a consultation team going across dozens of communities to get feedback on what government can do for small business, and for business across the province, to offset some of these costs. Do you agree with that initiative? And then, do you have any suggestions for us?

Mr. Mark Wafer: I do agree. Consultation is going to be vital. The fact that the government went ahead with Bill 148 without doing a cost-benefit study, I think, was wrong. I think that we need to fix that now.

In terms of ideas: There are some ideas that might offset the \$15 minimum wage, but I don't think any of them are going to have an impact that's big enough—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Mark, for your presentation today, and for coming in the first place. We've heard a lot from advocates for those with disabilities, but it's nice to meet someone who has actually been providing jobs for persons with disabilities—you and your wife—for over 25 years. I really do appreciate that. You've shown leadership, and you've been recognized for that.

When someone with your credentials, real credentials in the real world, comes forward and talks about providing those jobs for persons with disabilities, and how those very persons whose lives you're trying to lift up—you're not going to make them wealthy; we know that. But just the fact that they have that job, that sense of self-worth and all of those things that come with having a job—it's so important to people.

If I'm reading you correctly and listening correctly, your fear is that they're actually the sector that could be harmed the most right up front, because as you said, I believe, they are the vulnerable target. And in the end, they could be harmed the most because of the fact that employers will look to hire people without disabilities as opposed to those with disabilities. Is that, in fact, what you are saying?

Mr. Mark Wafer: That's exactly what I'm saying. One of the things that we have to look at is the economic impact of this. For every 5,000 Ontarians who are currently on ODSP benefits, if we take 5,000 people off of that, and create 5,000 new taxpayers by getting them drugs, it's a savings to the economy every year of \$78 million.

The reverse is true, as well. With Bill 148 in its current state, with people with disabilities losing their jobs, but more importantly, employers not hiring people with disabilities, the increase in ODSP will continue. Right now, ODSP is at \$4.2 billion, and it's growing at 8% per year, outstripping inflation and the cost of living. So yes, that is my concern.

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Mr. John Yakabuski: Mark, I don't have any further questions—my colleague Mr. Harris has some questions—but I really do appreciate the work that you and your wife have been doing to help those people with disabilities. Thank you very much.

Mr. Mark Wafer: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): MPP Harris.

Mr. Michael Harris: Yes, Mark, I'll mimic my colleague's sentiments about not only your advocacy and work in this community within Ontario, but your leadership of actually doing and implementing these changes to allow for folks with all sorts of abilities to come to work and do a meaningful day's work. I know many of us enjoy going into your establishments and being greeted in the morning, knowing that your employees are having a great day and we're getting a good start to our day. So thank you for that.

Have you had a chance to speak with some of these employees directly and/or even, perhaps, some of their

caregivers about some of the changes, as to how they feel they may be impacted by this? We've heard from a lot of businesses, of course, that give us the reality of what is likely to come, but have you had a chance to speak to some of these folks that you do employ and/or their caregivers, specifically?

Mr. Mark Wafer: No, Mike. That's really not going to happen. That's really not possible. Of my 46 employees with disabilities—which is every type of disability, in every department, including management—14 of them are intellectually challenged, some of them quite significantly. This is not a conversation that I could typically have with one of those individuals.

Mr. Michael Harris: Or caregivers, as well?

Mr. Mark Wafer: One family has talked to me about it.

I want to be clear about one thing, and that is that I'm not talking about myself when it comes to letting go of people with disabilities or not continuing to hire. My people with disabilities who work with me are my best employees, so they're not going anywhere. But that's just me. What we're talking about is employers who have not yet gotten to understand the value of real inclusion.

But there is a buzz amongst families and caregivers, and certainly within the service sector some concern. I've had many emails from service sector agencies in Ontario and from Alberta wondering exactly where this is going to go, what's going to happen and how much more difficult their job is going to be.

Mr. Michael Harris: No doubt. Mark, thanks for being here today.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. If you have a further written submission, it needs to be in to the Clerk by 5:30 tonight.

Mr. Mark Wafer: Thank you.

GOOD JOBS FOR ALL COALITION

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call the Good Jobs for All Coalition. Do you have a submission?

Ms. Cammie Peirce: Yes, I do.

The Vice-Chair (Ms. Ann Hoggarth): Good afternoon. If you could state your names for the official record and your five minutes will begin.

Ms. Cammie Peirce: Thank you. I'm Cammie Peirce.

Ms. Sharon Simpson: Sharon Simpson.

Ms. Cammie Peirce: The Good Jobs for All Coalition is a greater Toronto area alliance of more than 30 community, labour, social justice, student and environmental organizations. The coalition was formed to begin a dialogue about how to improve living and working conditions.

Our founding declaration declares, "Decent work is central to our fulfillment and well-being. Decent work provides people with a livelihood, an identity and a sense of real belonging to the community. We must ensure there are good jobs for everyone, today and for the next generation. We reject policies which undermine and erode decent work."

We commend the Changing Workplaces Review for its independent review of the Employment Standards Act and the Labour Relations Act, and for bringing us to this potentially historic moment. We urge you to improve and strengthen the Fair Workplaces, Better Jobs Act because now is the time to improve working conditions and to shift away from policies that have aided the rise in precarious and low-paid work.

We thank you for the opportunity to appear before the standing committee regarding Bill 148. For this presentation, we're emphasizing three of Bill 148's measures and a call for further action on the unfinished business of labour law reform.

Equal pay for temporary and part-time workers: We consider measures that require equal remuneration for work of equal value, whether it is performed by full-time workers, part-time workers, temp agency workers, casual or contract workers—including migrants employed through temporary foreign worker programs.

This month, the Toronto Star reported that a significant share in the growth in precarious employment is a result of the growing use of temp agencies: "Statistics obtained by the Star show a 20% increase in temp agencies in Ontario over the past decade," and, "In the GTA alone, there are now almost 1,700 active temp agencies."

Many of our coalition partners know the problems created by the growth in the temp agency environment. For example, during the last recession many, including immigrant and racialized women, were laid off in the manufacturing sector in and around Toronto and could not find stable work with comparable pay and benefits. When they ran out of options, they were compelled to accept unstable and low-pay temp agency employment. The Good Jobs for All Coalition considers equal pay an essential reform.

The \$15 minimum wage: We recommend that Bill 148's minimum wage improvement to \$15 by 2019 be given unanimous support. Cheap labour threatens the livelihood of too many Ontario families. Poor earnings and low tax contributions jeopardize our social safety net and public infrastructure.

We know that some businesses have criticisms about raising the minimum wage. This is an old complaint. We urge the committee to stay focused on what is best for the larger economy and living conditions of all workers. Remember, consumer spending is one of the main drivers in our economy. Workers, especially lower-paid workers, spend almost everything they earn.

It is important to note that half of all minimum wage workers in Ontario work for very large employers and corporations with over 500 employees. Large employers are five times more likely to pay minimum wage than smaller firms. A large percentage of low-wage earners are women, and a \$15 minimum wage will go a long way towards reducing Ontario's gender wage gap. The Good Jobs for All Coalition considers a \$15 minimum wage a step that should have been done yesterday.

Joint liability for temp agencies and subcontractors: Historically, the ESA placed workplace responsibility

and liability on the entity that directly employs the employee. Bill 148 removes the requirement for related employers to have intent to circumvent the purpose of the ESA. The assessment for determining if two entities or units are one employer is whether they have related business or activities. Good Jobs for All considers joint liability for temp agencies and subcontractors a vital improvement.

In addition to emphasizing some measures of Bill 148, we have some amendments and recommendations for your consideration:

Eliminate the lower minimum wage for students and liquor servers.

We recommend that the ESA's definition of employee include the definition of "dependent contractor." There is no specific provision in the ESA equivalent to the dependent contractor provision that exists in the LRA, and it specifically defines employee for the purpose of the act as including a dependent contractor.

We recommend an amendment that requires employers who enter into contracts with subcontractors or other intermediaries to be jointly held and severally liable for wages owed and other statutory entitlements. Although Bill 148 makes helpful amendments to address related employers, more needs to be done with respect to joint but unrelated employers who may still indirectly control working conditions.

We recommend that the equal pay for equal work provisions expand the scope of comparable work, limit the exceptions, provide pay transparency and remove the transition provision that allows employers with collective agreements signed before April 1, 2018, to delay compliance until the end of their contracts.

Bill 148 should be amended to ensure that temporary means temporary. For example, a temporary worker should be converted to a permanent employee of the client company after three months of temporary assignment. In addition, employers should be required to limit the percentage of temporary workers within their workforce to 20%.

We recommend an amendment that requires employers to provide employees with two weeks' notice of their work schedules.

We support the introduction of paid days under the personal emergency leave. We do, however, recommend that the paid days be improved.

We recommend eliminating the provision that exempts unionized employees from new scheduling minimum standards.

We endorse the Ontario Federation of Labour's recommendations to amend the Ontario Labour Relations Act, including the restoration of card-check union certification. The decline in working conditions in our labour market parallels the loss of unionized workplaces.

The coalition's employment insurance working group has identified EI benefit changes with an impact on the Ontario leave provisions. There's a page included in the brief, but one example is the ESA's current eight-week family caregiver leave, for which the federal employment insurance program provides a 16-week benefit period.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. This round begins with the government. MPP Wong.

Ms. Soo Wong: Thank you very much for being here today, and thank you for your presentation.

I'm going to go back to some of your comments that you just made, as well as your written submission. Besides the minimum wage being proposed in Bill 148, a number of employment standards changes are being proposed by the government in terms of legislation tackling precarious work and how to help the province's workplaces—to make it more fair and decent and what have you.

Can you share with the committee how these, in terms of impacts both positive and negative, because we've heard from previous witnesses, two physicians who were here—I'm not sure you were here when the two physicians who were here presented about the negative health impacts of not passing Bill 148. Can you share with us, how are these proposed employment changes going to impact your members?

Ms. Sharon Simpson: As we know, workers require decent work and living conditions. That can be best achieved through a strong Labour Relations Act and Employment Standards Act. Particularly for workers who are new workers, immigrant workers and people who are students—we call for the same wage payment for students—those improvements would greatly enhance their working conditions.

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I work with several networks of workers: the Chinese Workers Network, the Somali Workers' Network, the Tamil Workers Network, and the Filipino Workers Network. These workers are all workers who are representative of our diverse communities and require those improvements in order to have better living conditions.

Ms. Soo Wong: In your written submission I noticed that you made a comment, I believe on page 3, that I'm going to quote here: "We recommend eliminating the lower minimum wage for students and liquor servers." Can you elaborate a little bit more about that statement for the committee?

Ms. Sharon Simpson: Our economic situation is not what it used to be. The requirement for students to work is not just to have additional expendable income. The requirement for students to work is, in fact, to have incomes that help to support their families, particularly in communities that we now define as historically disadvantaged communities. Those communities are generally made up of women, people who are visible minorities or linguistic minority groups. Having students in that category of earning an income that is less than an adult person or a working person would be a disadvantage to the students.

Ms. Soo Wong: Okay. How much more time do I have, Madam Chair?

The Vice-Chair (Ms. Ann Hoggarth): Two minutes.

Ms. Soo Wong: Two minutes? Oh boy.

You mentioned earlier the diverse workers you represent: the Filipinos, the Chinese and the Tamil workers.

Am I correct to say that what you are seeing from your members in terms of poverty—because that's one other piece I heard from the physician group earlier, in their presentation: that there is a relationship between colour and poverty.

Ms. Sharon Simpson: Yes, and that report, *The Colour of Poverty*, as you rightly noted, was done some time ago by Grace-Edward Galabuzi and others, in identifying poverty among racialized groups. In those racialized groups, the poverty is more distinct than when you look at non-racialized groups. When we work with the Diverse Workers' Network, it is not only to look at what the range in earnings is, but to look at working conditions, and how working conditions, which relate also to wages, can be improved. If the recommendations as they are go forward, that would be very significant.

More significant is that these workers tend to work in situations such as temporary agencies and in situations where contract flipping is happening. If contract flipping happens, the gains that workers make, particularly in unionized situations, will be lost.

It is for that reason that we also call for the bill to accept the recommendation that successor rights be extended beyond the service industry. I personally worked in a not-for-profit assaulted women's shelter and experienced that shelter closing. Had it not been for successor rights at that time, none of us would have gotten our jobs back. Our jobs at that time were serving immigrants and visually and linguistically minority women, and the workers also reflected the group of people that we worked with.

Personally, I understand the need for successor rights beyond the service industry, and that at this point in time, people who are working in the home care sector are also experiencing that contract flipping.

Ms. Soo Wong: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much for joining us today. Is it Cammie?

Ms. Cammie Peirce: Correct.

Mr. John Yakabuski: Cammie, I appreciate your presentation. I'll have to review Hansard, but you may have set a record for the most words spoken in a five-minute period at a committee of this Legislature.

Ms. Cammie Peirce: Thank you.

Mr. John Yakabuski: I would have been sputtering all over the place, but you did that marvellously. You must make a lot of presentations.

Your group, Good Jobs For All—I understand where you're coming from, and we respect your view. The presenter before you, Mark Wafer, who would have to be regarded as a leader and as a champion for inclusiveness when it comes to providing jobs for people with disabilities, intellectual and otherwise—remember, you're saying you want this done yesterday, good jobs for all—he raised the spectre of that very group being highly vulnerable with the speed with which this bill dictates that we would move to a \$14- and then a \$15-an-hour minimum wage.

This is not an alarmist, Mr. Wafer. This is a guy who has walked the walk. He and his wife have clearly demonstrated through their lifetime of business that they want to integrate people with disabilities. He clearly indicated that he was going to make every effort in his own business to continue doing that, but he's very concerned about the impact elsewhere.

Could I ask you, Cammie, to comment on that? Do you see the validity in Mr. Wafer's concern?

