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Standing Committee on Finance and Economic Affairs

Comité permanent des finances et des affaires économiques

Stronger, Healthier Ontario Act (Budget Measures), 2017

Loi de 2017 pour un Ontario plus fort et en meilleure santé (mesures budgétaires)

2nd Session
41st Parliament

Monday 15 May 2017

2e session
41e législature

Lundi 15 mai 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
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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

Monday 15 May 2017

Lundi 15 mai 2017

The committee met at 1301 in committee room 1.

STRONGER, HEALTHIER ONTARIO ACT (BUDGET MEASURES), 2017

LOI DE 2017 POUR UN ONTARIO PLUS FORT ET EN MEILLEURE SANTÉ (MESURES BUDGÉTAIRES)

Consideration of the following bill:

Bill 127, An Act to implement Budget measures and to enact, amend and repeal various statutes / Projet de loi 127, Loi visant à mettre en oeuvre les mesures budgétaires et à édicter, à modifier ou à abroger diverses lois.

The Chair (Mr. Peter Z. Milczyn): Good afternoon, committee members. We are meeting this afternoon for public hearings on Bill 127, An Act to implement Budget measures and to enact, amend and repeal various statutes.

Before we begin the hearings, I'll remind members that as per the order of the House dated Thursday, May 11, the deadline for filing amendments to the Clerk of the Committee is 7 p.m. this evening. Please file the amendments with the Clerk here in the committee room. As a reminder, the amendments must be filed in hard copy.

We'll be moving on to public hearings. As ordered by the—

Mr. Victor Fedeli: Chair?

The Chair (Mr. Peter Z. Milczyn): Yes, Mr. Fedeli?

Mr. Victor Fedeli: I want to make a comment about what you just said.

The Chair (Mr. Peter Z. Milczyn): Sure.

Mr. Victor Fedeli: Thank you. Chair, in the Legislature today I read a question and I'd like an opportunity to repeat that question because it is pertinent to the time that we're here today.

My question was to the Premier, and I suggested that at around 12 o'clock this afternoon—noon—the government is calling for a vote on the budget bill—

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli, do you have a point of order to raise?

Mr. Victor Fedeli: I'd like an opportunity to talk about the fact that the bill only passed a vote 55 minutes ago and here we are now in a committee, and the fact would be that there was very little time, if any, to even barely get the notice out to us that we're meeting here, let alone have deputants here, especially those deputants who are from out of town who would have liked to plan to be here.

Interjections.

Mr. Victor Fedeli: I'm not finished yet—and the fact that with one hour's notice, you're also limiting the day's presentations between 1 o'clock and 7 p.m. tonight. That's it.

Even in the Legislature, where our own members—only three of us had a chance to speak to this bill. Debate is also 24 days shorter than normal budget debates. And then the amendments: We're scrambling to rush those to this committee by 8:30 tomorrow morning. My bottom line would be that I think that is usurping democracy, and I'd like that to be on the record.

The Chair (Mr. Peter Z. Milczyn): Fine, Mr. Fedeli. That wasn't a point of order, and we'll move on.

Mr. Victor Fedeli: Well, it should be.

The Chair (Mr. Peter Z. Milczyn): That's not a point of order.

As ordered by the House, each witness before the committee will receive up to five minutes for their presentation, followed by nine minutes of questioning from the committee, or three minutes from each caucus, and we'll begin with the official opposition for the first round.

Are there any questions on procedure before we begin? Mr. Fedeli.

Mr. Victor Fedeli: Do we have an agenda of any sort?

The Clerk of the Committee (Mr. Eric Rennie): We don't have a finalized agenda yet. We're working on finalizing the presentations for this afternoon and we will get one to you as soon as possible.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett?

Mr. Toby Barrett: How many deputants will be coming forward, roughly? I haven't even had a chance to let anybody in my riding know about this.

The Clerk of the Committee (Mr. Eric Rennie): Unfortunately, I don't have a final confirmed list yet. One should be coming very shortly. But as per the order of the House, the committee is authorized to sit until 7 p.m. The request-to-appear deadline is 5 p.m., so we could still receive requests to appear on a first-come, first-served basis until 5 p.m. this afternoon.

INSTITUTE OF MANAGEMENT ACCOUNTANTS

The Chair (Mr. Peter Z. Milczyn): Our first witness of the afternoon is from the Institute of Management

Accountants. Good afternoon. As I stated, you have up to five minutes for your presentation. As you begin, if you could please provide us with your names for the official record.

Mr. Jim Gurowka: I'm Jim Gurowka. I am the senior vice-president of the Institute of Management Accountants. With me is Nancy Muir, who is the president of our local Toronto chapter.

I want to thank the Chairman and the committee members for allowing me and our institute to address you here today. Obviously, you have a very packed schedule, so we want to try to be brief.

Our focus today is really with part of Bill 127, which is the Chartered Professional Accountants of Ontario Act. I represent the Institute of Management Accountants. We're a global organization of a little more than 85,000 members. We're headquartered in New Jersey, but have offices and members throughout the world. We have approximately 700 members in Ontario and many more who travel here on a daily basis.

We represent the accounting and finance professionals who work inside of businesses. Our members do not do audits. They do not do taxes. They do not sign off on regulatory reports. They work within businesses. So they work within businesses adding value to the businesses that they work within.

I want to state up front that we agree 100% with the Attorney General's office and CPA Ontario that the public needs to be protected from fraud. They need to be protected from people who claim to be certified accountants when they are not. However, in our opinion, this Chartered Professional Accountants of Ontario Act does not really balance the need for public protection versus a professional's ability to make a living and to be proud of their credentials.

Our CMA program—IMA offers a CMA program—has a rigorous examination process. Our members must abide by a code of ethics. They must do continuing professional education every year and they must be active members of their profession. We have a disciplinary process that meets or exceeds the International Federation of Accountants guidelines. Our standards are difficult. Our certified members are experts, and they're experts in their field of management accounting.

In my role, I spend a lot of time meeting with companies, and global corporations value the nature of a global certification. The CMA program, and our CMA program, ensures that people within organizations all speak the same language, so to speak. Whether you're at IBM or Johnson and Johnson or Caterpillar or Microsoft or other big organizations that support the program, when they hire and promote CMAs, they know what they're getting. Whether you're a CMA from Ontario or from the US or from India or from Britain, we know that they are credentialed, certified and held to a high standard of high rigour.

Unfortunately, the law in its current form really denies foreign-credentialed accountants the ability to display their credentials, the ability to talk about their credentials and in many cases earn a fair living. It is our opinion that it discourages foreign accountants from moving to Ontario as well. Almost all other countries in the world are more inviting to trained accountants than Ontario is.

In addition, I believe that Ontario is setting itself up as one of the most restrictive jurisdictions in the world, and certainly more restrictive compared to all other provinces. Really, the goal should be differentiation and not suppression of credentials.

To fix this, we believe there are just two small changes to the proposed legislation in its current form that would bring Ontario more in line with the other provinces in Canada. It would encourage investment. It would treat foreign-credentialed accountants with the dignity they deserve.

I've prepared a short summary of some of the wording in other provinces that I believe the Clerk, Eric Rennie, has passed out. It talks to the first change we are proposing that would really make a big difference. That is adding the word "implying" to subsection 29(1)(a), so that it reads, "No individual, other than a member of CPA Ontario, shall, through an entity or otherwise,

"(a) take or use a designation referred to in section 17 or initials referred to in section 18, whether alone or combined or intermixed in any other manner with any other words or abbreviations, implying that the individual is a chartered professional accountant, chartered accountant, certified management accountant, registered industrial accountant or certified general accountant."

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The way it reads now, even if good-faith steps are taken to distinguish your international accounting credential from a Canadian version, an offence is still committed if you do it by mistake—

The Chair (Mr. Peter Z. Milczyn): I'll cut you off there. I apologize. Your five minutes is up.

Mr. Fedeli for three minutes.

Mr. Victor Fedeli: I know you got cut off, so I wanted you to finish that because I was going to ask you why that section, the underlined section that you had wanted added. I presume that's coming.

Mr. Jim Gurowka: Right. Certainly what that does is it makes sure that the public is protected, so that if somebody is implying that they're a member of CPA Ontario, then they should be charged under the law. There is no excuse for that. We want to keep people out of harm's way. But for those who do it by mistake, not intentionally and not implying to be certified by CPA Ontario, this makes sure that they're not unfairly charged.

The other change that we would recommend is putting the country of where you got your designation from in parentheses. So if you have "CMA (USA)", then there is also no confusion. It really gets rid of any confusion in the marketplace, which is really what the Attorney General and CPA Ontario are trying to do.

Mr. Victor Fedeli: When you were consulted on all of this, did you bring that up back then?

Mr. Jim Gurowka: Yes, we brought it up in 2009 when the acts were originally changed, and have brought it up since then with local MPPs and such.

Mr. Victor Fedeli: The consultation that went on to develop these new statutes: Did you bring it up then?

Mr. Jim Gurowka: We did not. We were not involved in that. That was mostly CPA Ontario and the Attorney General's office.

Mr. Victor Fedeli: So you weren't consulted on these budget measures?

Mr. Jim Gurowka: No.

Mr. Victor Fedeli: Why would you think that is? I don't have an understanding of that.

Mr. Jim Gurowka: I don't know, to be frank.

Mr. Victor Fedeli: You said that this does not balance the needs. What did you mean by that?

Mr. Jim Gurowka: There are two needs. One is protecting the public from harm and from fraud, and the other one is balancing a person's ability to make a living, to display their credentials, to work in Ontario if you have an accounting designation that is not from Ontario.

Mr. Victor Fedeli: When you call this a restrictive jurisdiction, what do you mean by that?

Mr. Jim Gurowka: Every other province except for New Brunswick allows for the use of a foreign credential as long as you're not trying to deceive the public. In Ontario, with this legislation, the intent is that nobody can use any foreign credential except for under very limited circumstances, or face the prospect of a $10,000 fine.

Mr. Victor Fedeli: Does your management accountant designation not fit here?

Mr. Jim Gurowka: Our management accounting designation—no designations except for the CPA and related the CPA designations are allowed.

Mr. Victor Fedeli: How much time, Chair?

The Chair (Mr. Peter Z. Milczyn): Fifteen seconds.

Mr. Victor Fedeli: You said that you were looking for differentiation, not restriction. What did you mean by that?

Mr. Jim Gurowka: The ability to allow somebody to put CMA with the country of origin in brackets really allows you to differentiate, but does not confuse the public.

Mr. Victor Fedeli: Thank you, Chair.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof for three minutes.

Mr. John Vanthof: Thank you very much for making your presentation. Could you give an example of how the legislation, as currently drafted, could restrict someone from working in a multinational company, or would it?

Mr. Jim Gurowka: It really makes people not want to come here if they are working for a multinational company. A good example is that we have a lot of members throughout the world from companies like Johnson and Johnson and Caterpillar. They are proud CMAs. They have CMAs in their email signatures and on their business cards. When they come to Ontario, they suddenly have to remove "CMA" from everything. They can't talk about being a CMA, they can't talk about being a management accountant, they can't have it on their business cards or their email signatures. So they're going, "I can't wait to leave, because I can't talk about my profession that I've spent my entire life in. Why wouldn't I move to a different province or a different country?"

Mr. John Vanthof: And I take it from your experience that CMAs, especially when they're working for multinationals, would move from country to country?

Mr. Jim Gurowka: Yes. Absolutely.

Mr. John Vanthof: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker, for up to three minutes.

Mr. Yvan Baker: So under this legislation, the rules with respect to international credentials haven't actually changed from the existing legislation at all. I just want to make sure you're aware of that. Right?

Mr. Jim Gurowka: Right. Correct.

Mr. Yvan Baker: So accountants who are not members of CPA Ontario are still entitled to practise accounting in Ontario, expect for public accounting, which remains a licensed activity. The rules with regard to international credentials haven't changed. Accountants with non-CPA designations are entitled to use those credentials on resumés, on employment applications, when giving speeches or presentations, when responding to requests for proposals and those sorts of things. The existing and proposed legislation restricts the use of non-CPA designations in certain contexts, such as public advertising. That's, again, consistent with what it has been.