Ms. Cammie Peirce: First of all, I want to point out that yes, he said that he was going to continue his practice and that it wasn't going to have a detrimental effect on what he was doing. But I would also like to point out that the definition of a good job includes a job where people can live in dignity and where people can support themselves. He also alluded or mentioned or agreed that the very people he is talking about are currently living in poverty. It's our indication that that's not where they should be living, and that it should be inclusive for all.

Mr. John Yakabuski: So with no job—

Ms. Cammie Peirce: I tend to disagree that that's going to result in no jobs.

Mr. John Yakabuski: Okay, I understand that, but he's actually been providing those jobs and is a colleague of a similar employment group that does the same thing. I have to say, with all due respect, Cammie, I've got to believe that he has more experience on the ground than you do yourself, because he's been providing those jobs for 25 years. He works with people who have been doing the same—maybe not to the same extent as him—but he wants to see more people provide those jobs. He's very concerned. He is absolutely worried that those jobs won't be there.

I respect your view, I accept your submission and appreciate you coming in today, but I can't forget about Mr. Wafer's presentation either.

Ms. Sharon Simpson: Let me just say that he has a right to be worried. I, too, am worried. These days, when I walk into a McDonald's, I'm not greeted by a person serving me; I'm greeted by an automated machine through which I place my order.

If we are worried about jobs being lost because it's going to be paying \$15 an hour for a worker, I think that's not where the worry should be. We should all be worried, in fact, because our jobs are all going. At this point in time, what we need to be doing is to be proactive and look forward to when we can provide that situation where all workers are earning a minimum, or a basic, income.

Yes, the man before us was very steeped in doing the direct service delivery work. What we are knowledgeable in is speaking to all workers: people who are experiencing disabilities and those who are not. The fact is, the income as it is at the minimum wage is not sufficient, and what we're looking forward to is not only that as a pressure, but the pressure that those jobs, made through no fault of anybody except the advancement of technology, will not be there. That's where we need to be creative as a collective.

Mr. John Yakabuski: Thank you very much.

Ms. Sharon Simpson: You're most welcome.

Mr. John Yakabuski: I really appreciate your presentation—and slow down.

The Vice-Chair (Ms. Ann Hoggarth): Going to the third party: MPP Fife.

Ms. Catherine Fife: I think I'll continue on the same line of questioning. What I am hearing you say is that it's not an either-or situation; it's about creating a stronger economy where everyone can be part of that shared prosperity. What's interesting about the fear of the Employment Standards Act punishing or having a punitive effect on certain populations—that's the role of government and us as legislators: to ensure that the legislation is protective and does not leave a loophole open where vulnerable populations can then be punished for a progressive idea. Do you share that view?

Ms. Sharon Simpson: Most definitely, and within that vulnerable population—I would also extend that to every employee. Workers who are in non-unionized positions who want a union may be threatened by the process we now have for establishing a union. We are calling, too, for the automatic certification of unions through card check, because an employee in a situation where they have to go through a voting process, with oversight of an employee, may be too threatened to do that.

Employees who are disabled employees, such as the ones discussed earlier through your previous presenter, may also need, depending on the spectrum of disability, the assurance that they, too, can organize within a union, and that their workplaces, too, are places where they are not being given a job because of the goodness of somebody's heart, but because they're worthy workers and because they have income and family situations that require, at this time in our reality, an income that meets their basic needs.

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Ms. Catherine Fife: Okay. So we're on the same page on that one.

Now, it is interesting, because you have this Good Jobs for All declaration, which was signed in 2008, but you also note that since that time, and despite the work of many grassroots organizations and even, indeed, labour, we have seen this spiral effect of the nature of work really being whittled down to the bare basics. This goes to solving the problem piece of part-time, precarious, contract work. Why do you think that Ontario right now is in the state that we are in with the nature of work and the legislation, I guess, being permissive of allowing this culture to exist? Because we have to get to that point in order to solve it.

Ms. Sharon Simpson: Well, it's always looking at what is the least expensive to do that sometimes drives us to those positions. But I say that we are in a place right now in Ontario where we can put ourselves forward as leaders. We don't need to always be looking across the sea to see what the Europeans are doing and then citing it. For once, we can be the ones who establish the bench-

mark at which others may look to Ontario to say, “Listen, this is working.”

We are at a moment in time where we are transitioning from a work-based society that is fully employed or majority employed to a society in which a lot of the things that we are faced with are automated. This disruption is nowhere near the peak as yet, so we need to address what income is at this point.

Ms. Catherine Fife: I hope you’ll agree with me that women need to be a part of that equation, because the disparity in pay, in educational opportunities, in access to child care—and then you can even turn that page to look at the disparity in child care workers and what they are paid and continue to be paid. If 52% of the population of this province isn’t part of the equation, then we won’t achieve that shared responsibility.

Ms. Sharon Simpson: I most definitely agree. As I said earlier, I worked for a long time in an assaulted women’s shelter. In that job, I met and worked with very many women who—one of their major hurdles was child care issues, the hurdles faced with the disparity between how much a woman makes in terms of income and how much a man makes.

Having said all of that, our economy is a holistic economy. It requires all parts of the economy to work in order for us to all benefit. We cannot, then, have portions of our economy where people earn at a level or are disadvantaged because of gender or any other identifiable factor, be that disability or abilities, be that their ethnic origin or their social locations.

Ms. Catherine Fife: Then you’ll agree that the Employment Standards Act around equal pay for equal work needs to be strengthened.

Ms. Sharon Simpson: Most definitely, especially in the cases of part-time workers, precarious workers, contract workers and gender-specific working situations. I—

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. The deadline to send a further written submission is this afternoon at 5:30.

KISKO PRODUCTS INC.

The Vice-Chair (Ms. Ann Hoggarth): I call on Kisko Products, please.

The Clerk will hand out your submission. If you could state your name for the record and your five minutes will begin.

Interruption.

The Vice-Chair (Ms. Ann Hoggarth): Sorry, you’re not allowed any props. You’ll have to put those away.

Mr. Mark Josephs: Okay. Just showing you what I make.

Mr. John Yakabuski: I thought you were bringing us treats.

Mr. Mark Josephs: I was, actually.

The Vice-Chair (Ms. Ann Hoggarth): Sorry.

Mr. Mark Josephs: All right. Good afternoon. Thank you for the opportunity to be here. My name is Mark Josephs and I’m the president of Kisko Products.

I want to just talk about Bill 148 and how it affects the food industry, touching a little bit on how it may affect other manufacturers as well, but specifically tying in with our business.

We’re a family business. We moved from Jamaica on Christmas Eve, 1975. Understand what it’s like to start over as an immigrant: My father looked for a job and he was told, “Come back when you have some Canadian experience. You seem like a fine young man. Come back with Canadian experience.” Well, the obvious question is, how do I get Canadian experience if no one hires me? When I share that story today with our seasonal staff that we have, they all stand there and they nod their heads, because they’ve all heard the same thing.

We’ve had our challenges, certainly, as a business. We started out as a very small business. We’re a mid-size business now. We have 85 to 90 full-time staff. We hire over 100 seasonal staff during our peak production time, which typically starts from about January and ends in June. So those temp workers actually have a longer contract time than is typical coming from an agency.

We’ve had many, many challenges. This is our 40th anniversary. We faced stiff competition over 40 years: a rise in commodity prices, and all the pricing and all the challenges that small businesses face in staying afloat and trying to be profitable, including my parents never taking a salary, having to make sure their employees were paid. But never before have we faced so many government-imposed regulations and costs that will seriously hamper investment in staff, our business and our ability to compete globally—because any business now is not just a local, domestic business; we’re all dealing with foreign competition.

The proposed minimum wage hike is the first thing that’s going to impact our business. But let me just back up to the seasonal workers and the 40 years that we have been in business. We’ve literally hired thousands of people, most of them first-time immigrants—all of the different refugee waves that have come through, including doctors from Vietnam working in our plants. We’ve provided their very first job in Canada for many of them. A number of them over the years have come on as full-time staff, as well.

The proposed minimum wage is going to have a serious impact. This is just one part of the legislation.

We’re located in Woodbridge. We were previously, for over 30 years, in Markham and Agincourt. We have never had an adult employee who would come and work for minimum wage. There is no one in my area who will work for minimum wage. Now, I worked for minimum wage when I worked for my parents as a kid, but no one else will. Students are probably the biggest ones that do that. So we’ve always had to pay above in order to get staff.

I don’t believe there’s anything wrong with wishing to have a higher minimum wage. In fact, I think it’s a good thing to pay your employees more. I mean, I’ve sat with my brothers and I’ve talked and I’ve said, “How can we move wages up? How can we do things to give people a

better opportunity, wage-wise?" But for the government to come through and say, "We're going push through a 32% increase" like that and cram it down everyone's throats puts everyone, all businesses, in a very, very difficult position.

The ramifications really are, when you think about it—obviously you've all heard all the same comments. It's not just the wage increase; it's everyone else who is now saying, "Okay, so what about my 32% increase?" Obviously, that just can't work.

My finance guy did a simple thing and just said, "If we had to give everyone an 8% increase and then minimum wage kicked in"—keeping in mind that I'm factoring this as minimum wage for the seasonal staff, although at \$15 an hour, no one will work for \$15 an hour. They will not work for minimum wage. You could make it \$20 an hour and they won't work for minimum wage. I can guarantee you that, because we've lived it. For us, it would mean that it would be a \$600,000 cost in one year for us, that impact—\$600,000.

Secondly, all of my other employees are going to feel that they're being treated unfairly. Our Premier keeps talking about fairness, because we're taught—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We go now to the official opposition—

Mr. Mark Josephs: Is that five minutes?

Mr. John Yakabuski: Go ahead and finish, sir. We'll give you some of our time.

1510

Mr. Mark Josephs: Thank you, I appreciate that.

The impact, then, of that \$600,000: We're now scrambling to figure out how we can eliminate 50 to 60 of our seasonal staff moving forward. It's going to cost us approximately \$2 million, just based on guesstimates, but the payback is one and a half to two years, so it's absolutely worth it.

But I'll tell you what bothers me, what hurts me. I've got 50 to 60 people who may not have an opportunity to get that first job experience, who may not have an opportunity because their electrical certification isn't accepted here, but they're working here and we find out that they've got that skill—or an engineering skill—and we can then take them and hire them on.

Those things affect us. We've been looking and trying to figure out how we can work with the Syrian refugees. We finally found an agency that could link us with that and we were all set to hire 20 Syrian refugees next year—bringing in a translator, doing everything—gone, done.

Why are we doing that? We're doing it because we actually care about our staff. And I know it makes it sound as if everything is, "Business is evil, business is evil." But that's wrong.

We built a school in Jamaica two years ago. I took down 11 of my staff who are of Jamaican descent to allow them to have an opportunity to give back in a tangible way. We care for our staff. We're going back in August and building another school.

All of these things are going to have impacts that are going to take away a lot of the things we do to show that we value staff.

Scheduling changes: I'm a seasonal business. Weather is hot today, demand comes in—boom. "Oh, excuse me, can you guys work?" We give our staff five days' lead time, but our staff also understand that if things change—after having all of the flooding we've had—they've got to work. And we don't force anyone; those who can't work for whatever reasons, they don't work. We don't hold anything against them for that. You've got the entire food industry, which is dealing with perishables, and all of a sudden now we're saying, "Hey, five days' lead time, that's the only way we can do it."

Emergency days: We give five paid working days; after three days we require a doctor's note. I don't think that's unfair. We're looking to say 10 emergency days, which isn't a bad thing, but to say there's no accountability—good grief. That means people will look and say, "Hang on a second, I've got three weeks' holiday plus another two weeks if I want to go unpaid." That means no accountability, and we all know what happens when there's no accountability, don't we? We've seen it rampant throughout our society.

There was a report from the Conference Board of Canada that just talks about the direct cost of absenteeism to the Canadian economy. In 2012, it was \$16.6 billion, and they keep asking why we can't get our productivity up. Now we want to put in something with no accountability.

I'm just going to close out and say that one of the greatest leaders in history, and one who had a great impact, said, "Do nothing out of selfish ambition or vain conceit. Rather, in humility value others above yourselves, not looking to your own interests but each of you to the interests of the others."

That's how we run our business. That's true leadership, it's servant leadership. It's not shoving things through, it's not looking to say, "How do I gain? What I'm doing is just for my own benefit and my own good."

I thank you for your time, and I'm happy to take questions. Thank you for allowing me to finish.

The Vice-Chair (Ms. Ann Hoggarth): MPP Barrett.

Mr. Toby Barrett: Well spoken. I appreciate the quote at the end.

You've covered minimum wage, scheduling. Anything else in that legislation that you want to comment on?

Mr. Mark Josephs: The union certification: We checked with our labour lawyer. I can have seasonal staff come in and if they represent 20% of my workforce and they decide to unionize, I now have to hand over all of my contact information for all of my staff. It stinks. I can't even call Rogers and pay a bill if my name is not on it, yet I'm going to hand out all this information. I believe that's unfair. I'm a part of Food and Beverage Ontario. The largest employer in the province is the food processing industry, not the auto industry. We believe that that should remain as is, at the 40%, and not reduced to 20%.

I also believe that there's nothing wrong with the minimum wage of \$15, but let's do that over a graduated time.

Mr. Toby Barrett: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll go to the third party. MPP Fife.

Ms. Catherine Fife: I think, Madam Chair, that it was supposed to be the Liberal side going after because I—but anyway. So we're going to start a new cycle? I went last.

The Vice-Chair (Ms. Ann Hoggarth): No, the PCs started. It's your turn.

Ms. Catherine Fife: Thank you so much. Clearly, you're very passionate. I think that you bring, obviously, the real experience of being in business—

Interjections.

Ms. Catherine Fife: Do you mind?