The purpose of this is really consumer protection. Consumers' accounting services—whether they're individuals or small or large businesses—need to know whether the accountant they hire is accredited and regulated in Ontario. That's really what this is about.

In Ontario, we're pleased to welcome accountants from around the world. I used to be in business, and I used to work with accountants from around the world. Those accountants can join CPA Ontario if they wish. In fact, I know CPA Ontario has many mutual-recognition agreements with other accounting organizations. That's designed to streamline the process of getting them access to CPA Ontario if they wish. For those who don't wish to join, they can still practise accounting, but their designation use is restricted because those accountants don't answer to the same local standards or disciplinary mechanisms as accountants who are members of CPA Ontario—again, consistent with what the legislation has been in the past. I just want to make sure that that's clear.

This legislation, both existing and proposed, is in line with every other province. In fact, our permitted use of non-CPA credentials is the most expansive nation-wide. Only Nova Scotia has similar allowances, I would say.

My question to you is: What do you think of the government's decision to maintain the list of exceptions for non-CPA credential use? Because basically they could have been eliminated through this legislation.

Mr. Jim Gurowka: I believe it's still incredibly restrictive. Really, I'm allowed to call myself a CMA if

I'm making a presentation to peers, then that really doesn't do much for me. If I'm on a resumé, it's only to explain my experience and my background, not to proudly call myself a CMA, or certified management accountant. So while it still is the same, it is still very restrictive on anybody who has a foreign credential. It does put a freeze, a negative, on anybody trying to come to Ontario. If I'm a CMA from the US or from Britain, I want to go somewhere where I can be proud of my credential.

Mr. Yvan Baker: How much time, Chair?

The Chair (Mr. Peter Z. Milczyn): That's your time.

Mr. Yvan Baker: Okay; I shouldn't have asked.

The Chair (Mr. Peter Z. Milczyn): No, you shouldn't have.

Thank you very much for your presentation this afternoon. If there's something additional in writing which you would like to provide, you have until 7 p.m. today to provide it to the Clerk.

Mr. Jim Gurowka: All right. Thank you, Mr. Chair. I do have a submission, but I think, after this discussion, if you'd allow me to, I'd like to make a couple of modifications to address some points raised.

The Chair (Mr. Peter Z. Milczyn): You have until 7 p.m. today.

Mr. Jim Gurowka: Wonderful. Thank you very much.

ONTARIO CAMPAIGN FOR ACTION ON TOBACCO

The Chair (Mr. Peter Z. Milczyn): Our next witness is from the Ontario Campaign for Action on Tobacco. Good afternoon, sir.

Mr. Michael Perley: Good afternoon, Mr. Chairman.

The Chair (Mr. Peter Z. Milczyn): You have up to five minutes. If you could please state your name for the official record as you begin.

Mr. Michael Perley: Yes: Michael Perley, director, Ontario Campaign for Action on Tobacco.

Mr. Chair and members of the committee, thank you on behalf of the partners of the Ontario campaign: the Canadian Cancer Society, Ontario division, the Heart and Stroke Foundation, the Non-Smokers' Rights Association and the Ontario Medical Association for the opportunity to comment on the—

Interruption.

The Chair (Mr. Peter Z. Milczyn): I'm sorry to interrupt you. We have a vote we have to go to, so committee will recess for 10 to 15 minutes until the vote is completed.

The committee recessed from 1320 to 1330.

The Chair (Mr. Peter Z. Milczyn): The committee will now reconvene. When we left off, the Ontario Campaign for Action on Tobacco had just begun deputations.

I'll let you start over because you were just a few seconds into it. Please proceed.

Mr. Michael Perley: Thank you, Mr. Chair and members of the committee, for the opportunity to comment on the 2017 Ontario budget, as it concerns tobacco industry products.

The partners of the Ontario Campaign for Action on Tobacco, which are the Canadian Cancer Society, Ontario division, the Heart and Stroke Foundation, the Non-Smokers' Rights Association and the Ontario Medical Association, strongly support the minister's decision to opt for a three-year, $10-per-carton phased-in tax increase.

This increase is very important. It will encourage some smokers to reduce or quit entirely. In fact, tobacco tax increases have long been understood to be the single most effective intervention to reduce tobacco use. The increase will also increase revenue to help offset the $2.2 billion spent each year on health care costs in Ontario, incurred entirely, thanks to addiction, by tobacco industry products. Today the government only takes in about half this amount in tobacco tax revenue. I should also mention the additional $5.3 billion lost to the provincial economy each year through foregone income and lost productivity resulting from the epidemic of disease caused by industry products.

There are always those—usually the tobacco industry itself and their funded retail partners—who claim that any tax increase will lead to more contraband tobacco. Research by the Ontario Tobacco Research Unit at the University of Toronto has shown that it is quite possible to increase tobacco excise taxes without increasing the size of the contraband market. The research unit has also assessed the objectivity and methodology of various industry-sponsored surveys of the contraband market and has found them all to suffer from serious methodological defects.

These analyses are now supplemented by data attached to this presentation from the federal Tobacco Reporting Regulations, released in March by the business intelligence division of Health Canada. This data shows that the number of cigarettes sold in Ontario since 2001—I should mention that's well before any contraband was identified as being a problem in Ontario—has significantly declined.

The data also shows that during the same period the wholesale value of tobacco industry products sold in Ontario—in other words, the wholesale prices charged by the industry—increased significantly, especially during the last three years. For example, in an Ontario market of about 10.3 billion cigarettes, these price increases resulted in an increased industry revenue of approximately $343 million in 2016, compared to 2014. This is the same period during which industry anti-contraband advocacy in Ontario has been particularly strong, claiming a 30% rise in contraband from 2015 to 2016.

How is it possible that the industry can increase its own prices, while simultaneously complaining bitterly that higher tobacco prices caused by tax increases inevitably cause increased contraband?

One answer may be that, as in the United Kingdom between 1999 and 2009, the industry may simply absorb tax increases on its low-price value brands. These brands

are bought primarily by low-income smokers, who make up the majority of smokers today. At the same time, as in the UK, the industry may disproportionately raise the prices of its premium brands, smokers of which are less price-sensitive. In any case, increasing prices while at the same time complaining about increased contraband must inevitably cast further doubt on the already questionable credibility of the industry's claims about contraband.

We would also like to commend the government for its plans to crack down on the supply of cigarette filter material, called acetate tow, to unregistered manufacturers. The vast majority of Ontario smokers smoke filtered cigarettes. If manufacturers of untaxed product cannot obtain filter material, this will in turn help to reduce the amount of untaxed tobacco products on the market. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, sir. We'll start this round off with Mr. Vanthof for three minutes.

Mr. John Vanthof: Thank you, sir. Thank you for your presentation. I guess my only question is—I come from an area where we do have a lot of contraband. I was just wondering if you have any ideas of how we would tackle that issue, because whether it's smoking from non-contraband or smoking from contraband, it has the same impact. I think we can agree on that.

Mr. Michael Perley: Yes.

Mr. John Vanthof: Do you have any ideas on how we could tackle contraband?

Mr. Michael Perley: This is an interesting question, not only because of just itself, but also the supposition behind it that there may not be as much effort being put into tackling contraband today as there should be.

We can always have more boots on the ground. We can always have more police enforcement. We can have more involvement of local police in the issue. We could have those officers who are close to the ground level in communities be more involved. The problem is, they have a number of what they view as much more serious offences to deal with. If they run across some contraband, they can confiscate it; they can issue a ticket. That's already in the law. The trouble is, to involve them in the day-to-day enforcement much beyond that is difficult, because of their other priorities.

Does that mean we have more enforcement personnel from the ministry itself? Probably; we should have that.

The government has set up something called the contraband enforcement task force. This was set up last year. It started out with five officers and a million dollars. There is a very similar enterprise in place in Quebec, which has been functioning for a number of years, which now has about $17 million to $20 million a year in budget, and many officers. What they do is offer funding to local and regional groupings of enforcement personnel to crack down on contraband at a higher level—at the management level, if you like. So we could ramp up the task force, I think. Now it's under way. It has been going for a year. It could use more resources and more personnel.

We could also have some aggressive public education. If you look around you in the social and traditional media environment today, there's no mention of contraband except occasional news releases from the industry, complaining about it. But there's no message from the government saying, as you said, that contraband and legal tobacco are equally harmful. It doesn't matter which you smoke. It doesn't matter where you get it, who makes it or any of that. It's equally harmful. That would be a very useful message to get out there.

Mr. John Vanthof: Thank you.

The Chair (Mr. Peter Z. Milczyn): Ms. Wong, for three minutes.

Ms. Soo Wong: Welcome back, Mr. Perley. You and I go back 30-plus years on this particular topic.

Mr. Michael Perley: Good grief. It's probably up right around there, yes.

Ms. Soo Wong: Yes. Anyway, I have two quick questions for you. You know the government has taken a number of measures in terms of tobacco cessation, reducing the incidence of tobacco usage. This latest announcement, through the budget, dealing with the increasing taxes—I wanted to get your opinion on record as well.

Looking at these strategies comprehensively, can you share with the committee in terms of one factor, or multiple strategies, that we are currently dealing with in terms of reducing the tobacco rate in Ontario, in terms of hitting the pocketbook—because kids are price-sensitive—and also improving quality of life, as well as helping health care costs. Can you share with us, in terms of what we're doing as a government to address these issues?

Mr. Michael Perley: The ministry has had the Smoke-Free Ontario Strategy, and it has resulted in, depending on which year you pick as the beginning, between 200,000 and 400,000 fewer smokers. That's to be applauded, for sure, and it's partly because of smoke-free regulations, display bans etc.

But it has also had an emphasis on cessation which, in most people's views, needs to be greater. There needs to be more emphasis on integrating all the various cessation programs that we have. We have everything from hospital-based cessation, being driven by the Ottawa Heart Institute as a program that should spread to all hospitals, where, if you're going into hospital and you smoke, you get treatment before, during and after your stay. In fact, Accreditation Canada probably should make a condition of the licensing of hospitals that they provide cessation counselling to patients who smoke.

We have the smokers' helpline; the number is on every package. There's a website. It's not promoted; it should be. It should be much more widely seen everywhere. Free nicotine replacement therapy is already being given out. We probably need to expand that.

I think all of this is going to be looked at very carefully in the context of the modernization of the Smoke-Free Ontario Strategy which is about to get under way. In his note to a number of us about that process, the Minister of Health did note that decline in prevalence has

flattened in the last few years, and that's something that cessation can really help with, and tax increases drive more people towards cessation attempts.

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Ms. Soo Wong: I think Ms. Vernile has a question.

The Chair (Mr. Peter Z. Milczyn): Fifteen seconds.

Ms. Daiene Vernile: What's our current rate of smoking in Ontario? Do you believe it can still come down?

Mr. Michael Perley: Oh, yes. It's 17.4%. That's the latest data from 2015. There is a larger target the federal government is looking at in the longer term of less than 5% tobacco use by 2035.

Ms. Daiene Vernile: Wow.

Mr. Michael Perley: They're looking at a renewed strategy as well at the national level. That's the target they've picked. We're going to recommend that the provincial government pick the same target and align what it's doing with what the feds are doing, which will make it doubly impactful.

Ms. Daiene Vernile: Let's do it.

Mr. Michael Perley: Yes.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett?

Mr. Toby Barrett: Thank you, Mr. Perley. I mentioned just earlier that I have an interview next week, a journalist coming up from Costa Rica. They were up to my little constituency office in Simcoe two summers ago asking me why their country is flooded with illegal Ontario tobacco. I had a woman from Reforma, the Mexico City newspaper, come up two years ago. A Guatemalan film crew and a Mexican film crew have all come up over the past two years. They have increased—Mexico certainly increased taxes and they're flooded with Ontario tobacco. Do you think anybody has a handle on this, or is this something we're not concerned about? We are one of the world's major exporters of contraband and illegal tobacco.