I do have some questions, though, for you, just so I can get a sense of who your employees are. You did make a very strong statement that no one will work for minimum wage. We haven't heard that here. Can you expand on that, please?

Mr. Mark Josephs: Certainly. Do you want to know who my employees are first?

Ms. Catherine Fife: Yes. I want to know why—are your employees working for a minimum wage right now?

Mr. Mark Josephs: No.

Ms. Catherine Fife: And I want to get a sense of the demographics of your employees as well.

Mr. Mark Josephs: Sure. I have every single nationality. I have very few white people, including in my office—white Canadians—working in my business. We're a family of immigrants, and the people we have working for us are people from every country. You can take any African nation you want, any West Indian country, Filipino—you name it.

When we hire from a temp agency, we obviously have to pay them not only their percentage to earn a profit, but also all the different government things that are required. So when we pay out, we are not paying 14 bucks an hour, we're paying more than that; and add on another 32%, or whatever it may be.

Basically, what happens is, if you said to someone, "Hey, come and work and pack boxes on the line for \$11.40," the answer is, "No. I'll stay home. I'll find something else." There are certain jobs that, as much as we want—there are certain people who will only have certain jobs that they can do, initially, because of education or whatever it may be. We do need factories. We do need certain types of places that will allow employment. Not everyone is going to get an IT job earning \$100,000 or anything like that.

We have a real mixture of people, and we have to pay them above minimum wage. On top of that, now, our full-time staff are obviously paid above minimum wage as well. We have classifications, depending on the skill set, from someone packing on the line to a machine operator, who we train and go through everything. We're paying them more than someone who is packing on the line.

Ms. Catherine Fife: Okay. It's interesting that you mentioned that you use temp agencies because this has also been identified in this committee as an ongoing issue. You don't have your own human resources department or division?

Mr. Mark Josephs: We do, but because we hire so many we have to bring a temp agency on-site because we have such difficulty in finding people who want to work. We have a challenge. I've just heard that the industry average—and I can talk from our experience: We have about 20% absenteeism per day, which affects production lines, which means I have to shut down, and I can't fill an order for Walmart, Loblaws or whoever it may be. And they could very well be legitimate reasons. People get sick or have doctors' appointments and things like that.

Ms. Catherine Fife: So you have high turnover.

Mr. Mark Josephs: On the temp side, we have high turnover because, initially, someone who is not used to packing boxes—I always say, "Guys, give it a little bit of time—three weeks—so that you start to get into a rhythm, your body starts to pick up and you get used to it."

I also should be charging some of our staff instead of paying them, because we've provided a weight-loss program for them as well. Some of them have lost 30 pounds and said, "Hey, boss. Thank you, man. This has been great." So anyway—

Ms. Catherine Fife: We've definitely never heard that before at this committee, I can tell you.

Just on the unionization: Your objection with the Ontario labour relations amendments, as crafted right now, is that you're worried around privacy and around the 20% vote threshold. Has anyone ever tried to unionize your workers?

Mr. Mark Josephs: Yes.

Ms. Catherine Fife: That was at the 40%, though?

Mr. Mark Josephs: Yes. Although I heard a comment today on the radio that the union doesn't go after businesses and whatever, we've had people stalking around, trying to hand out and do everything.

1520

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Anderson.

Mr. Granville Anderson: Thank you for your presentation today. I see you are from Jamaica. I don't know if you were born there or—

Mr. Mark Josephs: Born in Jamaica, Boss. You?

Mr. Granville Anderson: Okay, so we have the same background. We share the same—

Mr. Mark Josephs: All right.

Mr. Granville Anderson: My colleague from the third party was touching on temp agencies. There is study after study saying that if you pay your employees more and treat them well, they will stay around longer and you will have more loyalty etc. Why would you pay out to a temp agency versus giving your local employees the benefit of the salary? I know you may pay temp agencies 20 or 30 bucks an hour. Why not give some of that to your employees? Wouldn't that—

Mr. Mark Josephs: Good question. The reason is that as a small business and a seasonal business, overhead is key. I start losing money from August in my business.

For me, staffing-wise, I have an HR person, but there's a lot of training. I don't know if you have been in a manufacturing facility recently. There's a lot of training before somebody even starts on the floor. We have three days of training that are involved. We have HR involved with that, but we also have to have, just because of the volume of people coming in—when you're trying to hire 100 to 120 seasonal staff, there are a lot of people coming in. We just don't have the manpower ourselves to be able to do that.

We use three different agencies, but our agency treats the staff well, and those people obviously enjoy working for them because they continue to stick with that agency.

Mr. Granville Anderson: But you made the point: If you train these folks and pay them well, the turnover wouldn't be that much, so you wouldn't have to be training all the time, consistently. Wouldn't that be a benefit to you to do it that way?

Mr. Mark Josephs: Yes, it is, but the problem that we face is that because of our seasonality, we can't keep everybody on. We have to let go. At this time of year now, we're starting to let people go, because our season starts to wind down. Walmart has back-to-school stuff in their stores. We're just trying to blow through inventory.

When we ramp up again—of the 100, we'll keep about 40 people on throughout the season as we start production earlier and try to shift so that we don't lose as many of our key staff, especially—the toughest position is when we have machine operators that we've trained.

Mr. Granville Anderson: We'll just have to pray for some hot weather so you make some more money the next—

Mr. Mark Josephs: Mr. Granville, let me tell you something, Boss: I've been praying for hot weather, and I know all I've been seeing is I've been building my ark out there.

Mr. Granville Anderson: Thank you very much for your presentation, and thank you for helping the Ontario economy and for hiring and providing opportunities for immigrants, mostly. I gather that's what your business is all about. Thank you so much for your presentation.

Mr. Mark Josephs: Thank you, sir, and thank you to the committee. I appreciate that.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much, sir. If you have a further written submission, it needs to be in to the Clerk by 5:30 tonight.

ASSOCIATION OF EARLY CHILDHOOD EDUCATORS ONTARIO

The Vice-Chair (Ms. Ann Hoggarth): I call on the Association of Early Childhood Educators Ontario.

Do you have a submission?

Ms. Lyndsay Macdonald: Yes.

The Vice-Chair (Ms. Ann Hoggarth): If you could state your name for the record and then your five-minute presentation will begin.

Ms. Lyndsay Macdonald: Thank you. My name is Lyndsay Macdonald. I just wanted to say thank you very much for the opportunity to present at today's hearing on Bill 148. I am a registered early childhood educator myself, and I am the coordinator at the Association of Early Childhood Educators Ontario.

The AECEO has been the professional association for early childhood educators in Ontario for 66 years. We support ECEs in their professional practice, and we advocate for the recognition and appropriate compensation that early childhood professionals need in order to provide high-quality programs for children and families.

I am here today to raise the voice of early childhood educators and early years staff in Ontario that have been subsidizing the high cost of child care with their poverty-level wages for far too long.

On behalf of the AECEO's board of directors and our membership, I urge the committee to accept the many important changes proposed in Bill 148 to the Employment Standards Act and the Labour Relations Act. Furthermore, we are calling for amendments to Bill 148, which have been put forward in the submission by the Workers' Action Centre, to ensure that it can close the gaps and raise the floor of minimum standards for the highest possible number of workers in Ontario.

Every day, early childhood educators and staff in the sector see the impact that precarious work has on our youngest and most vulnerable children. We know that higher wages and better working conditions will improve our workplaces, our communities and our lives, including the lives of children and families.

For early childhood educators and staff in Ontario, the changes proposed in Bill 148 would have an immediate impact. Currently in the province, 24% of registered early childhood educators and 67% of other program staff working in licensed child care earn less than \$15 an hour. This means that a whole quarter of the profession and the majority of program staff will see a much-needed raise in their salaries with the introduction of a \$15 minimum wage. RECEs who work in Ontario early years, child and family centres and other family support programs who currently make less than \$15 and do not qualify for the government's Wage Enhancement Grant will finally get a raise with the introduction of the \$15 minimum wage.

Even with the increasing professionalization of early childhood educators and the mounting evidence pointing to the immense importance of their work, ECEs have seen a very slow and limited increase in professional recognition through improved compensation and benefits. Low ECE salaries, inconsistent working conditions and precarious work schedules have resulted in poor morale, job dissatisfaction and high staff turnover.

Particularly in licensed child care programs, early childhood educators are transitioning over to full-day kindergarten or, worse, leaving the sector entirely, despite loving the work they do. It is the experience of many child care programs across Ontario that qualified early childhood educators cannot be retained to work in

these under-resourced early childhood environments that serve our youngest children. This is having a significant impact on child care staff consistency, program quality and sector stability, which promises to endure for years if it is not addressed now.

While Bill 148 is a critical first step to addressing these workforce issues in the early years and child care sector, the government of Ontario still must address the root of the child care crisis. Early childhood educator wages cannot be tied to parent fees, and affordable high-quality early years and child care programs cannot be delivered by the market. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The opening questioning will be done by the third party. MPP Fife.

Ms. Catherine Fife: Thank you, Lyndsay, for coming in today. It is, I think, one of the most shameful states of employment in Ontario, where we have early childhood educators with sometimes two degrees, working with children aged one to five, making less than \$15 an hour. I just want to get it on the record. I think that where low wages impact turnover, which impacts the quality of the child care that those children are experiencing—in no other sector is it more important for us to get this right.

That leads me to leave you with a couple of questions, just so I can get your perspective on the record.

This is a primarily female-dominated profession, whose professionalization of the field, as you point out, has not been acknowledged for decades.

Now the government is amenable to allowing for-profit corporatization of child care in Ontario. There was one report—I don't know if you saw it. A big-box child care operator said that paying their workers \$15 an hour is going to directly impact child care fees. They're just going to transfer paying a livable wage to parents who are struggling with the highest child care costs in Canada. I want your opinion on that transfer of responsibility through the for-profit child care system, please.

1530

Ms. Lyndsay Macdonald: Sure, that's a great question. Thank you for asking it.

Canadian research and international research will show that it is for-profit and, specifically, big-box child care providers that do tend to pay the lowest wages to early childhood educators, and it is those environments that tend to have the highest staff turnover and also a higher number of serious occurrences and other incidents. Transferring the cost of a higher minimum wage for educators and staff to parents is quite sad. That's just to keep their profit margins.

It's my understanding and my perspective that children should not be for profit. Child care in early years is education. Child care in early years and public education are under the same ministry, yet the funding discrepancies are so huge.

Ms. Catherine Fife: Absolutely, and this tension actually happened as the full-day kindergarten rolled out, as well. Because child care now falls under the Ministry of Education, as you point out, those early childhood

educators were making upwards of \$18, \$19, \$20 an hour in the school environment, and then transferring, perhaps, in the same school, just down the hall to an equally qualified person at \$12.50 an hour. This must stop.

Ms. Lyndsay Macdonald: It's completely unjust.

Ms. Catherine Fife: It's completely unjust. And it impacts, as you point out, quality.

The fact that it is a female-dominated profession: Do you think that that weighs in as to how slowly—record slowness—this government has been in addressing the disparity in wages?

Ms. Lyndsay Macdonald: I think the feminization of early childhood education, specifically child care, is a huge issue. It's something that's been just accepted by our government and our society. Early childhood educators are graduating from diploma programs, from degree programs, with extra qualifications. They are regulated by the College of Early Childhood Educators. These are trained, qualified professionals who want to care for, educate and nurture Ontario's youngest children. There's a very clear discrepancy between our pedagogical framework—which is, "How does learning happen?", which acknowledges the professional and the important role that early childhood educators play—and then if you look at how child care is funded, it's very much underfunded, and the cost really is the burden of parents.

Ms. Catherine Fife: Absolutely. And of course, if the government continues to go down the road of investing the billions of dollars they say they're going to invest in child care, that's going to go to the profit margins of those corporations and not to the people, the human resources, that actually create the quality early learning experience.

For that profit operator to say that she pays \$12.50 an hour for her ECEs, if you're in the child care business, which they are, of course—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We will move to the government. MPP Malhi.

Ms. Harinder Malhi: Thank you so much for your presentation, to begin with, and I really want to say that I totally appreciate what you do as an early childhood educator and the important work that you do to shape the future of our children. The importance of your job can never be underestimated.

Our government recognizes the importance of investing in our children's futures. That's why we're investing in people who work to provide high-quality child care in licensed child care programs for children in Ontario. In addition, we are allocating over \$188 million to 47 municipalities and municipal boards in support of the wage enhancement and home child care grants. In addition to that, there's another \$3.6 million allocated in 2016-17 to First Nations communities.

I know that you do feel that we need to bring up the value of what an early childhood educator does, and I completely can understand where you're coming from. But not just looking alone at the minimum wage, looking also at the precarious work and the environments that you may have to work in, how do you feel that the changes

being brought forth in this legislation will impact ECEs in terms of precarious employment and not having to move around or look for more stable employment?

Ms. Lyndsay Macdonald: I'm very hopeful and optimistic that the changes in Bill 148 to working conditions and the Employment Standards Act will definitely have an impact on the working conditions that early childhood educators experience, especially around having paid sick leave or emergency leave.

The work of early childhood educators can be extremely physically demanding and mentally demanding. Also, working with young children means that we do get sick very often. It's impossible to get better when you have to come to work because you can't afford not to.

Beyond just that, I think that the changes and the amendments by the Workers' Action Centre could go a long way in making our workplaces better places to work, basically.

Ms. Harinder Malhi: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): MPP Colle.

Mr. Mike Colle: The thing that you've really honed in on is, the majority of early childhood workers are probably women, right?

Ms. Lyndsay Macdonald: Yes, that's correct. It's 97% female-dominated.

Mr. Mike Colle: I don't know if you read the report by the Canadian Centre for Policy Alternatives. They said the majority of beneficiaries of an increased minimum wage across Ontario will be women, especially women who belong to racialized minorities and are single mothers, whatever.