Mr. Michael Perley: Well, if we're thinking of Grand River Enterprises—and I imagine we are. There are other licensed manufacturers federally, but GRE is the biggest one. My understanding is that their licence allows them to produce for resale or sale on First Nations territories across Canada, but that they're also able to export. They have a deal with the German army to supply that group's cigarettes. This was some years ago.

I'm not entirely sure, when the Costa Ricans and/or Mexicans and other Central and South American countries say this is "contraband," is it coming into their countries with no appropriate taxation paid, no agreement between those governments and GRE? I just don't know whether those facts are in our possession yet. If it's coming in illegally, then you'd think the federal government and the provincial government, both of which license GRE, would want to take a very serious look at that and also in the company of their Costa Rican, Mexican and perhaps other colleagues from South America. That's something that should be studied very closely and action taken on it.

Mr. Toby Barrett: Yes. I don't have the answers either. That's kind of above my pay grade, but I have asked the Ontario government to look into the—I asked formally through a private member's bill to take a look at this with any other related trafficking, whether it be humans or guns or drugs or money.

Mr. Michael Perley: Right.

Mr. Toby Barrett: With the locally grown product—much of the contraband comes in from China; leaf from North Carolina. For 50 years we had the Ontario Flue-Cured Tobacco Growers' Marketing Board. Farmers had oversight, looked after it—

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett, that was three minutes.

Mr. Toby Barrett: Okay.

The Chair (Mr. Peter Z. Milczyn): If the gentleman wants, he can answer the question, though.

Mr. Michael Perley: Yes, we had the quota system. In 2007, the federal government took $300 million from the settlement with Canada's tobacco companies for their part in the 1990s smuggling crisis and bought out the quota and replaced it with a contract licensing system. You couldn't have been working in the industry prior to the quota buyout, but you could, if you hadn't been, get a licence. If you could get an agreement with a manufacturer to produce tobacco and sell it to them, then you could get a licence to do that. The result of that was, which is very important, in 2007, the crop size was about 26 million pounds; it's topping 60 million pounds today. That has solely been because of the change from a quota system over to the contract licence system. So farmers, whoever they are and however many of them there are, are certainly doing better now than they were 10 years ago, which, purely from a health point of view, is not, I don't think, something that we think is a good idea. There are other factors at play, but it's not helpful, and a larger crop means more can be syphoned off into the contraband market.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your deputation this afternoon. If there's something additional you'd like to provide in writing, you can do so until 7 p.m. today.

Mr. Michael Perley: Thank you.

TORONTO REGION IMMIGRANT EMPLOYMENT COUNCIL

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Toronto Region Immigrant Employment Council. Good afternoon.

Ms. Margaret Eaton: Hello.

The Chair (Mr. Peter Z. Milczyn): You have up to five minutes for your presentation, and if you could please state your name for the record as you begin.

Ms. Margaret Eaton: Yes. Hello, and thank you very much for having me here today. My name is Margaret Eaton and I'm the executive director of the Toronto Region Immigrant Employment Council. I'm here to

address the Accounting Professions Act, which is part of the budget.

Our mission at TRIEC is to create and champion solutions to better integrate skilled immigrants in the greater Toronto region labour market. Our organization started about 14 years ago because skilled immigrants, those people with international credentials and experience, were not getting jobs that were suitable to the experience that they had had internationally. It's a cliché, but they say the best place in Toronto to have a heart attack is in a taxi, because that's where the doctors are.

We know that international education is discounted by employers by 30% and international experience is discounted by 70%. As well, unemployment is 50% higher for skilled immigrants than it is for Canadian-born, university-educated workers. It's very important for us to be here to address the inequity of the Accounting Professions Act, which actually legislates a barrier for newcomers in practising in their field in Ontario.

I want to preface my remarks by congratulating CPA Ontario. They have actually made some great strides in reducing barriers for skilled immigrants in being able to apply and succeed in receiving the CPA credential. Hats off to them.

The move to bring the three designations together—the CA, the CGA and the CMA—and to set a harmonized national standard has been outstanding. That itself reduces barriers for newcomers who find it so difficult to even find appropriate information to understand how they can get a credential in our country.

However, the act itself codifies and legislates an unequal playing field for immigrants that creates a barrier to employment success. We strongly encourage you to eliminate the restrictions in the act that prohibit the use of foreign accounting designations by internationally trained accountants. The restriction on the use of that foreign designation is extremely broad. We know that 80% of jobs are not advertised, so in Canada, the ability to market and promote yourself and build professional networks is essential to getting a job.

While the act allows you to use your designation on a resumé, the act prohibits using an international designation on social media sites like LinkedIn and on business cards. But this is how you get a job in Ontario now, through assertive networking, creating an engaging social media profile and meeting as many other professionals as you possibly can. Prohibiting how a newcomer can market themselves in a labour market that is already stacked against them is patently unfair.

The act also creates a chill amongst internationally educated newcomers. If the Ontario government wants our province to be truly welcoming and inclusive, why does it restrict the legitimate efforts of newcomers to get jobs in their fields?

We agree that public accounting, auditors and taxation need to be regulated and it's essential that the CPA designation is a requirement, but for the vast majority of internationally educated accountants, this will create a barrier to their ability to work in the industry, in management accounting, where the issue is not about public safety.

Skilled immigrants, both as labour market participants and consumers, are key to the prosperity of our province. The government of Ontario has taken considerable steps to try to level that playing field through investments in training, skills programs, bridging and the office of the Ontario Fairness Commissioner.

We trust that the government will take this opportunity to ensure that the bill creates the conditions where skilled immigrants can contribute to their full potential. We ask that you eliminate the restrictions in the bill that prohibit the use of foreign accounting designations by internationally trained accountants. Please do the right thing. Thank you.

1350

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We'll start this round off with Mr. Baker for three minutes.

Mr. Yvan Baker: Thanks very much for coming in, and thank you very much for your advocacy. Long before I got elected, I encountered folks in my previous line of work and in my previous volunteer work who had come to Canada who had strong credentials, or on the surface certainly appeared to have strong credentials, but weren't able to get employment, so I thank you for advocating on behalf of those individuals.

Just for clarity—and again, as I said to an earlier presenter—under this legislation, the rules with respect to those foreign credentials haven't changed, right? This bill doesn't in any way alter the previous regulations around foreign credentials. In other words, accountants who are not members of CPA Ontario will still be able to practise, just as they did before. They'll still be able to practise accounting in Ontario. And accountants with non-CPA designations, like CGMA as an example, are entitled to use those credentials on resumés, employment applications, giving speeches and presentations and those sorts of things.

Now, the proposed legislation, and I guess the existing legislation, restricts the use of those non-CPA designations in certain contexts, like public advertising, for example. Again, the goal here, of course, at the end of the day, is consumer protection, so that we ensure that consumers of those accounting services know what credentials they're hiring or they're paying for when they hire that person who is accredited and regulated in Ontario.

I suppose my question to you is, what are the areas where you believe that there needs to be a change?

Ms. Margaret Eaton: Right. Well, we were disappointed when this legislation came forward, because we spoke against it when it was first raised a few years ago. Seeing it come back with no changes at all was very distressing to us. We believe that there should not be any of these restrictions.

While they have allowed these few things, we know that just submitting a resumé with your credentials on it is not enough to get a job. If they've restricted other forms of networking, like putting your credential on a business card or including it on social media, who knows

what else might be created in the next little while? We know LinkedIn is the number one way that recruiters search for talent and hire talent, so cutting them off from that avenue seems particularly regressive.

Mr. Yvan Baker: Chair, how much time do I have?

The Chair (Mr. Peter Z. Milczyn): That's your time.

Mr. Yvan Baker: That's my time? Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli for three minutes.

Mr. Victor Fedeli: Thank you for your presentation. I'll ask you the same question I asked the earlier presenter. Were you here for the earlier presentation on accounting?

Ms. Margaret Eaton: I wasn't, no. I'm sorry.

Mr. Victor Fedeli: It was a similar debate. Were you consulted for this round of the budget measures bill?

Ms. Margaret Eaton: No, we were not.

Mr. Victor Fedeli: Okay. You talked about amendments, because this act, your letter says, seems to have been made "even broader" by Bill 127, and the act prohibits the use of foreign accounting designations by internationally trained accountants. You heard what Mr. Baker said.

Ms. Margaret Eaton: Yes.

Mr. Victor Fedeli: Now we'd like to hear from you what your feeling is compared to what we heard here, when I line it up with that sentence that's in here.

Ms. Margaret Eaton: There's one portion of the act that has changed. It's the section that says "take or use a designation referred to in section 17 or initials referred to in section 18, whether alone or combined or intermixed in any manner." It's those six words that have been added; that is the key difference. What that does is it effectively excludes the CGMA designation.

Mr. Victor Fedeli: That's not in your letter here.

Ms. Margaret Eaton: No. The detail of that is not in the letter, no.

Mr. Victor Fedeli: What would you amend, then? I mean, I see your amendment here, but it doesn't address those six words.

Ms. Margaret Eaton: I would eliminate all of them. I would recommend that none of the prohibitions be present, that all of those prohibitions be taken out.

Mr. Victor Fedeli: Okay. When you say the barriers that are created because of these provisions in Bill 127, specifically what do you mean, then?

Ms. Margaret Eaton: It's this inability to use your credential on a business card or LinkedIn that I think is the key issue. Imagine: There are many types of accounting and professional jobs that one might apply for that are not auditing positions. These are management accounting roles. Small business wants people like that. But if you can't on your LinkedIn profile actually state what your international designation is—and LinkedIn is international as well. These designations from CMA and ACCA are well known and appreciated the world over. If you can't put that there, that seems entirely unfair.

Mr. Victor Fedeli: The previous comments from the management accountants were about putting brackets with your country. Is that something that makes sense to you?

Ms. Margaret Eaton: Yes. That makes sense, yes.

Mr. Victor Fedeli: Because?

Ms. Margaret Eaton: We would say, if you were including your designation and then including in brackets your geographical designation, then I think that does send the message that you are not part of CPA Ontario and you are not registered to do particular activities in Ontario. But it does say that you have a recognized international degree.

Mr. Victor Fedeli: Time, Chair?

The Chair (Mr. Peter Z. Milczyn): That's your time.

Mr. Victor Fedeli: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof.

Mr. John Vanthof: Thank you very much for coming in today and bringing up this issue. In your presentation, you say that you can use a designation on a resumé.

Ms. Margaret Eaton: Yes.

Mr. John Vanthof: But if the resumé is posted on LinkedIn, it's illegal? That sounds terribly confusing. It sounds like a regulation that actually—regulations have a purpose, but this one doesn't seem to make sense. Am I perceiving that correctly?

Ms. Margaret Eaton: Yes, that is correct. We know that you can send a resumé in to a job application, and employers get hundreds of resumés. The way that you actually get a job now is through networking. We run a mentoring program for skilled immigrants, and the key element of that mentoring is that each mentor must introduce the mentee to five other people in their network. That's the secret sauce of getting a job here. So things like going to networking events, sharing a business card with your designation, being on LinkedIn and connecting to people on LinkedIn are hugely important to getting a job.

Mr. John Vanthof: Business cards and LinkedIn: That's the same thing that we do.

Mr. Victor Fedeli: Except you can do one and not the other.

Mr. John Vanthof: That is a specific example—I just can't really get over that, that it can be on a resumé, but as soon as you post the resumé, it has to come off.

Ms. Margaret Eaton: Right. They want to limit your ability to advertise and market yourself through this bill.

Mr. John Vanthof: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation. If there is something additional you would like to provide to us in writing, you can do so until 7 p.m. today.

Ms. Margaret Eaton: All right. Thank you.

CANADIAN CENTRE FOR DIVERSITY AND INCLUSION

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Canadian Centre for Diversity and Inclusion. Good afternoon, sir.

Mr. Michael Bach: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to five minutes for your presentation. Your round of questions will begin with the official opposition. If you could please state your name for the official record as you begin.

Mr. Michael Bach: Absolutely. Thank you very much for having me. My name is Michael Bach. I'm the founder and CEO of the Canadian Centre for Diversity and Inclusion. We're a national charity with a mandate of educating Canadians on the value of diversity and inclusion.

I'm also here to speak to schedule 3, the Chartered Professional Accountants of Ontario Act.

At the outset, I want to be clear that the Canadian Centre for Diversity and Inclusion supports the amalgamation of three accounting bodies into CPA Ontario. We believe that this amalgamation will help to provide clarity in the market and offer increased protections for consumers.

That said, I appear before you today—as I did in 2010—to object to one piece of that legislation, that being section 29, which we believe to be exclusionary toward internationally trained accountants. It's somewhat ironic that I speak to you today on the third annual Toronto Newcomer Day, which celebrates immigrants in this city.

I should not need to tell you that immigration is the only way forward for this province. According to the 2016 census, Canada's fertility rate stands at 1.6. To maintain our population by biological means alone, that rate must exceed 2.1. As was reported only a few weeks ago, seniors now outnumber Ontarians aged 14 and under. Simply put, without immigration, we will experience population decline. Without immigration, not only will this province not experience financial growth, we will experience economic contraction.

You know all this. If you don't, you haven't been paying attention for the past 20 years that people like myself, statisticians and researchers, have been ringing the alarm bells on it. None of this is news.

Section 29 in the act refers to prohibitions of the use of the CPA designation—

Interruption.

Mrs. Cristina Martins: The bells are ringing.

1400

The Chair (Mr. Peter Z. Milczyn): I know.

Mr. Michael Bach: Shall I continue?

The Chair (Mr. Peter Z. Milczyn): Please continue.

Mr. Michael Bach: Thank you—essentially, that no individual other than members of CPA Ontario may hold themselves out as a chartered professional accountant. It seems logical, but what about the thousands of internationally trained accountants who come to Ontario with a depth of education, experience and a foreign designation?

The government appears to have addressed that concern. Subsection 29(2) outlines three exceptions where an internationally trained accountant may use their foreign designations: specifically a speech or other presentation; an application for employment or a private communication respecting the retainer of the individual's services; or a proposal submitted in response to a request for proposals.

Now, I must admit that when I read those exceptions, I thought the government had done an okay job in covering its bases. It wasn't until I took the opportunity to speak to individuals who would be impacted by this legislation that I saw the bigger picture. I'd like to read a passage from an email exchange between myself and one such individual:

"During the very difficult first few years I spent in Canada, the one thing that gave me strength was my accounting designation and the ability to proudly display that on my email signature, business card, letterhead and social media, in addition to my resumé. This made networking so much easier, and the legislation enacted in 2010 took away those rights and thereby stripped away the last bit of dignity that I had left as a newcomer."

Dignity: That's the word I want to focus on.

Normally, I would appear before you to provide a clearly articulated argument that speaks to the financial impacts of section 29, but the argument I will make today is a moral one. This is not right. We actively encourage people to uproot their lives and move halfway around the world to make Ontario their home, only to tell them they are somehow less than because they don't have any Canadian experience or a Canadian designation. We don't believe CPA Ontario is deliberately trying to create barriers for internationally trained accountants. We don't believe that newcomer advocates are looking to lessen protections or the authority of the governing bodies of the accounting profession. We do believe that in nearly a decade we have yet to find a solution that supports both positions.

Our recommendation to you today is a simple one: Amend section 29 to indicate that an internationally trained accountant may use their foreign designation, provided they clearly state the issuing jurisdiction in parentheses immediately after and the individual expressly indicates that they are not a member of CPA Ontario or they are not governed by CPA Ontario, full stop. Such a change would ensure that internationally trained accountants may use their designation and, at the same time, provide protections for Ontarians. Such a change would allow internationally trained accountants to properly leverage their skills and experience to find employment in their chosen profession, which ultimately would positively impact the financial position of this province. Such a change would allow internationally trained accountants to maintain their dignity.

I urge you to make this change for the sake of our province's future and the people who chose to call it home. Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, sir. Mr. Barrett, you have up to three minutes.

Mr. Toby Barrett: Thank you for testifying. We've had a couple of presentations now with respect to schedule 3, section 29, which, in this present legislation,

if it passes—which it probably will—makes restrictions far more far-reaching. As you indicate, this has come up before in the past and it was just talked about and now it's going to be law; is that the problem?

Mr. Michael Bach: No, I don't believe, as far as I can remember. Mr. Baker mentioned that there have been no changes to this amendment from 2010, but we are coming back with the intention of asking that those changes happen now, as they did not in 2010.

Mr. Toby Barrett: Okay. I guess the only other thing is, we've received a couple of submissions. Are you sending anything in writing?

Mr. Michael Bach: I'll provide my comments in writing.

Mr. Toby Barrett: Do you have wording for an amendment to resolve this?

Mr. Michael Bach: It's actually just amending the existing words that are in the legislation that indicate that the designation can be used provided the geographic location is used in parentheses immediately after and that there is mention that the individual is not a member of CPA Ontario and not governed by CPA Ontario. That's included in the legislation currently; however, it's the three exemptions that we're recommending be removed.

Mr. Toby Barrett: Has this been a problem with other professional designations—architectural technologists or engineering technologists from other countries?

Mr. Michael Bach: Unfortunately, I'm not aware. Not as far as I know. I don't know.

Mr. Toby Barrett: So what drives this? Is this just kind of a merger into one title in Ontario? You no longer talk about management consultants or management, for example, or industrial—

Mr. Michael Bach: Obviously, I can't speak to the motivations of CPA Ontario. I do believe, in the conversations we've had, that it's about the protection of the market and making sure that individuals are not purporting to be professional accountants when they in fact are not.

Mr. Toby Barrett: Okay. Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof.

Mr. John Vanthof: Thanks for coming, and thanks for being so clear and distinct with your recommendations. Would you have any idea of how many people this could impact—or people you have dealt with in the past? I'm not asking for a national survey. I'm asking something like, would you encounter this on a regular basis?

Mr. Michael Bach: Yes. In my former role, I was the head of diversity for KPMG in Canada. We had, at the time, somewhere in the range of about 1,000 people in Ontario who had foreign designations. They had become members of the then Institute of Chartered Accountants of Ontario in order to work for KPMG. However, there are the thousands who have not been able to find jobs in their chosen profession and, as such, have not been able to get the hours to get their CPA designation.

Mr. John Vanthof: Okay. Thank you.

Mr. Michael Bach: My pleasure.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Thanks very much for coming in. You talked about your support for the merger of the accounting professions. Could you just talk about why that's important?

Mr. Michael Bach: As I mentioned, I worked for KPMG for the better part of a decade, so I come from a professional accounting background. I see the importance of having an organization like CPA Ontario in order to govern the profession.

Just to answer your question more succinctly, at the time when there were varying designations, there was a lot of confusion about what designation to get, particularly for newcomers. I happen to be married to a foreign-trained accountant who did not know which designation to get: Was it the CA, the CGA, the CMA? The merger also removes some of the confusion from the market.

Mr. Yvan Baker: Okay, great. Thank you, Chair.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, sir. You have until 7 p.m. today to provide any further written submission.

Mr. Michael Bach: Thank you.

SCHEDULE 33
COALITION OF STAKEHOLDERS

The Chair (Mr. Peter Z. Milczyn): Our next witnesses today are the Schedule 33 Coalition of Stakeholders. Good afternoon. You have up to five minutes for your presentation. Your round of questions will begin with the New Democratic caucus. If you could, please state your names for the official record as you begin.

Ms. Rachel Weiner: Good afternoon. My name is Rachel Weiner, and I am a staff lawyer at IAVGO Community Legal Clinic. I am accompanied by my colleague, Laura Lunansky, staff lawyer at Injured Workers' Consultants.

With us today are a group of injured workers, who are sitting behind me. We speak to you on behalf of a coalition, including the Ontario Network of Injured Workers Groups, the health care professionals for injured workers, ARCH Disability Law Centre, and leading legal minds including Gary Newhouse and Michael Green.

Injured workers, community legal clinics, doctors and private-bar lawyers are closely following the development of schedule 33 of Bill 127. We have put together a written submission describing our grave concerns about this bill. We raise significant issues about the integrity of the workers' compensation system and its treatment of our clients and members. These injured workers, who are often low-income, precariously employed, non-unionized, racialized or living in rural areas, are likely to be the most negatively affected by the proposed changes.

My colleague, Ms. Lunansky, will outline our concerns for you.

1410

Ms. Laura Lunansky: Thank you. As Ms. Weiner said, we're here to discuss schedule 33 to the bill, which

will amend the Workplace Safety and Insurance Act. I'll start by talking about the two good parts of the amendments.

The first is that after many years of injustice, recipients of pension supplements will no longer have those supplements reduced every time they get a cost-of-living adjustment to their Old Age Security payments. That has been happening because the supplement wasn't indexed for inflation. Every time the OAS amount would go up, the supplement was decreased by the same amount.

The second change that we're happy to see is changes to mental stress entitlements. The bill will remove the bar on chronic mental stress claims. This change comes three years after this provision was declared contrary to the Charter of Rights and Freedoms, so again, it's a welcome change that the government is moving to get rid of that unconstitutional provision.

The problem, however, with the mental stress change is that there are no transitional provisions. Anybody with a chronic mental stress injury that happens after 2018 will be covered, but anybody injured in the 20 years prior to that, from 1998 all the way up to 2018, will not. That's unacceptable given that the bar was discriminatory and struck down as contrary to the charter.

Our biggest concern today with the bill—and it's really an alarm—is its new policy-making powers that it will give to the Workplace Safety and Insurance Board through the amendments to section 159 of the act. These amendments will allow the WSIB to establish policies concerning the interpretation and application of the act, as well as evidentiary requirements and adjudicative principles. These types of principles are foundational and should not be changed by policy. These are the types of changes that belong in the Legislature.

We are especially concerned given the WSIB's direction in recent years. Any injured worker and anyone who practises in this area can tell you that the WSIB has become completely focused on reducing its expenses. They have been cutting benefits through policy and practice since 2011. In fact, they have retained billions of dollars—about $11 billion, according to their financial statement in 2015—and they're now several years ahead of where they want to be in their financial plans.

Up until now, the saving grace for at least some injured workers has been that they've had a fair shot at getting justice in their cases when they have appealed to the tribunal. Since the tribunal is bound by board policies, though, we are afraid that that, too, is going to disappear for injured workers.

If this government wants to condone the WSIB's benefit-cutting, then it should do so by changing the legislation, using the proper democratic process. It should not be done by policy. Our written submissions, which we've handed out, will provide more background on the benefit cuts and our reasons for opposing the new policy-making section.

To conclude, we urge you to consider amending schedule 33 to first of all provide transitional provisions for chronic mental stress injuries prior to 2018 and to second of all remove the new policy-making powers. That would be section 8 of the bill. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation. Mr. Vanthof.

Mr. John Vanthof: Thank you very much for coming today—for all of you coming today—and thank you very much for the work you do on behalf of people who are sadly involved with the WSIB. When it comes to our office, it's one of the toughest cases to deal with.

I'd like you to outline more your concern about the changing policy part—kind of skirting the Legislature to change policy.

Ms. Laura Lunansky: Sure. What we've seen happening are changes in not only policy, but practice as well at the WSIB, where the way the law is written isn't being applied, and injured workers are being denied benefits that they would have been entitled to up until recent years.

One of the main examples I can give you is in the treatment of pre-existing conditions. It used to be that the board would follow the thin skull principle. You take your worker as you find them. You get compensated for the full extent of the injury, even if it's more significant than it otherwise would have been because you had some pre-existing issue. That has changed in recent years. They have been paying people based on usual healing time. So even if the worker is not better, if they have a sprain of some sort that's supposed to get better in three weeks, they have stopped benefits at three weeks.