What do you find in terms of looking at the early childhood educators and their ability to cope, to pay the rent and to put food on the table, even though they are working hard? These are people who want to work. They don't want to go on assistance; they want to work. How are they coping day to day to pay the cost of living, especially in the GTA?

Ms. Lyndsay Macdonald: That's a great question. Thank you so much for asking it.

The AECEO is a membership-based organization. We have members all across the province. We know that early childhood educators in Toronto, early childhood educators in Sudbury—they're all struggling to provide for their families. These are workers, professionals and educators who cannot afford the very services that they provide to our communities, which are socially invaluable.

Many early childhood educators who make below \$15 an hour, who make \$11.40 an hour currently, are working second jobs. They have part-time jobs that they go to after work. They work seven days a week. When we're talking about professionals whose job is to care for and educate our youngest and most vulnerable children, if you're coming to work every day exhausted from working your bar job at night, then how can you fully immerse yourself in the program? If you're worried about putting food on the table for your own family, how can you fully immerse yourself in pedagogy and all of the amazing and

enriching things that our early childhood programs provide?

Mr. Mike Colle: Plus, you've gone to college. These are trained professionals.

Ms. Lyndsay Macdonald: That's correct.

Mr. Mike Colle: They have gone out of their way and probably spent a lot of their savings to get that diploma, right?

Ms. Lyndsay Macdonald: Yes.

Mr. Mike Colle: So trained people willing to work—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition. MPP Barrett.

Mr. Toby Barrett: Thank you for coming before the table here.

We have seen the gradual changes over the years. I just wanted to get some rough, ballpark figures. So many children are at home with their parents as they grow up. A certain number are maybe in someone's home with someone else's parent, or perhaps it's a grandmother or somebody. You mentioned the big-box provider that seems to be a bit of a trend; I didn't realize the extent of that.

Can you just give me a bit of a ratio of where the children are on any given day?

Ms. Lyndsay Macdonald: In Ontario, we have non-profit child care and for-profit child care, both private.

Then we have public child care. So a number of municipalities across Ontario are still providing public child care—the city of Toronto and Waterloo region, for example. That tends to be the highest-quality care and also tends to pay the most competitive salaries for early childhood educators.

1540

We also have a very large unregulated child care sector. These are women, mostly, who are providing child care for a specific number of children out of their own homes. Certainly they play an important role in caring for young children as well. Last year, there was a city of Toronto report that looked at the affordability of child care. When we're talking about where children are, I think it's very important that we remember how unaffordable licensed, regulated child care is. A number of parents who would prefer to put their children in licensed child care cannot afford it or do not qualify for subsidies, and are therefore looking at other options like opting out of the workforce, which is not good for the economy—especially women who are graduating from university programs with master's degrees, with higher and higher qualifications, who are opting out of their careers to stay home and care for their children because they can't afford child care.

It's really important that we keep that in mind. I'm sorry I don't have specific figures with me.

Mr. Toby Barrett: No, I just wondered. It's certainly changed over the years.

Who qualifies for the Wage Enhancement Grant? That's provincial money?

Ms. Lyndsay Macdonald: Yes, that's a great question as well. The Wage Enhancement Grant only goes to

early childhood educators and staff who work in licensed child care, so it completely leaves out a large portion of educators and staff who work in family support programs like Ontario Early Years Child and Family Centres, who have the same education and provide the same services to children and to families in supporting communities. Anybody who makes less than \$26 an hour qualifies for the \$2-an-hour Wage Enhancement Grant, but that's only if their employer, their operator or the owner of their centre decides to apply for it.

Mr. Toby Barrett: Ontario Early Years: They're a provincial employee?

Ms. Lyndsay Macdonald: There's a shift happening, and I think that the municipalities will be playing a bigger role in Ontario Early Years Child and Family Centres.

Mr. Toby Barrett: Quebec: It seems to be much more subsidized. Is that correct?

Ms. Lyndsay Macdonald: Yes. Quebec has had a very heavily subsidized child care program since the late 1990s. It started as a \$5-a-day flat-fee child care program. Today, it operates more on a sliding scale that's based on income. Certainly, access is better and services are more affordable.

What's possible in Quebec and what works in Quebec is not automatically going to work for us in Ontario, but we are encouraged by the current government's affordability strategy. They're doing a workforce strategy as well.

The child care crisis has really come to a breaking point in this province, and it is time to make some structural differences.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party. MPP Fife.

Ms. Catherine Fife: I already asked—

The Vice-Chair (Ms. Ann Hoggarth): Oh, I'm sorry.

Ms. Lyndsay Macdonald: You can ask me another question if you'd like.

Ms. Catherine Fife: I've got more.

The Vice-Chair (Ms. Ann Hoggarth): Sorry, no, you can't. I'm sorry about that.

Thank you for your presentation. If you have another written submission, it needs in to be to the Clerk by 5:30 tonight.

Ms. Lyndsay Macdonald: Thank you so much.

FRED'S NOT HERE

The Vice-Chair (Ms. Ann Hoggarth): I call on Fred's Not Here restaurant. Good afternoon, sir.

Mr. Fred Luk: Good afternoon.

The Vice-Chair (Ms. Ann Hoggarth): If you could identify yourself for the official record and your five minutes will start.

Mr. Fred Luk: My name's Fred Luk. I've been a small business owner and operator of restaurants in downtown Toronto for over 30 years, and I have employed, trained and mentored a couple of hundred people during this time, many of whom have gone on to open

their own small businesses and restaurants. I would like to thank the committee for providing me with the opportunity to speak on Bill 148 and the proposed minimum wage increase in Ontario.

Let me be clear: All Ontario workers deserve to earn a fair, living wage, and for me, this point is not under dispute. But in order for this to happen, small business owners must have a level of profitability.

This brings me to talk about the concern I have about the proposed minimum wage increase and its very aggressive implementation time frame.

Statistics Canada and Restaurants Canada indicated the following: The average Ontario restaurant operates on a pre-tax profit margin of 3.4%, the lowest profit margin of all Canadian provinces. The proposed 32% minimum wage increase has a cascading affect, as employers like me who already pay employees above the proposed minimum wage will have to increase all wages accordingly.

These dramatic increases will immediately put my restaurant and thousands of others like me in extreme peril, as we will be suffering a huge financial deficit immediately. This will result in the closing of my business, and many other businesses, and the end result will be significant job losses.

We cannot be compared to restaurants in areas in the United States such as Seattle and San Francisco; this is misleading. The cost of operating a restaurant in Ontario is significantly higher, and Ontario restaurant costs are largely uncontrollable as pricing is controlled and imposed by our governments at a level much higher than in the U.S.

"Just increase your menu prices," they say; we hear this a lot. The market will not bear a 15% menu price increase to make up for this sudden increase in payroll cost. We've all heard of Summerlicious, Groupon, discount cards and two-for-one deals. Our consumers out there right now are looking for those situations, not higher menu prices. There is a limit on how much people spend on entertainment and dining out. They all have a budget.

All of my employees make more than minimum wage. My skilled back-of-the-house kitchen staff is paid a market-competitive living wage to ensure we produce quality and tasty food for our guests. This has ultimately led to our success in retaining great employees and being in business for all these years. My restaurant liquor servers are the highest-income earners in my restaurant, as the majority of their income is generated through tips and gratuities. The proposed minimum wage increase to the liquor server category will even further reduce my ability to pay the imposed wage increases to my kitchen staff.

Bill 148 impedes our ability to be profitable and therefore impedes our ability to offer higher wages for our existing employees.

Premier Wynne has let us down. She backtracked on her promise to allow the consumer price index to determine annual minimum wage increases and keep it out of politics. We call on you and the Premier to work with our

industry to support and implement appropriate measures to ensure small business can stay in business. It is my request here today that you state your commitment to work with us immediately to ensure small businesses stay in business. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. This round of questioning will begin with the government. MPP Wong.

Ms. Soo Wong: Mr. Luk, I noticed your presentation as well as your written submission focused exclusively on minimum wage. Bill 148 is not only about the minimum wage so I need to hear from you about the proposed amendments to the employment standards—because previous witnesses talked about the personal emergency leave. What is your opinion about the personal emergency leave?

Mr. Fred Luk: There are many things that we can talk about, but as a small businessperson living on a razor-thin profit margin, this is the most important thing for us for survival. This is, to me, the biggest small business killer of them all, because we're already paying the majority, 99%—no one makes minimum wage in our restaurant.

The problem right now is that the cascading effect of this increase will hurt us, because I cannot afford paying my staff \$20 an hour like LCBO employees. There's only so much the market can bear.

In any event, you can talk to your 40 economists out there to prove the numbers I've given you are incorrect. The minute you impose this minimum wage on us, from a 3.4% pre-tax profit margin, we'll go down to a 5% net deficit. So talk to the 40 economists that you guys proudly paraded in front of us and make them prove that I'm wrong, that our statistics are wrong, if that is the case. That's most important for my survival; that's why I'm here today.

Ms. Soo Wong: Time is limited, so I'm going to ask you another question with regard to—I know you're focused on minimum wage. There are also exclusions such as power outage, fire and storms. Do you feel in the proposed legislation—because, like I said, you're focused, honing in specifically on minimum wage. You know, we did have the blackout a couple of years ago, and from time to time there are fires and there are other circumstances. Do you propose—

Mr. Fred Luk: With all due respect, if the minimum wage issue is not resolved, I won't be around to worry about that.

1550

Ms. Soo Wong: So your only concern about Bill 148 is the minimum wage.

Mr. Fred Luk: My only concern is to survive past January 1, 2018. How do I raise my menu prices to pay for this increase? Because I don't know how to do it, okay? I don't know how to do it.

Everything is controlled by all levels of government—all of my costs, everything. You guys control everything. In small business, you get whacked on everything. You need more money for your budget? You increase the

liquor prices. Supply management controls all of the prices for cheese, eggs, dairy products and chickens. Everything costs much higher to operate a business.

Bill 148: I've got pages and pages of it. Have I gone through all of them? No. But this is the most important for my survival. That's why I'm here today.

Ms. Soo Wong: Thank you.

Mr. Granville Anderson: Is there any time left?

The Vice-Chair (Ms. Ann Hoggarth): Yes, there are two minutes left.

MPP Anderson.

Mr. Granville Anderson: Thank you for being here, Fred. Actually, my daughter had dinner at your restaurant last night. I haven't had a chance to ask her how it was.

Mr. Fred Luk: I like her already. Thank you

Mr. Granville Anderson: I'm sure it was good.

Just to follow up, you are now currently paying above the minimum wage, right?

Mr. Fred Luk: Out of the 25 employees that I have, two employees are less-skilled employees and are still paid above minimum wage. The rest are paid above the new proposed minimum wage already. I'm paying my employees \$15, \$16, \$17 right now.

Mr. Granville Anderson: I have had people—restaurant staff, like servers—say to me that if raising the minimum wage is going to cause the tips to go down, they would rather it not be raised. If they're getting tips on top of that, I don't see why it's detrimental to you to raise your base—

Mr. Fred Luk: No, the liquor servers—let me repeat what I'm saying. All of my employees are making more than minimum wage. That's including—the liquor servers are making gratuities. My liquor servers are being paid the liquor server minimum wage, but because of the gratuities, to me, they are making way above minimum wage. That's being included on their earnings.

Mr. Granville Anderson: I don't see why you would think it's incumbent upon you to raise—if you're above—

Mr. Fred Luk: If everybody follows what was agreed upon from the Minimum Wage Advisory Panel back in 2014, you would be raising the liquor server minimum wage based on CPI instead of a 23% increase by January 1. I can't pay that 23% increase. A liquor server would be the highest earner in my restaurant. That would take away my ability to benefit—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the official opposition. MPP Barrett.

Mr. Toby Barrett: Thanks for coming forward. I've been on the committee all this week, and we have heard from a number of restaurants. It is devastating. I've been hearing from restaurants for well over a month.

I'm down in a tourist area down on Lake Erie. Much of it is that the customers come in in June and you've got a few months to make the money.

I know right off the bat, when this was first announced and nobody really knew about this minimum wage thing in this legislation, I had a meeting. He sent me an email right afterwards. As he explained, with his business

model—all three of my sisters worked there when they were in school. He explained that minimum wage jobs are not meant to fully support a family; it's to bolster household income, start youth on the right track for gainful employment, or to supplement retirement income.

His costs will go up \$200,000. He's been hiring students. That restaurant and an adjacent restaurant have been there 95 years—no more students. That's devastating for our economy. We don't have other industry. Farmers tell me this will end local food. We produce food in my area. So I hear what you're saying.

The restaurant association—we've got some really good data from them, but you have to keep bringing that in and work with other organizations and other sectors as well.

Just a quick question: I started working in Toronto in 1974, and I think there were 10,000 restaurants. How many restaurants are there in Toronto?

Mr. Fred Luk: I can't tell you. It seems like every week another bunch crop up. I've lost track of it myself.

Mr. Toby Barrett: It's astounding. It's a tremendous contributor to the economy. My daughter is in the kitchen trade. She worked for a while in a 50-employee restaurant in Scarborough. She was a visible minority: She was the only one that wasn't a minority, if you know what I mean. That's an incredible opportunity for people who come to Toronto.

Mr. Fred Luk: What's happening is that our industry hires the most first-time job seekers. We train them. Many of my cooks right now, when they first started with me, did not know how to cook. We train them. We mentor them. Many of them went on to open their own business and manage other restaurants. That's the value of our industry.

Mr. Toby Barrett: My daughter has been in the kitchen trade for many, many years—you know, a university degree and everything, but she won't take salary. She works. She does the hours and makes the money. We've had discussions. I think my family would be afraid to bankroll her to start up any kind of small restaurant given this climate. I find that very, very discouraging.