They have cut entitlement for permanent impairment awards by about a third. We don't think that a third of people are suddenly recovering; something else is going on there.

Mr. John Vanthof: Could you outline an example? If someone's permanent award is cut by a third, what impact would that have on some people's lives?

Ms. Laura Lunansky: Some people aren't getting any recognition of the fact that they have a permanent impairment. If that's the case, then they have no entitlement to ongoing benefits.

The other way that it affects workers is in terms of employability. A lot of the people we see are vulnerable in that they are precariously employed. They don't speak English a lot of the time. They're new immigrants. A lot of people can only do manual labour. When they have a physical injury that prevents them from being able to do that, they're effectively shut out a lot of the time. If that's not recognized, they end up on ODSP.

Mr. John Vanthof: Okay. Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Thank you very much for coming in and thank you all for being here today. You spoke at the outset of your presentation about some of the changes in the bill. One of the elements that you spoke to was that currently people who experience chronic or mental stress as a result of employment are not entitled to benefits under the act. In the bill, we proposed to remove that exemption. Can you just talk about why that's important

and what impact that could have on people like those here and others that you represent?

Ms. Laura Lunansky: Sure. The way that the act is written now, and the way that it's been since 1998, is that there's only entitlement if you have a mental stress injury—something like PTSD—that has come about as a result of a traumatic event that is unexpected. This would remove that so that people who have injuries that arise from chronic stress that happens in the workplace would also be compensated.

This comes three years after the Workplace Safety and Insurance Appeals Tribunal looked at three cases, actually, of chronic mental stress entitlement. The first was three years ago. They said, "Yes, this is contrary to the charter. You're treating people with mental injuries differently than people with physical injuries." So we've had a bit of a void there for the past three years where people with these injuries were stuck with legislation that the tribunal has said is unconstitutional, but there's really nowhere for these people to go, except to go to the tribunal and mount a charter challenge. This will fix that, but only for people who are injured after 2018. Anybody within that 1998 to 2018 time period has been left out.

If you had a chronic stress injury—for example, one of the cases was a nurse who was harassed by a doctor; that was one that the tribunal allowed. She had to take it all the way to the tribunal and bring in expert evidence, all that kind of thing. You need legal counsel. It takes several years to get there in order to get entitlement. Twenty years of workers are still going to be faced with that unless some transitional provisions are put into this bill.

Mr. Yvan Baker: Chair, how much time do I have?

The Chair (Mr. Peter Z. Milczyn): Some 45 seconds.

Mr. Yvan Baker: Just briefly: Currently—again, something that you referenced earlier in your presentation—WSIB has to adjust the supplement you deserve when you turn 65 and become eligible for Old Age Security benefits. There's a change in the bill here with regard to that. Could you just speak to, again, why that's important, or how that impacts folks here and others you represent?

Ms. Laura Lunansky: It only affects people who fall under the old pension systems, so that would be claims prior to 1990. What was happening for those people is that because WSIB benefits were not adjusted for inflation, but OAS was, the way that the supplement worked was that there was a set amount you could get. It was set by the OAS as well. Every time the OAS was adjusted for inflation, that would be clawed back by the WSIB in the amount of the pension supplement. People were actually ending up with less money overall because they weren't getting the cost-of-living adjustments. This would fix that.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett.

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

Thanks to the coalition for testifying. You mentioned WSIB focusing on cutting back their own costs. You said they've reduced costs by $11 billion. Did I hear that correctly?

Ms. Laura Lunansky: I believe so, yes, in their own numbers.

Mr. Toby Barrett: Over a number of years?

Ms. Laura Lunansky: Yes, since they started making these changes.

Mr. Toby Barrett: And then a one-third cut to what? Caseload or payouts or what would that be?

Ms. Laura Lunansky: That number refers to permanent impairment awards. That's the recognition that somebody has a permanent disability as a result of their work injury.

1420

Mr. Toby Barrett: And so all of this that has occurred—is that also as a result of certain amendments that were made to legislation a few years ago?

Ms. Laura Lunansky: That's the thing. That's our point today, that there were no amendments made. This is all happening by the board's own policies and practices, and that's what we have a problem with, essentially, because it's not being debated. It's not subject to the democratic process; it's just internal decisions that are happening for the purpose of reducing benefits, which we think is actually contrary to the principles of the act.

Mr. Toby Barrett: I know they're in the hole. Their unfunded liability—what's it at now? I know it's coming down.

Ms. Laura Lunansky: I don't know the exact amount, because, frankly, it doesn't actually matter. It's under control. It's not a big issue. They're well ahead of their target of meeting it. They've been in operation for 100 years without having any fear of going bankrupt, and it's not a concern. We're far more concerned with the cuts to benefits for people who should be entitled.

Mr. Toby Barrett: What are the targets? Do you know?

Ms. Laura Lunansky: Their target is to reach 100% funding.

Mr. Toby Barrett: Zero unfunded liability?

Ms. Laura Lunansky: Yes.

The Chair (Mr. Peter Z. Milczyn): Mr. Oosterhoff.

Mr. Sam Oosterhoff: Very briefly, I was curious: Did you and the coalition you represent feel that you were consulted in the development of this legislation to an adequate level?

Ms. Laura Lunansky: There was no consultation at all.

Mr. Sam Oosterhoff: Perfect. The other question I have is that obviously you have concerns about the specific evidentiary requirements and adjudicative principles that this grants the WSIB. Could you explain a little more why you think that that's concerning?

Ms. Laura Lunansky: Well, primarily it's concerning because we don't understand why it's there. We don't know what the purpose of that is. The board has the ability to make policies to interpret the act. Given the way things have been going at the board, with their concern with basically meeting their financial targets at

all costs, we've seen what has happened through practice. We're afraid that this is going to expand those powers, tie the hands of the tribunal and really take away justice for people who are injured.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation today. If there is something additional that you'd like to submit in writing, you can do so until 7 p.m. today.

Ms. Laura Lunansky: Thank you.

Ms. Rachel Weiner: Thank you.

ASSOCIATION OF INTERNATIONAL CERTIFIED PROFESSIONAL ACCOUNTANTS

The Chair (Mr. Peter Z. Milczyn): Our next witness this afternoon is the Association of International Certified Professional Accountants. Good afternoon. You have up to five minutes for your presentation. Your round of questions will begin with the government caucus. As you begin, if you could please state your names for the official record.

Mr. Ranil Mendis: Thank you for the opportunity to speak to schedule 3 of Bill 127, the Chartered Professional Accountants of Ontario Act, 2017. I am a Canadian board member of the Association of International Certified Professional Accountants. With me are Amal Ratnayake, my fellow board member, and Arleen Thomas, managing director for the Americas and CGMA global offerings.

The AICPA, along with the Chartered Institute of Management Accountants, offers the international accounting designation CGMA, chartered global management accountant. There are approximately 150,000 CGMAs around the world. Ontario alone has 2,000 CGMAs who generally spent around seven years studying, taking rigorous tests, and invested an average of $20,000 to earn this prestigious professional accounting qualification.

We are gravely concerned that section 29 of schedule 3 will limit our legitimately earned designation. The use of this designation is restricted, and 2,000 CGMAs have emailed their MPPs and the members of this committee to make their voices heard. When the act was last amended in 2010, the government said it would ensure a balance between foreign-designation holders and protecting the public. This legislation, however, removes that balance. It discriminates against accountants who received their designation outside of Canada and puts their career prospects and livelihoods in jeopardy.

Mr. Amal Ratnayake: I am Amal Ratnayake, and I would like to share with you my experience as a newcomer to Canada and how this legislation would have impacted me.

I was born in Sri Lanka, went to high school in Nigeria, grad school in the UK and worked in Saudi Arabia. The CGMA supported me in landing my first job. I built on that learning when I obtained my post-graduate MBA. I came to Canada because my education and experience was recognized by Citizenship and Immigration Canada, and they made me believe that my skill sets were needed and desired in Canada. Upon arrival, I was constantly asked if I had Canadian work experience; of course not, I had just arrived.

During this time of great difficulty, the ability to use my designation gave me strength. The ability to proudly display it on my email signature, business card and letterhead—and, in today's context, social media. Had I not been able to do so, finding a job and building a career would have been even more challenging.

We have made Canada our home and have invested back. Through CIMA, we've engaged children and youth through the game of cricket across the GTA from Hamilton to Durham. Over 8,000 young children from more than 150 schools have now had the opportunity to play cricket through our programs. As well, we hold a CIMA mayor's cricket trophy in Toronto, showcasing Toronto's diversity through sport.

My story isn't unique. Hundreds of internationally trained accountants migrate to Canada every year and look to make Canada their home.

Accounting is an open profession, meaning that there is a wide variety of functions that fall under the term "accountant." Do we oppose regulation of the profession? Absolutely not. Anyone who is practising public accounting should be a member of the local authority and subject to the strict rules and standards governing public accounting. However, CGMAs and other management accountants work in the finance functions of Canadian corporations and not-for-profits. It is important that during your considerations the distinction is made between the appropriate protections that must be in place over public accounting and the important role management accountants play in business. Each has a vital but distinct role in the success of Ontario's economy.

Section 29 is not clear on what foreign-designation holders can and cannot do. One part says you can put your designation on your resumé, but not on LinkedIn. You can use it in a speech, but not on the business card that you hand out afterwards. You can use it to respond to an RFP, but can't email the RFP with your designation in the signature block.

We believe the amendment in our submission will strike a balance between fairness for foreign-designation holders and public protection. In a nutshell, the amendment allows for use in emails and business cards, and restricted use on social media.

Thank you. I would be happy to answer any questions.

The Chair (Mr. Peter Z. Milczyn): Thank you. I will begin this round with Mr. Baker.

Mr. Yvan Baker: Thanks very much for coming in and speaking to us today. Does anything in this legislation, from your vantage point, affect your members' ability to practise accounting?

Mr. Amal Ratnayake: Most of our members do not provide public accounting services, if that's what you mean. Most of our members work for industry. They work for corporations. The ability for them not to use that

designation will get in the way of them obtaining jobs in Ontario.

Mr. Yvan Baker: Right. My understanding is that the legislation itself—there are no rule changes that apply here to international designations in any way, so to my understanding you can continue to—I mean, the rules have really remained unchanged. This is really about making sure that we reduce consumer confusion through the merger of the accounting professions. Would you disagree with that?

Ms. Arleen Thomas: Yes, we would disagree with your premise. The 2010 language that was in the original act was before the CGMA was introduced around the globe. That happened in 2012, and then, in 2013, we were actually sued by CPA Ontario, which we took to court and won that case. The court said that a CGMA was not confusing to the public. So we would disagree with the fundamental premise of your statement.

1430

Mr. Yvan Baker: But I guess my question was, has anything changed in this bill that applies to your—nothing has changed in this bill, correct?

Ms. Arleen Thomas: No. We believe that the court case from 2013 made it quite clear that these gentlemen sitting to my right and myself could use CGMA in Ontario. The current legislation changes that.

Mr. Yvan Baker: Let me clarify for you. The current legislation—

Ms. Arleen Thomas: The proposed legislation.

Mr. Yvan Baker: —doesn't actually change the rules with regard to that. The current legislation is the same as the previous legislation as far as the use of international credentials. Nothing in this legislation changes that. Those with those credentials, like yourselves, continue to be able to practise just as they did before. Nothing here changes that.

What this is meant to do is to make sure that there is clarity for those who are the consumers of those accounting services. In other words, this is bringing forward a merger of the accounting profession. This ensures that consumers of accounting services—and I used to be one of those people when I was in business—have greater clarity with regard to whether the person they are hiring is accredited, what their qualifications are, what their skill sets are etc. But in the current provisions in this act, nothing changes or impacts the rules that affect those with foreign credentials in Canada.