I think she's going so have to find another career. She's certainly above minimum wage with her experience. And we hear, "Well, it's going to bump up the other salaries." That's why the unions are interested in this, of course. But she has been told there's only so much money in the pot for payroll—no Christmas bonus this year—as you indicated. Christmas is coming. There will be layoffs. We hear this on this committee—and that's just for the \$14, let alone what happens a year and a half from now.

Scheduling: This legislation is going to tell you how to run your schedule. Any comments?

Mr. Fred Luk: The scheduling and the three hours for on-call, basically, is all focused on the front-of-house tip earners. In a sense, right now what you're trying to do is preventing the tip earners from making gratuity.

What we have sometimes in our business is that we can't control who is coming in today for dinner: Sudden-

ly, you have a convention in town you don't know about, or suddenly, you have a table for a party of 25 people. So you call on the liquor server to come in: "You want to make some money?" By penalizing the restaurant for on-call situations, it's going to be devastating—not for us. Sure, it's an inconvenience for us, but, at the same time, right now, the people you want to help, the liquor servers, will lose the opportunity to make gratuities.

Mr. Toby Barrett: So government has got no skin in the game. This isn't government—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The third party. MPP Fife.

Ms. Catherine Fife: Thank you for your presentation. I believe you also did CBC or Metro Morning, did you not?

Mr. Fred Luk: Not Metro Morning. I did CBC, probably, I think, the day of the announcement. I remember the day very well. It was a very difficult day for me—May 30, my wife's birthday. Then the announcement came about.

Ms. Catherine Fife: You've been very vocal. I'm just going to try to get a sense of the Ontario restaurants—on the first page, you give us an average 25-employee restaurant in Ontario with sales of \$1.5 million.

Mr. Fred Luk: That's correct.

Ms. Catherine Fife: Then, the pre-tax profit is only \$51,000. Did you use your—

Mr. Fred Luk: My restaurant is very, very close to that number.

Ms. Catherine Fife: So, at the end of the year, after employing—how many people, 25?

Mr. Fred Luk: Twenty-five employees. I can tell you something: The last 18 months, because of various situations in my neighbourhood and everything else, we have not made a profit. Okay? I mean, this is what small business is all about. You can make money one year; the next year, you might not, because of the razor-thin margins you run on.

Ms. Catherine Fife: One of the other points: I think there was a misunderstanding that you already pay your liquor servers the liquor server minimum wage.

Mr. Fred Luk: That is correct.

Ms. Catherine Fife: You don't pay—

Mr. Fred Luk: Above that? No.

Ms. Catherine Fife: You did mention that the liquor servers in your establishments are the highest income earners.

Mr. Fred Luk: That is correct.

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Ms. Catherine Fife: Do you have some sense of how much that income is?

Mr. Fred Luk: For me, there is always a problem in talking about how much money they make, because of the CRA situation—the Canada Revenue Agency. If I start telling you right now how much they're making per hour—but I can tell you right now that it's way, way above your proposed minimum wage increase—way, way above that.

Ms. Catherine Fife: Do you pool tips? Sometimes that does happen in some establishments.

Mr. Fred Luk: They pay a percentage back to the house so that we can redistribute it to the kitchen staff.

But on the other hand, having said that, it's not a problem to establish how much money they make, because 95% of the sales right now are generated by credit cards and debit cards.

Ms. Catherine Fife: Yes. We heard earlier this morning about the credit card rates, and how that negatively impacts small businesses when people use credit cards. That was the Canadian grocers—

Mr. Fred Luk: Everything impacts us because of our razor-thin margins. This is why we say it's misleading to compare us to Seattle and San Francisco, where it's a different model completely.

You could also say right now that small business restaurant model is a broken model. Yes, when you open a restaurant, the first three years, if you really have a five-star chef working for you, you might be packing it in. Three years later, that restaurant might not be around.

Ms. Catherine Fife: This idea that was articulated by my PC colleague that minimum wage jobs are jobs that primarily supplement, or they're for extra—what is the proportion of your staff that are full-time, part-time and casual? Do you have that breakdown?

Mr. Fred Luk: Over 95% are full-time. I have very few part-time people working for me. Probably 65% or 70% of my staff have worked there 10, 15 years in a row, and some of them even longer than that.

They make a good living. At the end of the day right now—again, I'm saying to you that other than the two unskilled kitchen workers that I have, who are making above the current minimum wage, the rest of my kitchen staff are already making the proposed new minimum wage, if not higher.

Ms. Catherine Fife: Okay. Thank you very much, Mr. Luk, for coming in.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. If you have a further written submission, you need to have it to the Clerk by 5:30 today.

Mr. Fred Luk: Thank you.

MR. MOHAMMAD SARKER

The Vice-Chair (Ms. Ann Hoggarth): Mohammad Sarker? Good afternoon, sir. If you could give your name for the official record, and your five minutes will start.

Mr. Mohammad Sarker: My name is Mohammad Sarker. I am a landed immigrant and have been living in Scarborough, Canada, since 2013. I am thankful to the committee for this opportunity to share my experiences and give my perspectives on the proposed Bill 148, the Fair Workplaces, Better Jobs Act.

I am a hard-working Ontario resident. I have two bachelor's degrees; one master's degree, and two college diplomas, one of them from an Ontario college. Also, I have 12 years of professional work experience in nine different countries.

And yet, currently, I am stuck working three part-time jobs and still can just barely make ends meet for my

family of four. The main reason for this is because all my jobs pay very low wages, and I get paid less than full-time, permanent workers, even though I am doing the same work. All the companies I currently work at are just focused on exploiting me as a source of cheap labour, and do not offer me any employee benefits, like paid sick days, or opportunities for job security or professional growth.

The income insecurity and the stress of juggling three low-wage, part-time jobs are having damaging health impacts on me and my family. I always run for my work here and there, always in stress to manage our basic expenditures.

We have no family time or even time to take care of each other. This affects our bodies and minds. My wife was recently diagnosed as a type 2 diabetic patient, and I have been diagnosed at the pre-diabetic stage. I can clearly find a link between our precarious employment and health. My doctor says that stress from my jobs, lack of nutritious food, inadequate sleep etc. are risk factors for diabetes, and these are present in our daily life because of the nature of our work. I know that many other immigrant and racialized workers are in the same situation.

I commend the Ontario government for taking steps to introduce Bill 148 in order to promote decent work, fair wages and fair workplaces. Much of the proposed legislation will make a huge positive difference for workers like me who are barely making ends meet in spite of working multiple part-time jobs.

In particular, I strongly support the proposed amendment stated in subsection 14(1), which will raise the minimum wage to \$15 by January 1, 2019. I call on the government to adopt a policy that minimum wage will always remain above the poverty rate.

I strongly support subsection 42(1), which will guarantee equal pay for part-time workers, like me, doing the same work.

I also support section 50, which will provide personal emergency leave for all workers, of which two days will be paid. I call on the government to increase paid personal emergency leave to seven days.

Increasing the minimum wage to \$15 and getting equal pay for the same work will mean that we may not have to work so many part-time jobs just to make ends meet. We will be able to better afford healthy food and will have more time to spend with our families and on recreation. Benefits like paid sick leave mean that workers like me can actually take the time to take care of our health properly, instead of coming to work sick and making everyone else sick.

Yes, I understand that increasing wages and introducing equal pay and benefits like paid sick leave will cost money for employers. But in the long run, it will be better for the employers, and for Ontario, because we will have a healthier and happier workforce.

As an Ontario resident and active member of the workforce, I believe that Bill 148 is going to be one of the most important steps the Ontario government will take.

Thank you for listening to me, and I hope you will consider my experience and recommendations while finalizing and enacting Bill 148.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. We will go to the official opposition. MPP Barrett.

Mr. Toby Barrett: Thank you for coming forward. You've got a really interesting perspective, with your background in all of those other countries. You make mention of the problem of the three part-time jobs. We've heard a lot about this, the precarious jobs and the temporary jobs.

Seasonal labour: I'm in a rural area outside of Toronto. Seasonal work is a very significant part of our economy because we are an agricultural economy and a tourist economy.

The concern I have with this legislation, including the minimum wage directive—nobody knew that was coming until the end of June. Over the past week, we've had so many employers come forward indicating—in fact, one of the last employers indicated this—that they're not able to handle this increase in labour costs in such a short period of time. Then they talk about layoffs; they talk about firing people by Christmas before the first round comes in. They indicate that some of the first jobs to go are going to be the jobs you're working on, the temporary and part-time jobs. Those kinds of work will be the first to go—maybe not the senior people, but it's the entry-level people. Just any comments on that?

Mr. Mohammad Sarker: I believe that human rights are for all. As a human being, I have the right to live with dignity. The low wage that I'm getting doesn't give me the opportunity to live a standard life.

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Mr. Toby Barrett: We've also heard testimony that people working in this kind of work environment—there's a detrimental effect on mental health. You made mention of other physical ailments. The concern is that if these jobs get eliminated—and the automation and the technology is there for much of the sector; it's amazing what retail can do with the machines that you order, or airports where you just type in instead of talking to somebody—those people aren't working. Then the health problems really start, when you are unemployed, when you don't even have access to that. We've heard the list on this committee: not getting access to food, no access to affordable housing, social exclusion, sitting at home alone, poverty.

Poverty has been increasing significantly over the last 10 or 15 years in this particular province. There is that concern that we go from bad to worse. Any comments on that?

Mr. Mohammad Sarker: I also have the experience of working in a factory. When I came here in 2013, I also worked in a factory. I worked as a robot operator. So you see, even though there are robots in the factory, a human being is needed to operate that robot.

It is not possible to decrease the engagement of human beings. Some sectors really need people. For example, a food server: I don't know whether it is possible to do it by machine. I don't know. That's my comment.

If the government increases the minimum wage, that will not encourage the employer to go for the machine because they also need people.

Mr. Toby Barrett: Just one other point: I have a real interest—you mentioned you've worked in nine different countries. I've worked in many countries myself, and migrant—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Toby Barrett: We'll have to talk about that later.

Mr. Mohammad Sarker: Yes.

The Vice-Chair (Ms. Ann Hoggarth): The third party: MPP Fife.

Ms. Catherine Fife: Mr. Sarker, I really wanted to thank you for coming in and sharing your personal story—it takes a lot of courage to do that—and also to highlight the health impacts, the impact on your health, the impact on the health of your family, the quality of your life and connecting the precariousness of your work life with the quality of your family life. I think that takes a lot of courage and I just want to say thank you very much. Your presentation speaks for itself.

Mr. Mohammad Sarker: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Colle.

Mr. Mike Colle: Thank you very much for having the determination and the courage to be here. It's not easy coming here before a parliamentary committee, so you are to be commended for that, for sure.

What you've said is significant, but what you lived is even more significant. We're getting two stories. We hear from opposition critics to this bill raising the minimum wage and strengthening workers' rights. They say, "Part-time work and temporary work, that's for people who don't really need the money. That's for students. That's for people who want to make a few extra bucks." Are you working these jobs because—what are you doing with your money?

Mr. Mohammad Sarker: No. As I said, in my family, I have four family members, including myself, my wife and two daughters. I need to pay my rent.

Mr. Mike Colle: So what are you doing with your money?

Mr. Mohammad Sarker: I need to pay my rent. I need to buy my food. I need to buy my clothes. These are the basic necessities. These are the basic needs of people. Even with this money, I cannot afford it.

Mr. Mike Colle: You're working hard. You want to work, right? Do you want to go on welfare or social assistance?

Mr. Mohammad Sarker: No, no, never.

Mr. Mike Colle: No. What do you want to do? You want to work, right?

Mr. Mohammad Sarker: Yes, sure.

Mr. Mike Colle: You want to work. So you want to work and you go to work—what do they pay you an hour when you do these jobs?

Mr. Mohammad Sarker: What I am getting now?

Mr. Mike Colle: Yes. What have you been getting paid in these jobs?

Mr. Mohammad Sarker: As I said, I'm doing three jobs, so it's different.

Mr. Mike Colle: Three jobs.

Mr. Mohammad Sarker: Yes, three part-time jobs.

Mr. Mike Colle: Are you doing three jobs because you've got a lot of time on your hands or you like working? Why are you doing three jobs?

Mr. Mohammad Sarker: To afford my family's costs and expenditures. And not only am I doing these three jobs, I want to develop my skills; therefore, I am also studying now. I'm in a master's program. I'm half-way through my master's program.

Even though I am studying, I am doing three jobs. Why? Because I need it; I need money. Who will pay my rent? I'm not on social assistance, so who will pay my rent?

Mr. Mike Colle: That's why I've asked you those direct questions, because believe it or not, we've had a lot of people here come before these meetings and say, "Oh, well, if you raise the minimum wage, people are going to buy"—I remember they said they were going to go buy iPads or they're going to buy ice cream cones or whatever it is.

I think you tell the real story with your life, that you need a reasonable, humane wage to feed your family, to pay the rent, to buy shoes for your kids.

Mr. Mohammad Sarker: Yes.

Mr. Mike Colle: You're an educated person; you're even going to school on the side. You are doing everything right, yet this poverty wage that you get causes you stress. Every week, I'm sure, you worry about where you're going to get the money to buy things and pay the bills.

Mr. Mohammad Sarker: Yes, and my hours are not fixed. Sometimes I get 30 hours or 25 hours; sometimes I get more hours with these three jobs.

Mr. Mike Colle: So you don't know from week to week what you're going to be getting.

Mr. Mohammad Sarker: No.

Also, I want to share that this is not the dream life I came here to Canada for. As I said, I'm an immigrant. If I compare to my previous life—as I said, I worked in nine countries for a short-term and a long-term period. But since I came here, I'm struggling to live.

Mr. Mike Colle: But you want to work.

Mr. Mohammad Sarker: Sure.

Mr. Mike Colle: You want to raise your family. I'm sure you like Canada.

Mr. Mohammad Sarker: Yes, I like Canada.