Ms. Arleen Thomas: We believe it does. We believe it impacts the ability of individuals like the gentlemen sitting to my right and the hundred or so new individuals who come in to this country all the time, and their ability to get jobs in corporations, because they will not be able to share with the public the fact that they have these professional designations.

Mr. Yvan Baker: Okay, but that's not a change.

Ms. Arleen Thomas: We would disagree.

Mr. Yvan Baker: I'm just asking you a question, very specifically, as to whether there is anything changing in this act from the previous act.

Ms. Arleen Thomas: And we would disagree, so I think we're at an impasse.

Mr. Yvan Baker: Okay.

The Chair (Mr. Peter Z. Milczyn): That's all the time for that round. Mr. Barrett.

Mr. Toby Barrett: I'm still trying to clarify this in my own mind. So in Ontario, someone who is trained in Ontario, say as a chartered accountant, can still put "CA" after their name?

Mr. Amal Ratnayake: That's correct.

Mr. Toby Barrett: They don't have to change over to "CPA"?

Mr. Amal Ratnayake: Oh—

Ms. Arleen Thomas: I'm sorry. I'm not sure we understood your question. Could you please—we did not understand your question.

Mr. Toby Barrett: Somebody trained in Ontario as a CA can still put "CA" after their name?

Ms. Arleen Thomas: That's correct. It's my understanding that they would put "CPA, CA."

Mr. Toby Barrett: Oh, they put "CPA"—

Ms. Arleen Thomas: That's my understanding, correct.

Mr. Toby Barrett: And then "CA" after that?

Ms. Arleen Thomas: Yes.

Mr. Toby Barrett: So as I heard from the government, I guess the intention a few years ago was to merge everybody under CPA?

Ms. Arleen Thomas: The three bodies that were here at the time, correct. We're here representing the CGMAs, which are a group of professionally trained accountants who learned their trade outside of Ontario.

Mr. Toby Barrett: Yes. So when someone with that designation comes to Ontario, like a doctor, or they would write an exam or take extra courses for the Ontario experience? Say, like a lawyer or other professions?

Ms. Arleen Thomas: Yes. The difference here is these individuals work in finance departments of companies, and so they're not working in a regulated space. It's not like a doctor who comes in and needs to understand the medical laws in Ontario. These are individuals who may work in the finance companies of Hewlett-Packard, Shell or Unilever. What they need to understand is the policies and procedures within the organization they work with. That, of course, would be up to the organization to train them.

Mr. Toby Barrett: I see. So they're not concerned about them writing an exam or being accredited as such, these companies?

Ms. Arleen Thomas: No. Correct.

The Chair (Mr. Peter Z. Milczyn): Mr. Oosterhoff.

Mr. Sam Oosterhoff: Just for the record, do you feel that you were adequately consulted in the development of this legislation?

Ms. Arleen Thomas: We actually outreached to the government during this process, and I would say that we very much talked past each other.

Mr. Sam Oosterhoff: Right. Okay. If the stated desire of the government is to make it easier by amalgamating the three designations, and you feel that that's not a good approach, at least from what I'm feeling, what would have been a more effective way of achieving their goal of clarity for the consumer? At least, that's what I think they were trying to do, as badly as that may have turned out. I'd love to hear what you think would have been a more effective route.

Ms. Arleen Thomas: Bringing the three organizations together, we were strongly supportive of from day one. I mean, that really is a wonderful thing, I believe and my organization believes, for the Canadian marketplace.

Our exception is the fact that the way that the language has been written is it does not allow individuals who have been professionally qualified and are involved in global communities from holding out. It is that narrow piece that we're here to talk to you about today.

Mr. Sam Oosterhoff: Okay.

Ms. Arleen Thomas: And our proposal clarifies what could be a win-win solution for everyone.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof.

Mr. John Vanthof: Thank you very much for coming. This has been a fairly common theme this afternoon. But one thing that stood out is—there has been a court case on this issue in Ontario?

Ms. Arleen Thomas: That's correct.

Mr. John Vanthof: Could you expand on that a little bit?

Ms. Arleen Thomas: Sure. Four of our members were sued by CPA Ontario for the use of the CGMA designation. I was the person who was honoured to come up and receive the cross-examination with a smile on my face.

The court ruled that CGMA, in and of itself, didn't confuse the marketplace at all, because of the fact that it was quite clear on our websites and other places that we weren't in Ontario, it was a global credential, it's in management accounting, and it did not confuse the public whatsoever.

Mr. John Vanthof: What was the date of this court case?

Ms. Arleen Thomas: It was 2013.

Mr. John Vanthof: So that was after the initial legislation?

Ms. Arleen Thomas: That is correct.

Mr. John Vanthof: Thank you very much.

Ms. Arleen Thomas: You're welcome.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation this afternoon. If there is something further you'd like to present in writing, you can do so until 7 p.m. today.

Ms. Arleen Thomas: Thank you very much.

Mr. Amal Ratnayake: Thank you.

The Chair (Mr. Peter Z. Milczyn): We're a little bit ahead of schedule and our next witness isn't here yet, so we will recess for five minutes.

The committee recessed from 1437 to 1445.

ONTARIO FEDERATION OF LABOUR

The Chair (Mr. Peter Z. Milczyn): The committee is back in session. Our next witness is the Ontario Federation of Labour. You have up to five minutes for your presentation, following which will be questions, beginning with the Progressive Conservative caucus. If you could please state your names for the official record as you begin.

Mr. Chris Buckley: Chris Buckley, Ontario Federation of Labour.

Mr. Rob Halpin: Rob Halpin, Ontario Federation of Labour.

Mr. Joel Schwartz: Joel Schwartz, OPSEU.

Mr. Chris Buckley: Let me start off by thanking the Clerk's office and the committee for allowing us to present here today. The OFL represents 54 unions and approximately a million members right across the province of Ontario.

Today I'm asking this committee to reconsider the proposed changes to the Workplace Safety and Insurance Act, as outlined in schedule 33 of Bill 127. We were encouraged to see the 2017 budget included good news for injured workers and that the government is planning to remove the statutory bar to chronic mental stress claims. Yet, we are here today to express our concern with the details that have been outlined in the legislation.

First, the fact that compensation for mental stress will only be granted for claims with accident dates on or after January 1, 2018, is just plain wrong. Too many injured workers and their families have suffered because they were cut out of the WSIB health care and return to work support. These changes must be retroactive. It was approximately three years ago that the Workplace Safety and Insurance Appeals Tribunal ruled that the bar on chronic mental stress claims is discriminatory and violates the Charter of Rights and Freedoms. The government is right in acting to correct unconstitutional legislation; however, as I will point out, if the proposed budget legislation passes as written, it may not remove the unconstitutional provisions as intended.

Secondly, I am concerned about the continued prohibition on the recognition of stress that emerges from the employer's actions relating to the worker's employment. In my view, this will mean that much of the workplace stress suffered by Ontario workers still won't be recognized. Most significant is the proposed bar on entitlement for any decision that changed the work to be performed or the working conditions. This is extremely broad and would cover a vast range of employer actions—for example, a decision to reduce staffing in a health care unit, leading to unbearable stress on the remaining workers. I'm asking you to eliminate this bar to compensation.

Lastly, and perhaps even more troubling, within the legislation are the section 159 amendments to the Workplace Safety and Insurance Act. These amendments would give the WSIB power to deny Ontario's vulner-

able disabled workers equal access to workers' compensation benefits.

The section 159 amendments would allow the board to introduce different requirements for evidence or legal principles for different types of entitlements. The board could, by policy, limit entitlement to many of the most vulnerable workers, like those with psychological injuries or occupational diseases like cancer or chronic pain. The board could keep these workers out of the workers' compensation scheme by writing policies that create a higher legal test for entitlement.

With these powers, the board could require that workers with cancer or depression prove that the workplace exposure or accident was the main or only cause of their disability. This would violate the long-standing legal principle that workers only have to prove that the workplace exposure or accident was one significant cause of their disability. Since the board's policies are binding on the appeals tribunal, section 159 effectively gives the board power to unilaterally create binding legal barriers to entitlement for certain types of disabled workers. These will be challenged as unconstitutional.

In recent years, worker-stakeholders have expressed serious concerns about the board's failure to act fairly towards injured workers. These same stakeholders, including the unions that I represent, are alarmed to learn that the board, if this legislation is not amended, will now have carte blanche to make binding policies to prevent certain injured workers from getting equal access to workers' compensation. Only the legislator, not the board, should have the power to change the law. The board already has sufficient power to make policies about benefit decisions; it does not need section 159 to do its work.

Allowing the board to restrict entitlement to workers with certain kinds of disabilities violates the clear direction of the Supreme Court of Canada. In Martin, the Supreme Court said that the laws and policies that limit workers' compensation benefits to people with certain types of disabilities—in that case, chronic pain disability—are discriminatory and invalid. Any board policy that limits entitlement to workers with specific types of disabilities will be vulnerable to charter challenges as discriminatory. The section 159 amendments will force years of litigation and burden the system and the workers who can least afford it.

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Contained in our submission that will be provided here today for your review are amendments that we believe are required to ensure that this legislation will, in fact, right the wrongs that have occurred in the past, and will ensure that this legislation will afford injured workers access to the benefits to which they are entitled.

Thank you for your time.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your time. You're bang-on five minutes.

Mr. Chris Buckley: Oh, I tried. I tried, man. You put a lot of pressure on me, Peter, a lot of pressure.

The Chair (Mr. Peter Z. Milczyn): This round begins with the official opposition. Mr. Barrett.

Mr. Toby Barrett: Maybe just to provide a bit more background on the issue of chronic stress: We're talking about depression and anxiety. To date, is there much compensation for this kind of stuff?

Mr. Chris Buckley: I'll turn it over to Joel.

Mr. Joel Schwartz: What the current legislation provides for is only if it arises secondary to an injury, a physical injury, or a trauma that causes an acute reaction. There is compensation for it in very limited circumstances, but the chronic stress that the legislation is intended to address is not currently compensable under the act.

Mr. Toby Barrett: Is that right? So it comes from other things? I think of harassment in the workplace, for example, which obviously can cause problems. Maybe some people could handle harassment, or, if the union isn't there to have a word—there are laws around that, right?

Mr. Joel Schwartz: There are laws around that. As far as workers' compensation goes, it is only in the most severe of circumstances that it would meet the test under this legislation.

Mr. Toby Barrett: I see. Another severe circumstance might be PTSD, where, say, you saw a co-worker killed under a lift truck or something.

Mr. Joel Schwartz: That would usually meet the test under the current legislation. There is some variability in that.

Mr. Toby Barrett: Yes. I guess it goes by occupation as well—well, more recently with, say, officers, people in the business. I know that nurses are asking for more consideration.

But this is just, as you say, ongoing depression, anxiety, as a result of the situation, the environment or a supervisor, for example, over many years?

Mr. Joel Schwartz: It would really depend on the supervisor's conduct. The proposed amendments would leave in place a bar on entitlement for mental stress arising from employment-related decisions, so it would really depend on what the nature of the supervisor's conduct was. In some cases, it might still be allowed, under the proposed amendments. In other cases, it would still be banned.

Mr. Toby Barrett: Yes. It obviously applies to union and non-union.

Mr. Joel Schwartz: That's correct.

Mr. Toby Barrett: Yes. To my colleague?

The Chair (Mr. Peter Z. Milczyn): No.

Mr. Toby Barrett: I'm sorry. Thank you.

The Chair (Mr. Peter Z. Milczyn): On to the next: Mr. Vanthof.

Mr. John Vanthof: Thank you for coming. Given that, in our view, it is unprecedented that we voted this morning and we're having hearings this afternoon, do you think that the government is taking the time that this issue deserves, to actually look seriously at this issue?

Mr. Rob Halpin: I'll address that. Thank you. We pointed out in our submission that it was about three years ago that we understood that this legislation, as it

currently sat, was unconstitutional in the way that it handled certain disabilities and treated them differently. If you consider three years a long time, there has been quite a bit of time that we've been waiting for this particular change to occur.