Mr. Mike Colle: Where do you live? What part of Toronto?

Mr. Mohammad Sarker: Scarborough.

Mr. Mike Colle: Scarborough. And so you love Canada. You want to work. You're educated. You want to raise your family. All you're saying is, "Give me a decent salary or wage for my work."

Mr. Mohammad Sarker: Obviously, yes.

Mr. Mike Colle: That will help.

Mr. Mohammad Sarker: Yes, sure.

Mr. Mike Colle: Because right now, the three jobs, the 11 bucks an hour, is not helping your family.

Mr. Mohammad Sarker: It's not sufficient, no.

Mr. Mike Colle: Then you say, "Equal work for equal pay," because as you know, right now in this legislation—it's the first time we've opened up this legislation in 25 years. People have said, "Don't change the law. Don't change it." But you say you want equal work for equal pay. What we've found is there are people working full-time getting \$20 an hour. The part-time worker—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir, for your presentation. If you have a further written submission, it needs to be to the Clerk by 5:30 tonight.

Mr. Mohammad Sarker: Thank you very much for listening to me.

ONTARIO RESTAURANT HOTEL AND MOTEL ASSOCIATION

The Vice-Chair (Ms. Ann Hoggarth): I call on the Ontario Restaurant Hotel and Motel Association.

Good afternoon, sir.

Mr. Tony Elenis: Good afternoon.

The Vice-Chair (Ms. Ann Hoggarth): The Clerk is going to hand out your submission. I would ask you to identify yourself for the record, and your five minutes will begin.

Mr. Tony Elenis: Hello. I'm Tony Elenis, president and CEO of ORHMA. I'm here to talk about a vulnerable sector of the workforce that government's policies have forgotten and have much potential to hurt a considerable mass of hospitality operators. Many of them are immigrants, entrepreneurs and risk-takers, who built their business with resiliency and a strong work ethic so their children have an opportunity for a prosperous future. That dream and that quest continue today but in a much tougher climate.

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You have heard from a few small business owners on the \$15 minimum wage. I have heard from many and examined their numbers. Their potential payroll increases are terrifying against a restrictive price-elasticity model. This is an emerging issue that has yet to be defined by past performance, and economists do clash on the outcome. It is responsible to compare Ontario's hospitality performance to other jurisdictions, especially to California and Alberta—and, by the way, no one has until now.

Please refer to figure 1. In the 1990s, Canada's restaurant industry operated in the range of 5% to close to 10% profit margins.

Figure 2: Ontario restaurants continuously underperform the national average and every single province. Alberta is strong, with the green line approximately double the margin performance of Ontario.

In figure 3, we see a similar performance within the accommodations sector. Alberta is performing better, even in 2015, with the oil industry collapsing.

In Figure 4, we examine Ontario's full-service restaurant sector against Alberta and the USA, where both of

those jurisdictions can afford to drop two points and still keep their doors open. Ontario does not have that luxury.

Figure 5, for limited service, has a similar trend. The numbers the Ontario business owners are calculating are very real and tragic.

A unique feature of this industry is the gratuity model: 60% of minimum wage increases since 2004 have unintentionally created an inequity issue among hard-working servers and hard-working support staff, such as dishwashers and cooks, who earn just above the minimum wage and are now receiving limited increases. Bill 148 will escalate this issue.

Most tipped workers earn double or triple their actual wages in tips alone. Rightfully, this is a very sensitive issue for the committee to hear directly from employers. ORHMA calls for freezing the liquor server minimum wage to support the industry and support the many workers who deserve better equity. This issue is unique, and an improved system is required.

The state of New York has prepared employers to plan for a \$15-per-hour wage on a timetable ranging from four years in New York City to seven years in other counties. Included in the legislation is a safety provision to evaluate if a suspension is warranted.

Since the legislation's first reading, California businesses were given nine years to reach the \$15-per-hour wage mark, with phase-in schedules close to six and seven years.

In 2014, ORHMA supported the minimum wage panel's recommendation of an annual CPI increase, setting up a five-year path for business to plan—a predictable and workable situation.

Please refer to figure 6, where you'll find that our government leaders agree with these remarks.

Why in Ontario has such an important policy been kept a secret and is being rushed? Is this a secret weapon? Is the business community the enemy?

The 2017 announcement came as a shock. Businesses need time to plan, evaluate various concepts and commit to long-term contracts and investments. Harm to business will harm employees, especially youth, and workers from the disabled community. The consumers, of course, will end up paying much more.

Dear committee members: This is a tragedy. I would ask you to take your political stripes away and not make a political decision but a fair decision to support employers—many are small family businesses—so they can contribute to economic growth and job-hiring.

This is not about not wanting to pay a higher minimum wage. ORHMA calls for this committee to adopt a much longer phase-in.

In closing, we welcome proposed changes within Bill 148. However, we do have strong concerns with specific changes that will clearly have a detrimental effect on the operation, which have been included in our full submission. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. Good timing. I'd like to call on the third party. MPP Fife.

Ms. Catherine Fife: Thank you, Mr. Elenis. I'm particularly interested in the liquor server minimum wage piece. In your brief—which is very thorough—you highlight this as a very unique area around the \$15 minimum wage. You mentioned that, because of the gratuity model and because of the increases over the years around minimum wages since 2004, it has created this inequity between servers, who have access to gratuities, and the support staff, like dishwashers or cooks, who earn just above the minimum wage. Your industry, obviously, has been dealing with multiple changes year over year. Do you have data that documents what this has done to the culture of your various organizations and the economic impact on it?

Mr. Tony Elenis: I'll tell you about the culture. First of all—and many other speakers before me mentioned it: the slim margins. Industry, business and government have a role to play in that. But it seems that in Ontario, as you can see from the graphs in my introduction, we're not doing as well as other jurisdictions. There's an issue with that.

When you have slim margins, it's all about being able to survive. This is a cash-flow industry that we're talking about. We've compared restaurant performance on energy costs to the province of Quebec; Ontario is 100% plus over and above cost. This adds to the bottom line.

So when we talk about this minimum wage in the time frame that we are introducing it in, we're talking about taking a slim margin and making it even slimmer, which will affect the whole performance and the whole culture of the team. Management is about supporting employees. It's about having a focus to grow the business and develop employees. This industry does not have the luxury to develop the HR aspects, which are very important. Employee satisfaction is the most important asset to run a business, yes. We have cooks and dishwashers who have made a career of this—culinary skills included—who have a family to support, and they are not making near the dollars that perhaps a hard-working server generates because of tips.

Ms. Catherine Fife: Okay. So just for clarification, your organization is proposing to freeze the liquor server minimum wage because of the gratuity model, but you don't object to the dishwashers and the cooks, who don't have access to gratuity, receiving a \$15 minimum wage.

Mr. Tony Elenis: Correct.

Ms. Catherine Fife: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Cole.

Mr. Mike Colle: Good to see you again, Tony, over the years.

We're having these hearings because people like you, who represent very, very critical parts of the Ontario economy, come forward with some commentary on the negative impact and the potential adjustments that could be made to help you get through this. That's why we find this kind of presentation—and we've found that right across Ontario. This is the 10th city now we've had a meeting in. So this is very important to the committee.

I know you mentioned the comparisons with Alberta—especially Alberta—in accommodation and food services. The only thing is, whether it's anecdotally or whatever, I just find that it maybe doesn't have the whole picture there, because I don't think there's a more vibrant hotel accommodation industry than there is in Ontario, than there is in all of Canada. Looking at Toronto itself and the GTA, we've been rated second only to New York in terms of quality, in terms of variety. You can eat in the whole world here on one street in Toronto. I just find the explosion of hospitality here has been really remarkable over the last—I remember when Bassel's was the only restaurant—

Mr. Tony Elenis: Right.

Mr. Mike Colle: You remember that. It was the only restaurant you could go to on Sunday. Remember? It was about the only one—and Murray's. I think there was a Murray's, or whatever, and there was one pizzeria on Bay Street. I can't remember the name—but anyway.

So what about that side of it? I know you're here to offer suggestions on this, but there are a lot of really exciting things happening.

Mr. Tony Elenis: You're absolutely correct in every statement you made. This is an exciting city, the best city in North American for a culinary experience. And you know what? We have the best management running the hospitality industry. But when you look at profitability in this extremely regulated industry that the hospitality industry is facing with policy after policy—and it has been, whether we like it or not—it does not translate to the bottom line.

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There was a study that was done in 2015 for the Greater Toronto Hotel Association, an independent study. They paid someone to do that that does it for a living. We've seen that Toronto, in their competitive set across North America, had the second-lowest net operating income. Montreal was the last, not far behind. So that took us to the bank.

Mr. Mike Colle: Yes, and that's a good point. You're talking about the profit margin. That's the problem, although the industry is very vibrant, exciting etc.

You mentioned something very interesting. You said something about how there are embedded barriers or regulatory issues there that are maybe contributing to this beyond this thing about the minimum wage or beyond other costs like electricity etc. What are some of these things? If you don't have time to do it now, if you could send me a list of some of these—I know the LCBO stuff; we've been doing that for a hundred years. But if you could think of a good, quick list of those things that you can give me now or send to me in writing, I'd appreciate those.

Mr. Tony Elenis: I have a list, and I will send it to you. But it's not about the minimum wage, ladies and gentlemen. It's about all of the expenses. I mean, who would want to run a business without paying their people a decent dollar, whatever that decent dollar is?

Mr. Mike Colle: Because you're going to have so much turnover, right? You're never going to—

Mr. Tony Elenis: Absolutely. This industry has high turnover. It's hard to find specific positions, especially dishwashers, culinary and middle management. Why wouldn't we pay more?

But what the government is doing to the industry? I'm out on the street a lot. In every town, I hear the same thing. I hear it in Sudbury, in Burlington, in Windsor, in North Bay and in Toronto, especially: The cost of living here is atrocious for running a business.

Mr. Mike Colle: I know in Toronto one of the things that is happening is that the landlords, the property owners—I know on Eglinton and some streets where they're building transit, they're raising the rents, because they think, "The subway is coming; we're going to cash in." Meanwhile, the poor operator of the restaurant is saying, "I can't afford to pay \$10,000 a year to sell chicken."

Mr. Tony Elenis: You've done your homework. When it comes to leases and rentals, we really stand out as the highest expense line across every single province and the national average.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Well move to the official opposition. MPP Barrett.

Mr. Toby Barrett: Thank you for this brief, as well. I'm just going through some of the data on the minimum wage and Toronto, and I just get the impression that the industry in Toronto is huge. I've asked before, and I remember hearing, when I first worked in Toronto in the 1970s, 10,000 restaurants. How many restaurants in Toronto?

Mr. Tony Elenis: We have approximately 7,000 outlets that serve some type of food, from small to large.

Mr. Toby Barrett: Seven thousand?

Mr. Tony Elenis: Right.

Mr. Toby Barrett: Okay. So in Toronto we hear the profit margin this year is 2.7%. That's pretty tight. But looking at the Toronto figures in your case study for a restaurant with 110 seats, next year—this is under the minimum wage chapter—we talk about profit margins, but we're talking a loss here of 6.6%. And then in 2019, when this kicks in a year and a half from now, the loss is 11.4%.

I look at a smaller city like Guelph: 2.4% margin this year, next year a loss of 10.6% and in 2019, when the \$15 kicks in, the margin loss is 17.3%. Can you go more than one year or two years losing 17.3%?

Mr. Tony Elenis: Well, that owner—who I know because he came from the hotel industry and I came from the hotel industry, managing hotels—was ready to open another outlet. Now he is wondering how he is going to survive with this one with his wife, himself and his daughter working in it. It's very sensitive when you try to invest something in your retirement, to help your children out, to get into the business world and they face these kinds of barriers.

Mr. Toby Barrett: So the \$15—and who knows what happens the next year or the next year? In California, they know between now and 2023. In 2023, it's \$15. And many businesses say, "Yes, we can go to \$15, but maybe at 6% a year, not 32% in a year and a half."

Mr. Tony Elenis: Governor Brown brought this up in 2014. There was an announcement then when businesses started to be ready. That's a good time.

Mr. Toby Barrett: So you've got nine years to be—

Mr. Tony Elenis: Absolutely.

Mr. Toby Barrett: You just found out, what, four or five—

Mr. Tony Elenis: The end of May.

Mr. Toby Barrett:—four or five weeks ago.

Mr. Tony Elenis: We met with the advisers of the ESA and LRA review at the start and at the end. They explicitly mentioned to us that the minimum wage was not part of it. The Minister of Labour mentioned that the minimum wage was not part of this review. This came out as a shock at the end of May. I believe it was May 28 or May 29—perhaps May 30.

Mr. Toby Barrett: It would be nice to have nine years to accommodate this.

Mr. Tony Elenis: This is not how business runs. It's not how business runs. Like, 23%: You expect a business to be ready to bring up what we feel is a significant increase? How do you plan? Even at home, you would plan. You would need some kind of planning and time to prepare if you want to buy a boat, if you want to buy a garage, if you want to send your kid to school. It's all about planning. Business invests according to the plans they make, long-term contracts, and they deploy their model accordingly.

If some people want to close down a business, and I hear that, they would be ready to do that and retire. But there's no time for that. Who's going to buy a restaurant today?

Mr. Toby Barrett: Yes. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission, it needs in to be the Clerk by 5:30 today. You've got 40 minutes.

Mr. Tony Elenis: Thank you. It's been sent already.

The Vice-Chair (Ms. Ann Hoggarth): I know.

URBAN WORKER PROJECT

The Vice-Chair (Ms. Ann Hoggarth): I call the Urban Worker Project.

Do you have a written submission?

Ms. Suzanne Gallant: I don't.

The Vice-Chair (Ms. Ann Hoggarth): Okay. If you could please state your name for the official record and your five minutes will begin.

Ms. Suzanne Gallant: Suzanne Gallant. I'm a freelance video producer and director, and one of the founders of the Urban Worker Project, which I'm here representing today. Thank you for having me here, honourable members.

The Urban Worker Project was founded in 2016 with the goal of giving a stronger voice to the growing number of independent workers across the country, such as freelance, self-employed and contract workers.

We think that there are many good things in Bill 148. We're ecstatic to see the increase to a \$15 minimum wage. We're very happy to see the cracking down on the widespread misclassification of contract workers who are often simply regular employees. We're also very happy to see the equal pay rate for part-timers. These are very good things.

But I'm here today to tell you that your legislation, with its goal of adapting to the reality of 21st-century work, missed one of its biggest targets: That's workers who don't have traditional bosses—here, I'm talking about self-employed folks and freelancers—who work on short-term contracts for multiple clients, like I do. We don't have one employer; we have many, and for a lot of us, our employers are constantly changing.

In your bill in its current form, we remain outside of the Employment Standards Act. In other words, your bill did not expand the definition of employee to include self-employed, freelance and independent workers. This means that there are very few benefits and protections that we workers can access.

Thirty years ago, independent workers occupied a tiny corner of the labour market. We weren't on the radar of government and policy-makers, but today, what we know is that we're the fastest-growing sector of the labour market, and the trend shows no signs of slowing.

It's hard to get at precise numbers because these numbers are not actually collected by government, but the recent University of McMaster studies estimate the numbers in Ontario in the millions. Workers like us are widely dispersed, and we're most often isolated from one another.

Here are the challenges that workers like us face:

- contract non-payment or late payment, a very frequent problem;

- lack of access to health and dental benefits;

- no sick day or sick leave pay;

- no kind of vacation pay;

- no parental leave; and

- no income security between contracts. A self-employed person can't pay into EI and can't access EI.

These are the challenges that make up the precarious conditions of workers' lives. Unless you tackle those problems, you're not getting at the root of precarity; you're just tinkering around the margins.

We want more robust action from the provincial government in order to build a stronger floor on which all workers can stand.

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For example, we would like a provision protecting workers from non-payment of invoices. It has been implemented in other jurisdictions, like New York. Non-payment is rampant among workers like me. Many of us spend so much time hunting down payments, and then having to deal with clients who are completely non-responsive once it's time to pay an invoice.

Related to that, we need some sort of mechanism, a third-party ombudsman—something—to help settle disputes in the case of non-payment, or in the case of abuse

between worker and client. Currently, our only recourse is Small Claims Court.

Perhaps most important, and a bigger challenge, for sure, for lawmakers, is that we need ways of extending the social safety net to workers like me. We often say it at the Urban Worker Project, because it's true: Independent workers are one bike accident away from bankruptcy. A graphic designer here in Toronto had a very terrible bike accident a few years ago and needed \$25,000 in dental repairs. Her life was basically ruined.

That's the essence of precarity: There is nothing there to help us. There is no floor for us if something horrible were to happen; if we need time off to help a loved one recover from an illness; or if we want to take time off after having a child.

I would personally pay into a collective income security fund, a sick leave or parental leave fund, if I could. I think that my clients, as part of my invoicing to them, should be paying a part of that contribution. But I currently don't have that option.

There could be many different ways of structuring this. You could, for example, take half a percentage point of the HST, that I have to charge my clients, and use it to create a fund, with proper government oversight—basically, a new benefit fund that could help bridge the gap that exists for independent workers. There could many different ways of getting at this, and I don't have the specific solution, but the point is, it's doable, and there is no reason why we can't seriously consider some innovative solutions.

We need to be bold. We can't wait another half-century for employment standards to catch up to the reality of work.

While we applaud the government for making some small moves in the right direction, the situation requires more robust action. To the extent that the Changing Workplaces Review and now this bill were intended to provide protections against precarity in the 21st century, I'm afraid you're already falling behind the times—and the bill is not even law yet. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll start with the government. MPP Dong.

Mr. Han Dong: Suzanne, thank you very much for sharing your thoughts. Your thoughts are pretty unique. At least during the week that I've been on this committee, you're the first one to actually come here, that I can remember, advocating for independent workers.

I imagine that, in my downtown riding, there are many independent workers. Any stats on this?

Ms. Suzanne Gallant: The only stats we have are the University of McMaster studies. There was one in 2013, and then it was refreshed in 2015. They were saying it's a quarter of all workers in Ontario.

Mr. Han Dong: Wow. A quarter?

Ms. Suzanne Gallant: Yes, a quarter. They think that half of all workers are in a precarious situation, are part-timers or contract, self-employed, freelance. But then if you narrow it down to solo self-employed or freelance, their numbers say it's about a quarter. But in their study,

they say that they would like government to be collecting more specific data on this.

Mr. Han Dong: I see. Were you yourself or your organization involved in the Changing Workplaces Review, that whole consultation process?

Ms. Suzanne Gallant: Yes, and we submitted a—

Mr. Han Dong: Obviously, you did a submission.

Ms. Suzanne Gallant: Yes.

Mr. Han Dong: What this bill is trying to do is to have equal pay for part-time workers. What are your thoughts on that? Would that bring you any coverage at all?

Ms. Suzanne Gallant: No. It's fantastic, the equal pay for part-time workers; we're totally for that. But as we understand it, that provision does not apply to us, because your bill does not expand the definition of employee to cover us. We are not currently covered at all by the Employment Standards Act, so we have very little protection under the law. We don't even think that the \$15 minimum wage applies to us as freelance or solo self-employed workers.

Mr. Han Dong: We're definitely going to go back and take a look at that.

You provided us a list of suggestions; I took notes. There is the non-payment, which sounds to me like it's a pretty big issue, because you perform the work and there's a contract, but you're not getting that payment, and currently you can only get that through Small Claims Court. I personally will look into it.

Have you talked to the ministry folks about this?

Ms. Suzanne Gallant: I have not personally, no.

Mr. Han Dong: Okay. Do you have a written submission today?

Ms. Suzanne Gallant: I don't have a written submission here today.

Mr. Han Dong: Could you do us a favour and write that down and put that in before—I think it's by the end of today.

The Vice-Chair (Ms. Ann Hoggarth): By 5:30.

Mr. Han Dong: Oh, 5:30? That's pretty tight.

Ms. Suzanne Gallant: By 5:30 today?

Mr. Han Dong: I'll walk over and I'll give you my card, and if you can send something to me, I'd be happy to look into it.

Ms. Suzanne Gallant: Absolutely. Thank you.

Mr. Han Dong: Thank you very much for coming.

The Vice-Chair (Ms. Ann Hoggarth): The official opposition. MPP Barrett.

Mr. Toby Barrett: Thank you very much for the presentation with respect to the growing numbers of independent workers and urban workers. Is that the name? Is "urban worker" an organization or just a website?

Ms. Suzanne Gallant: Urban Worker Project, yes. You can find our website or our Facebook page.

Mr. Toby Barrett: You talk about a quarter of all workers. I represent a rural area. I live out in the sticks; we're farm country. This economic model has been in Ontario, I guess, going back 225 years, and a very, very significant part of the economy—very significant.

I don't know whether you've looked at the rural worker. I think of farm country, where it ranges from one person who has a portable sawmill, comes on the farm, and does the work, or tree cutting. We have a tremendous problem with emerald ash borers and gigantic ash trees. The owners are responsible. The guy comes in with a gigantic chainsaw and maybe a truck with a hoist. And it goes on and on: the driveway sealers, the roofers, the single plumber, the single electrician—

Ms. Suzanne Gallant: It's very common in the trades, yes.

Mr. Toby Barrett: Yes, they're in the trades. They're not a unionized tradesman. It's a very significant part: The handyman, the house painter, the tow truck driver, the cab driver—it's just one guy with a cab. It's not like in the city. Have you done any work at all on rural, or outside of urban?

Ms. Suzanne Gallant: Yes, we know that the problem extends further than urban workers. So far we have engaged around 5,000 Canadians across the country on this issue. I don't have the demographics of who we've managed to engage so far, but we are very cognizant that this problem and this model of work is more widespread than even we once believed. We believed it to be more concentrated in urban areas, but the more that we talk to folks, the more that we're starting to realize that it's a broader phenomenon.

Mr. Toby Barrett: Oh, unquestionably, it's much of the basis of the rural economy, going back to the blacksmith and the saddle maker. You go into business on your own. You have a skill, you buy some tools. I guess it goes back for centuries.

And you're right: They're not unionized. They don't have all of these benefits. There's no pension plan. There's no vacation time; I can tell you that. I have done a lot of this work myself. You're your own boss. You set up a little company, maybe you and your sister, for housecleaning or something like this. You pick up the rural mail delivery contract, just you and a car, or you're maybe delivering newspapers with a bicycle.

It's a phenomenal part of the economy. It's not new. Much of it is new, and maybe some of the businesses you are talking about—I don't think government is on top of it. It's just the way the world of work operates. You're suggesting government should catch up. These people aren't thought about in this legislation. It's an oversight.

Ms. Suzanne Gallant: We need somehow to have some protection and some access to benefits. Whether the problem has been there for longer, or this model of work—because there are many advantages to being self-employed and freelance, and a lot of us do it by choice, for sure. But it remains that there is this fundamental precariousness in our lives.

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Mr. Toby Barrett: You don't get EI if you quit.

Ms. Suzanne Gallant: Exactly.

Mr. Toby Barrett: You're on your own.

Ms. Suzanne Gallant: Yes.

Mr. Toby Barrett: You operate without government, other than the rules and regulations. If you're on the roof, you've got to hook up. You've got to do all of that stuff. It doesn't seem fair, in a way.

Ms. Suzanne Gallant: I agree.

Mr. Toby Barrett: Thank you.

Ms. Suzanne Gallant: Thanks.

The Vice-Chair (Ms. Ann Hoggarth): The third party: MPP Fife.

Ms. Catherine Fife: Thanks very much, Suzanne, for coming in and giving us a bit of a window into this whole other sector which you quite rightly point out is not captured in Bill 148. Would you describe your sector—or even if you would describe yourself as a sector—as a gig economy? Is this the new gig economy? I said earlier, you can call it whatever you want, you can give it a sexy name, it primarily sucks; right? There is no safety net whatsoever. Is that what you would—

Ms. Suzanne Gallant: Yes, I think the term “the gig economy” has been really popular as of late, particularly with the rise of Uber and other online platforms that kind of act as the employer in a sense, and where the clients get parcelled out from that point. There is so much in common between the kind of worker that I am and what we say are independent workers and gig workers. It's not exactly the same. Some of us have more stable, repeat clients. I have four or five very stable clients—fingers crossed; always fingers crossed—that are my bread and butter every year. So it's a little bit different than something like an Uber driver, but there are so many commonalities at the same time. I think the term “independent worker” captures both.

Ms. Catherine Fife: I don't think that Uber wants to be captured by government per se, or Airbnb, for instance. It astounded me when the finance minister stood up with the president of Airbnb and said, “We're going to really figure out how Airbnb is going to pay their taxes.” Nobody asks us how we're going to figure out how to pay our taxes.

This emerging and changing economy: It's true that government is catching up to it. But you did mention some variation, if you will, of a collective income security fund. Does this model exist anywhere else? Are there any other jurisdictions that have been monitoring and capturing some of the data and then trying to respond to it?

Ms. Suzanne Gallant: Not the kind of solution that I just talked about. But I would say that the Ontario government was considering an Ontario pension, a very innovative provincial model for pensions, so I put it to Ontario to be the innovators in this and to lead on this.

I know when the Changing Workplaces Review was happening here in Ontario, many folks in my sector who tried to give a stronger voice to independent workers in BC and in Alberta were very much seized on: “Okay, if Ontario is going to do something about this, and make a first step, it could have such a big impact across the country. It could create a snowball effect.” No. I do not know of any better models or solutions.

PEPSO, the study of precarious work in southern Ontario at McMaster, has a litany of publications on this, and they do call for some broad solutions on this point, particularly a benefit fund, but nothing specific yet. We need some sort of special study of this. We need some sort of special committee looking at this.

Ms. Catherine Fife: Then I would echo as well MPP Dong's request that you give us something in writing, because it could be another 20 years before we open this act again. We're still at first reading. It's very rare for us to travel a bill at first reading. There is an opportunity here for you to try to get in some amendments, and get it on the record at the very least; right?

Ms. Suzanne Gallant: Right.

Ms. Catherine Fife: But thank you very much for coming in.

Ms. Suzanne Gallant: Thank you so much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. If you happen to be near a computer in the next 25 minutes, if you get your submission to the Clerk by 5:30, we will include it in the submissions.

Ms. Suzanne Gallant: Sure.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much.

CLOSING THE GAP HEALTHCARE GROUP INC.

The Vice-Chair (Ms. Ann Hoggarth): Closing the Gap Healthcare: Good afternoon. If you would state your names for the official record, and your five minutes will begin.

Mr. Dan Black: I'm Dan Black. I'm vice-president, legal, at Closing the Gap Healthcare Group.

Mr. Leighton McDonald: I'm Leighton McDonald, president at Closing the Gap Healthcare.

Mr. Dan Black: Thank you for this opportunity. Closing the Gap Healthcare provides millions of hours of home- and community-based health care services across Ontario, rehabilitation therapy, nursing services, personal support and some other services. We've been doing this for more than 25 years. I'm going to speak to three aspects of the bill that are relevant to our sector.

The first is the Employment Standards Act and the amendments to the scheduling of employees. The bill provides for a minimum of three hours' pay for shifts that are less than three hours and for shifts that are cancelled on less than 48 hours' notice. It also gives employees the right to refuse shifts that are scheduled on less than four days of notice.