I think the intent of the government, as we've said, was in the right spot. Fortunately, with a few tweaks, I think we can make this more manageable. So I would certainly say, yes, we had pretty short notice to be here, but the worker community, the injured worker community and the broader advocacy group that we represent—and, as well, you may have heard from some other deputations today—are extremely aware of the effects that this will have.

As I said, if the intent was to clear up any unconstitutional measures, then, with a bit more attention to detail, as outlined in our amendments, we can get there and get there quite quickly.

Mr. John Vanthof: I'm reading here in the submission, "The amendments expanding the board's policy-making powers in section 159 would be the worst change in the history to the act's schema for adjudicating claims." Given that, do you think there has been enough time to discuss this?

Mr. Chris Buckley: Yes. Again, I think the board is quite able to make policies and it doesn't need the section 159 amendments in order to do that. As we said, when we read the budget initially, we were pleased to see that there was this motion maneuver to make the legislation constitutional, but certainly the finer points—this isn't just a simple bookkeeping or housekeeping initiative. This is an actual massive change to the way that the act would be interpreted in that the board would then be handcuffing, if you will, the tribunal to be able to do its job. It's very important that we have that independent process. Unfortunately, that's at risk the way it's currently written.

But, again, with our amendments as provided, we think we could see that through at least to a way that is going to be more palatable.

Mr. John Vanthof: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Thank you very much for coming in today. In terms of the changes to the WSIB's authority, my understanding is that under the proposed bill, the WSIB would have the authority to establish operational policies, as they do with physical injuries. My understanding is the WSIB will consult with stakeholders, like yourselves, to decide on what that operational policy would look like, the same way they do with physical injuries.

But I want to go back to something that you talked about earlier around those who experience traumatic mental stress and the provisions in the bill that amend that—in other words, the benefits they're entitled to. Can you just talk about what that change means and why that change is important for workers?

Mr. Chris Buckley: Well, obviously—and then I'll turn it over to Joel—it's important because if the—and I'll call it an injury because it happens in the workplace, but if it's happening in the workplace and it's proven that it has happened in the workplace, then that worker should be covered for benefits under the WSIB.

Joel, do you want to add anything?

Mr. Joel Schwartz: Sure. To follow from what Chris said, that legislation was unconstitutional. Three tribunal panels in a row found that subsection 13(4) of the act was discriminatory contrary to section 15. But there was no action.

The first panel wrote a comprehensive decision in 2014 and there has been no action since. Unfortunately, the tribunal doesn't have the power to strike that legislation down, so it has been waiting for either a court decision or government intervention to be able to address that.

It is an important step. It's unfortunately a half measure and it has unfortunately happened long after the legislation was found to be unconstitutional.

Mr. Yvan Baker: Chair, how much time do I have?

The Chair (Mr. Peter Z. Milczyn): Forty seconds.

Mr. Yvan Baker: Forty seconds. Okay. Very quickly, right now the WSIB has to adjust the supplement you deserve when you turn 65 or become eligible for Old Age Security, and there's a change in the bill related to that. Can you speak to the importance of that for workers?

Mr. Joel Schwartz: That addresses an important historical injustice, that workers who were injured before 1988 were treated unfairly. Essentially, their benefits were reduced as they started to receive Old Age Security.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentations. If there's anything further you'd like to submit in writing, you can do so until 7 p.m. today.

Mr. Chris Buckley: And you're sure we're out of time, right?

The Chair (Mr. Peter Z. Milczyn): I'm sure you're out of time.

Mr. Chris Buckley: I'm teasing. Thank you, folks. Thanks for your time.

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Investment Industry Regulatory Organization of Canada. Good afternoon, sir. You have up to five minutes for your presentation. Your round of questions will begin with the New Democratic caucus. If you could please state your name for the official record as you begin.

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Mr. Andrew Kriegler: Thank you, Mr. Chair. Good afternoon. My name is Andrew Kriegler. I'm the president and CEO of the Investment Industry Regulatory Organization of Canada, or IIROC. Thank you for allowing me the opportunity to provide comment on Bill 127, the Stronger, Healthier Ontario Act, and to acknowledge the government's leadership.

I was at this committee just over a year ago, and spoke to you about IIROC and, more importantly, about legislative amendments that we had recommended for inclusion in the 2016 budget which would allow IIROC to better protect Ontario investors and to support healthy capital markets in the province. I'm very pleased to be able to be here today to commend the government for proceeding with one of the amendments we were seeking, but also to highlight the remaining issues we hope the government will continue to consider in the future.

Allow me to briefly repeat some context on who we are and what we do. We are a public interest regulator. We're the national self-regulatory organization that oversees investment dealers and their trading activity in debt and equity marketplaces across Canada. We get our authority from the Ontario Securities Commission in this province, and from all of the other provincial securities authorities across the country, but Ontario is by far the largest market we regulate. We benefit from having the OSC as a strong partner, and I'd like to take this opportunity to thank our colleagues for their leadership, their collaboration and their support.

IIROC sets and enforces rules to ensure that Canada's capital markets operate in a fair and orderly manner. When there's a breach of our rules, we take enforcement action. The majority of our enforcement cases involve the suitability of investments for seniors, underscoring the fact that the protection of vulnerable persons is one of our priorities.

It's vital that we have the tools necessary to vigorously and effectively protect the public. Investors must be confident that firms and individuals are complying with the rules and that if they break them, there will be consequences. The existence of real consequences acts as a deterrent, but we also believe that the failure to mete out such consequences undermines confidence in our capital markets, and we're glad that the government agreed.

With the amendments to the Securities Act introduced as part of Bill 127, Ontario joins Alberta, Quebec and Prince Edward Island in giving IIROC the ability to pursue these wrongdoers. These amendments will allow us to enforce our disciplinary decisions as if they were judgments of the Superior Court. We know this works. In Alberta and Quebec, the collection rates for fines are considerably higher than the national average. We expect that will now begin to change with the passage of Bill 127.

In taking action, the government sends a strong and credible message of deterrence. It fosters confidence in the regulatory system, and does it at no material cost to the government or its taxpayers.

Since I was last here, we've had meaningful and substantive discussions with the government about the legislative amendments we are seeking. I've just mentioned the first one. However, I'm also hopeful that our additional proposed amendments will continue to be considered by the government in the future.

The second is statutory immunity. If the OSC and its staff were to carry out our duties directly, they would be protected by the Securities Act from legal action for acts done in good faith. Even though we only carry out the responsibility given to us by the OSC, these protections don't apply to us. As a result, IIROC and its staff, including our investigators and the members of our disciplinary tribunals, are potentially exposed to legal action, even when acting in the public interest. I should point out that just last week, the government of Alberta introduced a bill amending its own Securities Act to give IIROC this very immunity.

Lastly, we're also looking for the ability to increase co-operation with our investigations and hearings. Currently, we can only require co-operation from those we regulate directly. However, many others have relevant evidence to give, and absent the amendments, we have no direct ability to get at that evidence. We presently have the ability to require co-operation at disciplinary hearings in Alberta and PEI, and in last week's bill, Alberta also introduced amendments which will allow us to require co-operation with investigations in that province. We're hoping Ontario will continue to make progress in the area of investor protection and enact similar amendments in the future.

Let me close by reiterating how critical and significant the amendments contained in Bill 127 are, not only to IIROC, but to investors and to the province as a whole.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Mr. Vanthof.

Mr. John Vanthof: Thank you very much for coming and making your submission. Could you expand on the issue of requiring co-operation? So if a group or an individual decides not to co-operate, your powers are null and void?

Mr. Andrew Kriegler: Let me give you an example. Often there are cases where people are accused of having fraudulently taken money from their customers, from investors. In trying to build that case, it's helpful to be able to follow the trail of money. But in the absence of such a power, we cannot get at things like banking records or telephone records that might substantiate that claim. There have been cases across the country where we've just had to stop.

It's important to note, as I mentioned earlier, that Alberta has just introduced a bill to give us this power, and we think that will make a big difference in our ability to pursue cases in that province. We're hopeful that, over time, we'll get that here as well.

Mr. John Vanthof: Okay. My second question goes to your second point, on statutory immunity. Could you give us an example where that would help you?

Mr. Andrew Kriegler: Certainly. There are circumstances where people don't particularly like the work that regulators do. One of the ways in which they can seek to stop us is to launch malicious legal actions to try and distract us. If we didn't exist, if the Ontario Securities Commission were to do the responsibilities that we have directly themselves, they would have that protection. But because we're acting on their behalf, we don't have it.

Mr. John Vanthof: Okay. Thank you.

Mr. Andrew Kriegler: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Thanks very much for coming in. My background is in business. My first job was in financial services and I have worked a lot in financial services subsequent to that as a management consultant. In fact, I did some work over the years in consulting, looking at the financial services sector and how significant it is to our economy here in Toronto and the GTA: how many jobs are tied to it, how much GDP is generated from it, things like that.

Always, when government makes regulatory changes, there are those who express concern about whether these changes are going to impact economic activity. My question to you is, do you believe that the changes in this bill will help support the financial services sector, or do you believe they won't?

Mr. Andrew Kriegler: I think they absolutely will help. These are nothing but positive changes, because what they do is they increase confidence in the financial system, because they increase the confidence in the integrity of that system.

We have some 14,000 registered individuals who work in Ontario in hundreds and hundreds of business locations. What they do by providing investment advice to Ontarians is help fuel economic growth. The more that people can have confidence in the system—that if you break the rule, you're going to get punished—the better they feel about it, so I think these are extraordinarily positive steps and I commend the government for taking them.

Mr. Yvan Baker: Great. I know that I have spoken with a lot of folks who advocate for seniors and others, who have advocated for these types of measures in part because they want to make sure that people who invest their money or users of the financial services know that penalties are there for those who are breaking the rules.

In this bill, we're proposing changes that would strengthen enforcement at SROs by allowing them to file their decisions with the court.

Mr. Andrew Kriegler: That's right.

Mr. Yvan Baker: This measure is intended to improve SROs' ability to collect fines levied against individuals and help deter potential offenders from wrongdoing in the first place, which is really what those seniors' advocates were advocating for. Can you speak to what these changes will mean for individual investors or consumers within the financial services system?

Mr. Andrew Kriegler: Yes, I would be happy to. We've had many cases over the years where there have been wrongdoers whom we had caught and had prosecuted. When the individuals who have been harmed ask us what the consequences of those actions are, occasionally we have to tell them, "No, I'm sorry. This person left industry, and we can't pursue them any longer."

Being able to say, "We're going to go after them; we're going to pursue them with a court order and they're going to have to pay for the consequence of their actions," does provide, I think, some degree of comfort to those who have been harmed. But as importantly, it provides confidence in the system as a whole, because it holds together now. So that's a terrific step.

Mr. Yvan Baker: Okay, thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett?

Mr. Toby Barrett: You presented almost a wish list of how better to enable you to ensure compliance within the industry and collecting fines. It sounds like for individuals, you're only collecting between 8% or 11% of the fines. I guess most of it lies with the registered dealers or the ones that don't drop out.

1510

Mr. Andrew Kriegler: I would distinguish between the firms themselves, which tend to pay 100% of the fines because they want to stay in business, and the individuals, who could just exit the industry and not pay as a result. Even having this enforcement power will never allow us to collect 100% because sometimes the money is just gone. But by giving us the tools to go after the bad guys, even if they leave the industry, I think makes an enormous difference.

Mr. Toby Barrett: So with these requirements, the things that should be in place, you have to go province by province by province and ask for the same thing?

Mr. Andrew Kriegler: Yes, sir, we do. But the good thing is, it's been working. This calendar year alone Prince Edward Island has given us this authority, Ontario is proposing to in this bill, and Alberta has introduced a bill to even further strengthen our powers. With a little bit of luck we might see another province or two this year as well.

I think there's an enormous amount of positive momentum. The steps that the Ontario government has taken in introducing this legislative change will only increase that momentum. I think everyone in the system benefits as a result.