Unfortunately, this fails to account for the nature of work in our home and community care sector. Almost every visit is less than three hours, and it's difficult, sometimes impossible, to schedule visits back to back. Our patients regularly cancel or reschedule a shift with little or no notice, and we have no control over that. We can't force people to accept visits in their homes. They end up in hospital, they don't get discharged from hospital as planned or they simply change their minds

about scheduling because they have other priorities. And, sometimes, our patients die before we can make a visit.

On the flip side, we receive new referrals all of the time, often urgent referrals, requiring us to make a visit the next day, the same day, on three hours' notice, on one hour's notice. It's impossible for us to consistently provide 48 hours' notice of cancellation, to consistently provide at least three hours' worth of shift, and to provide four days' notice of new shifts.

So how will these new scheduling rules work in the home care sector? Patients won't benefit when employees are paid for work that they're not performing. And if the government funds employers so that we can pay our workers for shifts that they're not actually working, then the taxpayers are going to bear that burden of paying for employees when they're not working. And if the government doesn't fund employers, which is currently the case, then the home care system is going to sustain some significant impacts on its viability. We can't just send our employees down the hall to visit another patient. We're not like hospitals and long-term care; we don't have global budgets. If a visit isn't made, no revenue comes in. But under the bill, money will be going out in the form of wages for that visit that wasn't made. This simply isn't sustainable for home care.

These amendments to scheduling of employees don't work in our sector. They're disproportionately burdensome to patients, to taxpayers and to employers in the sector.

The second aspect is the Labour Relations Act, and making it easier for home care workers to unionize. The bill requires employers to give unions a list of employee names, phone numbers and personal email addresses. It also enables unions to unionize, to become certified without any democratic employee vote. If 55% of the employees sign membership cards, the union is in. The other 45% may have no say. In fact, in home care, where they work alone, spread out across the province, they might not even know that there's a union-organizing campaign going on.

And what is the primary motivation for home care workers to unionize? Well, particularly for our sector—true for every sector, but particularly for ours—it's better wages and benefits. The government has been increasing home care funding, but there have not been any increases in the rates that are paid to employers who provide these services. We've gone 12 to 13 years, in most cases, without any rate increase. We're paid the same rates today to provide these services as we were paid in 2004, and now we're told that rate harmonization across the province will actually decrease many of those rates to below what we were paid in 2004. Imagine the uproar if doctors and nurses hadn't received any increases for 13 years.

Unions do benefit employees in some situations, but unions can't magically make money appear where money doesn't exist. Our concern is that it's unfair for the government to hinder our ability to provide improvements to wages and benefits by freezing the rates that are paid to

us for over a decade, and then turn around and make it easier for our employees to unionize. We don't see that this will serve employees or unions well.

Lastly, I just want to speak about the proposed increase to the minimum wage to \$15 and beyond. Closing the Gap is a very strong supporter of providing decent wages to employees so they can earn a decent living. In fact, we believe strongly that workers should all be provided with benefits coverage in addition to good wages. But we also support wage rates that encourage workers to make choices to do things like become skilled at providing personal support services for ill and infirm Ontarians.

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The Vice-Chair (Ms. Ann Hoggarth): Thank you. I call on the official opposition. MPP Barrett.

Mr. Toby Barrett: Thank you. We've had many presentations this week from union organizers outlining what they see as the parts of this bill that allow a certain union—steelworkers, for example—in the manufacturing and steel industry, we've lost so many jobs, 300,000 jobs, over the number of years, so they have a need to move into other sectors. Receptionists and other people are now becoming steelworkers. I guess it's the nature of this province becoming deindustrialized—and then going into the government sector, the social service sector, the kind of work that, perhaps, you're involved in.

You talk about, with this legislation, section 6.1, giving a list to the union of employee names, phone numbers and personal email addresses with respect to organizing. There's also the card-based certification. All of this is designed to make it easier to unionize, as I understand it. I don't think the unions would support this if it made it more difficult to unionize.

I guess my question—I don't think it's come up. Well, it has come up. I received a brief from a group. I think they're here now but weren't able to testify. How does this work? If we change this legislation to make it easier to unionize, does it also make it easier to decertify or to not unionize, or is it loaded one way versus the other? This is what I'm asking myself. There are significant changes going on here.

Mr. Dan Black: I've been practising labour and employment law for just over 20 years, and I can tell you from personal experience that it's almost impossible to decertify a union. I've seen it happen once in my 20 years in the practice that I have.

But our focus is not concern about unionization per se. Closing the Gap deals with three different unionized bargaining units, and we have, we believe, a good relationship with those units. The problem is that the bill appears to contemplate that if only workers could more easily become unionized, that would solve the problem of wages and benefits. But, as I said, when our rates have been frozen for 13 years, we don't have the ability to provide wage improvements. The union can come to the table—in fact, we're at the table with a union right now, and we're showing them our margins, and there just isn't money. Like I said, the union can come forward and

represent our employees, but they can't make money appear where it doesn't exist.

Mr. Toby Barrett: There has not been an economic impact study. We are getting so much piecemeal information from so many different sectors, whether it's health care, whether it's urban independent workers, but nobody has pulled this together. We understand that there are 50 economists who support this. Perhaps they've testified before the committee; I'm not sure. But I feel it's unfortunate that policy-makers and decision-makers here are making decisions without the big picture—the piecemeal approach.

We have your paper—concerns around scheduling, for example. So much of this really is kind of piecemeal. I suppose the government will pull this together. The large organizations have pulled this together. We see large business pulling it together now, especially with the discovery about the \$15 minimum wage in the last few weeks.

I guess the issue here is that there's going to be a bigger draw on government to support the kind of business that you're in.

Mr. Dan Black: All of our workers are paid more than the current minimum wage. That's not the issue. Our concern with personal support workers is that if I'm a personal support worker and I'm faced with a choice between doing very physically demanding, very emotionally demanding, sometimes dangerous work in people's homes for a dollar more an hour than I could make in a completely different sector—perhaps foodservice—where I have very little responsibility, very little liability, and I get steady shifts of four, five, six, seven or eight hours without breaks in between visiting clients, why would I stay in personal support?

We have employees, particularly in the hard-to-serve rural geographies—

Mr. Toby Barrett: Yes, I know about that.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. We'll go to the third party.

Ms. Catherine Fife: Thank you very much. I'm just trying to get a sense of your organization. I was just looking up that you serve various communities across the province. Are you a for-profit health care contractor who receives funding from the Ministry of Health to perform personal support, home care and all that? Is that the kind of organization that you are?

Mr. Dan Black: That's correct. Just as doctors are for-profit, we're a for-profit company that receives public funding in order to provide publicly funded services.

Ms. Catherine Fife: Okay. So when the government moved to slowly increase personal support worker wages, for instance, were you funded directly? Was that money enveloped for personal support workers, so that they received their wage increase?

Mr. Dan Black: We're starting to receive government funding. Initially, we didn't receive any. Our competitors were given free money by the government to increase wages, but our wages were already above what the government began to mandate.

Ms. Catherine Fife: Your competitors are other not-for-profit home care deliverers?

Mr. Dan Black: Both not-for-profit and for-profit providers.

Ms. Catherine Fife: And they received funding but you did not.

Mr. Dan Black: They were paying minimum wage, or just above minimum wage. We were already paying more than what the government introduced as the new minimum for the sector, so the government said, “Sorry, you don’t get any money, because you’re already paying.”

Ms. Catherine Fife: Your first concern had to do with scheduling. If there is a three-hour minimum for schedules, right now, what is the average time that one of your—for instance, let’s do maybe the personal support workers. How much time are you funded to provide services to clients?

Mr. Dan Black: It varies from discipline to discipline. It varies sometimes for the type of visit. What we do is, because we are paid by the government on a per-visit basis, we pay our employees on the same basis. We work on averages. For example, an initial therapy visit might be an hour and a half, and subsequent visits might be 45 minutes or 30 minutes, so we work on averages. We try to take into consideration the fact that visit times differ from visit to visit, and that workers are able to make different numbers of visits on different days, and try to come out with an average that provides them with a reasonable earning.

Ms. Catherine Fife: I’m just trying to understand the scheduling piece. The three-hour minimum: One of your workers would have to go to a client for three hours, minimum? No. Please clarify.

Mr. Dan Black: That’s what is not clear.

Ms. Catherine Fife: I see.

Mr. Dan Black: We might have a worker whose schedule is a visit from 9 to 10, and then they’re not able to schedule another visit until 11 to 12, and then maybe another one from 1:30 to 2. That’s not a three-hour shift. But if we have to pay them three hours for the first shift, or three hours for each of those, even though they’re only working an hour or half an hour, there is no way we can afford that.

Ms. Catherine Fife: So you’re seeking clarity from the legislation—

Mr. Dan Black: On the scheduling point.

Ms. Catherine Fife: —on the scheduling point, yes.

Mr. Dan Black: Or, as the act and regulations currently contemplate, there are variations and special rules for different sectors. We’re suggesting that this might work well in a factory or something like that, but not so well in home care.

Ms. Catherine Fife: There have been calls for years now, through the budget committee, to bring minimum standards of care to home care—two or three hours. It would be ironic if this piece of legislation kind of made that happen through the back door—as long as it’s funded, you point out.

Mr. Dan Black: Exactly. If it’s funded, we’re all for providing additional services to our clients.

Ms. Catherine Fife: How long have you been in business?

Mr. Dan Black: All together, over 25 years.

Ms. Catherine Fife: So, 25 years. Thank you for coming in today. You’re the last delegation of the last of the two weeks.

Mr. Dan Black: Yes.

Ms. Catherine Fife: Congratulations.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We will move to the government. MPP Wong.

Ms. Soo Wong: Thanks very much for being here today. I know my colleague MPP Fife has asked some questions about the scheduling piece. Specifically, in your opening submission, you indicated that you’ve provided health care for 25 years across Ontario. Which parts of Ontario?

Mr. Dan Black: We have 14 offices across Ontario. We provide services right in downtown Toronto; in Elgin county, which is rural; in the Owen Sound area; in Grey and Bruce counties; and up in Timiskaming. We’re all over Ontario. We have a good mix of—

Ms. Soo Wong: Did I hear correctly that your organization is for-profit?

Mr. Dan Black: That’s right.

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Ms. Soo Wong: Besides the scheduling issue, you’re asking for clarification. What other amendments—I know you talked about the minimum wage. My recollection is that in the 2017 budget, there is an additional \$80 million-plus for community health care things. Has that been translated through your LHINs to your organizations?

Mr. Dan Black: Not in the form of the rates that are paid to us. The additional funding that the government has provided, with the exception of the personal support wage enhancement, has been directed at services, not at the rates that are paid to us. So for 13 years, we’ve had increasing rent costs and increasing utility costs. We’ve had increased costs in terms of quality improvements and increased reporting obligations. All of that has increased the costs of us providing the services. But what we’re paid by the government for doing that has remained exactly the same for 13 years.

Ms. Soo Wong: Okay. With regard to Bill 148, what other comments or suggestions would you like to make to the committee with regard to the minimum wage, but also the other employment standards that we’re proposing to change or revise? Are there any other suggestions, such as the personal emergency leave or all the other stuff that we’re suggesting in this legislation?

Mr. Dan Black: What we did was to try to focus on three aspects of the bill that are the most significant, in our view, for the home and community care sector. The three that we chose were scheduling, making it easier for home care workers to unionize and our concern about narrowing the gap.

Ironically, we typically want to close the gap between health care needs and service availability but, in this case, if the gap between the minimum wage and what we’re

able to pay personal support workers becomes too small, people will opt out of providing personal support services and instead go in to other sectors, and we'll be leaving people vulnerable in their homes. They'll end up in very expensive hospitals, expensive long-term-care homes, instead of being able to stay at home with personal support work. Those are our three main focuses.

Ms. Soo Wong: Okay. Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): MPP Anderson.

Mr. Granville Anderson: Thank you for your presentation. Along that vein, I know that sometimes you have support workers that work for one hour in a home, correct?

Mr. Dan Black: That's correct.

Mr. Granville Anderson: Do you pay travel time between work sites? I don't know if you do, because I have heard from personal support workers that they don't get the time they travel and, sometimes, that's an hour travelling. Do you pay for travel time separately?

Mr. Dan Black: Yes, we do.

Mr. Granville Anderson: And you also alluded that you have no objection to \$15 per hour?

Mr. Dan Black: Well, it's not an objection to \$15 per hour. In fact, even our summer students, who we hire for various administrative tasks, are paid \$14 an hour currently. So it's not the \$15 an hour in and of itself that we're concerned about. What we're concerned about is creating a disincentive for workers who already make more than minimum wage to continue doing what they do. That's particularly personal support workers.

What we're concerned about is what our employees have said to us: "I go into somebody's home, and I am

sexually harassed and I am lifting heavy people in and out of their beds and helping them in and out of the showers, and they can fall and I might be sued, and I don't know how much protection I'll have. Why would I do that for \$1 an hour more than going and serving in a restaurant?"

Mr. Granville Anderson: I know we have increased personal support workers by about \$4 for overtime. Did that apply to your sector?

Mr. Dan Black: Yes, it has applied to our sector. As I said, initially Closing the Gap itself didn't receive initial funding because we were already paying our workers what the government said we should be, but as that has continued, we've begun to obtain some of the funding.

Mr. Granville Anderson: Thank you very much. I believe my colleague had a couple of questions as well.

Mr. Han Dong: On behalf of myself and the government caucus, I want to thank you very much for taking the Friday to come over and share your thoughts.

Mr. Dan Black: Thank you for the opportunity.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. If, in 15 minutes, you would like to do another written submission, you can send it to the Clerk of the Committee. Thank you very much for your presentation.

Mr. Dan Black: Thank you.

Mr. Leighton McDonald: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): This committee stands adjourned until 9:30 a.m. on Monday, August 21, when we'll meet for the clause-by-clause consideration of Bill 148.

Thank you for everyone's co-operation and all of the presentations.

The committee adjourned at 1715.

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