Mr. Toby Barrett: How long has your enforcement organization been in place in Canada?

Mr. Andrew Kriegler: The predecessor to IIROC was called the Investment Dealers Association. It's been here for many, many decades. In our current incarnation, we've been in existence as IIROC since 2008.

Mr. Toby Barrett: Are you akin to, say, the College of Physicians and Surgeons, as opposed to an association or a union?

Mr. Andrew Kriegler: That's right. We're not a trade association. We are a self-regulatory organization only. The parallel you draw to the college is a very good one in that the college has many of the similar powers that we're asking for.

The distinction is, of course, we're a pan-Canadian organization. I work for the government of Ontario through the Ontario Securities Commission, but of course, also for the government of Alberta through the Alberta Securities Commission and so on.

Mr. Toby Barrett: Just on those latter organizations, a number of years ago there was a move to try and centralize financial securities and capital and what have you. I should know this—that never happened?

Mr. Andrew Kriegler: If you're talking about the co-operative securities regulator initiative, I believe that is still ongoing.

Mr. Toby Barrett: Ongoing?

Mr. Andrew Kriegler: Yes.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. That's all the time we have for today. If there's anything further you would like to provide to us in writing—we know you already have done something, but if there's anything more, you have until 7 p.m. today.

Mr. Andrew Kriegler: Thank you, Mr. Chair. Thank you all.

ONTARIO PSYCHOLOGICAL ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Psychological Association. Good afternoon.

Ms. Jan Kasperski: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to five minutes for your presentation. If you could please state you name for the official record as you begin.

Ms. Jan Kasperski: Thank you. My name is Mary Janet Kasperski; I go by Jan. I am the chief executive officer of the Ontario Psychological Association.

I'm really here today to let you know that the Ontario Psychological Association and its members strongly support the expansion of the entitlement provisions in Bill 127, schedule 33. Our members and our patients see the proposed amendments to the Workplace Safety and Insurance Act as a vitally important step in removing discrimination against Ontarians suffering from workplace-induced chronic and traumatic stress.

This amendment to the act is most welcome and needed since far too many workers suffer from psychological injuries. Workplace stress not only impacts upon the worker, but also has major impacts on their family members, their co-workers, and their employer's reputation, its level of productivity and its bottom line. And the impact of untreated workplace mental stress ultimately places great financial barriers and burdens on multiple government ministries, on taxpayers, and on society in general.

Last year, our members were pleased to see the passage of Bill 163, the Supporting Ontario's First Responders Act. Those amendments to the Workplace Safety and Insurance Act prescribed that a psychologist or a psychiatrist must complete an assessment and render a diagnosis that specifies that the first responder suffered from work-related post-traumatic stress disorder. The presumptive component of those amendments entitled first responders to faster access to WSIB benefits and proper treatment interventions. As researchers, academics and highly skilled clinicians, we know that delays in access to evidence-based psychological intervention tend to transform a treatable condition into a chronic one. The amendments to this act are in keeping with the research evidence indicating that early intervention leads to positive short-term and long-term outcomes.

While we celebrated the passage of Bill 163, we saw it as an important first step in the modernization of the WSIA that was passed 20 years ago in 1997. We advocated for all of our patients suffering from chronic or traumatic mental stress. We felt that they deserved the same level of early access to WSIB benefits and treatments as first responders. We also recognized that first responders might be suffering from chronic mental stress and not just PTSD.

The passage of the current amendments to the act is the next important step in the modernization process, but it is the actual implementation process for the provision of entitlements for chronic and traumatic mental stress entitlements that needs to proceed effectively and efficiently to relieve further emotional distress for workers and to reduce the confusion amongst employers. That smooth process will depend upon policy details developed by the WSIB. The OPA is actively involved with the WSIB on a number of fronts now and hopes to be actively involved in contributing to the development of the policy framework that will provide fair entitlement and timely access to necessary psychological assessments and treatment interventions.

As the WSIB develops it operational policies to address chronic and traumatic mental stress amongst all workers in Ontario, it will be important to take into consideration the following issues:

(1) The evaluation of chronic and traumatic mental stress requires a comprehensive assessment to address issues of causality and differential diagnosis. Timely worker access to a comprehensive and thorough psychological assessment by a community psychologist or psychiatrist of their choice to diagnose their injuries and disorders and plan their treatment is going to be an important component.

(2) The diagnostic process is often more complex than for other mental disorders which require a diagnosis from a psychologist or psychiatrist to determine entitlement. As a result, the primary diagnostician should not be the family physician or other allied health providers. In keeping with other types of psychological disorders, it remains important that the WSIB relies upon the specific diagnostic expertise of psychologists and psychiatrists.

(3) A weekend course in CBT or mindfulness does not provide the knowledge and skills to deliver evidenced-based psychological interventions for mental disorders such as chronic stress disorders, including PTSD. How to provide—

The Chair (Mr. Peter Z. Milczyn): I'll have to cut you off there. You're already over five minutes.

Ms. Jan Kasperski: Okay. Thank you.

The Chair (Mr. Peter Z. Milczyn): We'll start this round off with Ms. Hoggarth for three minutes.

Ms. Ann Hoggarth: Thank you and good afternoon, Jan. Thanks for your presentation. I was interested in you saying that a great slogan for the amendments to the act is "getting it right, now, or paying later." That indeed is a good idea—to try to get it right, now.

As it stands, Ontarians who experience chronic or traumatic mental stress as a result of their employment

are not entitled to benefits under the Workplace Safety and Insurance Act. The Ontario government is proposing to improve that exemption and include chronic and traumatic stress on the list of conditions that are covered by the WSIB. Could you discuss the impact this would have on Ontario workers who experience these conditions, please?

Ms. Jan Kasperski: I spoke during my presentation about the fact that the impact of not having any type of entitlement under the WSIB has meant that some of our workers, such as first responders, are getting the kind of care that they really deserve as quickly as possible. Others are on long wait-lists in the mental health arena or ending up having to go through an advocacy process in order for that to happen.

1520

We believe very strongly that early intervention is the way to decrease costs in the long run, but the incredible impact on our workers, their families and society in general is what we're really trying to address through this change in the amendments.

Ms. Ann Hoggarth: Great. To remedy this, the province is proposing to amend the act to allow for chronic and traumatic mental stress to be treated in the same way as physical injury with respect to entitlement benefits under WSIB. Do you believe that this change is the right way to ensure that workers who experience chronic or traumatic mental stress are treated equally and justly?

Ms. Jan Kasperski: I certainly do, and so do my members. We see real improvements in the care that is happening for our first responders as a result of the first amendments to the act, and we're really looking forward to increased access and therefore much, much better care for all workers in the province.

Ms. Ann Hoggarth: And you do believe that this change will not only impact the lives of the workers and their families, but it will also impact our economy as well?

Ms. Jan Kasperski: I believe that the short-term and long-term impact of untreated psychological disorders causes reduced productivity in the workplace. It causes absenteeism. It causes long-term disability and short-term disability. The impact is tremendous on our economy when we don't give people the early access to the care that they require. We turn a treatable condition into a chronic one that ends up costing us in the long term.

Ms. Ann Hoggarth: Thank you so much.

Ms. Jan Kasperski: You're welcome.

The Chair (Mr. Peter Z. Milczyn): Ms. Munro.

Mrs. Julia Munro: Thank you very much for joining us today. I have a couple of basic questions that I wanted to ask you.

Ms. Jan Kasperski: Sure.

Mrs. Julia Munro: Can you give us a sense of the numbers of people that we're talking about in certain groups? That is, those on wait-lists, those whose issues are being addressed—things just to give us sort of a baseline of how much this impacts, certainly on individuals, but obviously on the community at large?

Ms. Jan Kasperski: We do know that, from a statistical perspective, one in five people in every year will experience a mental disorder. Out of that group, you're really looking at the employer workforce, and I can't really estimate exactly what that would look like. We do know that many individuals have been referred to WSIB and turned down, and then go through an incredible situation in order to prove that their stress-related occupational thing is due to workplace injuries. That just delays and increases their stress.

Mrs. Julia Munro: I just think it's so important for us to understand the numbers, how big an issue it is, because of the fact that, obviously, the people who are waiting are sort of waiting behind a curtain. We have the people who need to be or are being addressed right now or should be. That's why I asked.

Ms. Jan Kasperski: I do know that WSIB has been collecting a lot of data on who is actually being referred to WSIB and who is turned down. That would be a really important first step in getting at least a handle on the population that, under these amendments, would be qualified in order to get WSIB benefits. I can certainly work with WSIB to get you that information. Like I said in my speech, we're currently doing a lot of work with WSIB on the intake assessment process. We've been meeting with them weekly in the last little while. So I'll get you that information, at least from their perspective.

Mrs. Julia Munro: I really appreciate that offer, because I think it gives us a better handle on the way in which, perhaps, the process could be better tailored to those kinds of needs. Thank you.

Are we out of time?

The Chair (Mr. Peter Z. Milczyn): You have 20 seconds.

Mrs. Julia Munro: Thank you.

Ms. Jan Kasperski: You're welcome.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof.

Mr. John Vanthof: Thank you very much for coming in and giving your insight on this issue. I'm reading through your presentation. You would agree that recognizing chronic and traumatic mental stress by the WSIB is an important step. What are your views on how it's only going forward and not retroactive?

Ms. Jan Kasperski: I think that when we looked at the first bill, we were able to identify first responders who had had a series of events that led them to have post-traumatic stress disorder.

If you're talking about chronic stress in particular, those individuals who can identify the fact that they've had chronic stress are going to be covered under this particular amendment.

Mr. John Vanthof: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation today. If there's something further you'd like to submit in writing, you can do so until 7 p.m. today.

Ms. Jan Kasperski: Will do. Thank you.

OPTRUST

The Chair (Mr. Peter Z. Milczyn): Our next witness this afternoon is OPTrust. Good afternoon.

Mr. Hugh O'Reilly: Good afternoon, Mr. Chair.

The Chair (Mr. Peter Z. Milczyn): You have up to five minutes, and if you could please state your name for the official record as you begin.

Mr. Hugh O'Reilly: That would be my pleasure. My name is Hugh O'Reilly, and I am the president and chief executive officer of OPTrust.

First of all, Mr. Chair and committee members, I want to thank you for giving me the opportunity to make submissions today on Bill 127.

OPTrust is the pension plan for the employees of the province of Ontario, its agencies, boards and commissions who belong to the Ontario Public Service Employees Union. We're independent of both the province and the union. We have about 90,000 members. We are fully funded. On a market basis, we have a surplus, so we're one of Ontario's many success stories when it comes to jointly sponsored pension plans.

Before I begin my particular submission, I'd also like to thank the government of Ontario as well as all of the parties in the Legislature for the support they've demonstrated to expanding pension coverage in the province of Ontario. We think that is a critical item.

We're also delighted to get the opportunity, as we have on many occasions with the province, to offer our views both on pending regulations as well as on legislation. We do have some comments when it comes to Bill 127 and, in particular, the amendments to the Pension Benefits Act, being new sections 23.1 and 25.1.

What these sections do is grant additional powers to the Superintendent of Financial Services and, in particular, the power for the superintendent to order a meeting of persons that the superintendent deems are interested parties, as well as for the superintendent to order the production of documents.

Our view is that, as presently drafted, these powers go too far, and we think they need to be circumscribed by the Legislature. In particular, what they need to be circumscribed by is the regulation-making power of cabinet, such that for the conditions under which either a meeting of parties would be ordered or production of documents would be ordered, there would be clear procedures plus some limitations.

Making absurd arguments doesn't do anyone any good. But like I said, we have 90,000 members; we have 22 participating employers; we have the province and the union. Ordering meetings raises some concerns on our part as to who would attend and how the superintendent would reach the conclusion.

Similarly, when it comes to the production of documents, we are of the view, under existing legislation, that plan beneficiaries have rights to documentation, and that is sufficient. If there's going to be something more, we would like to see it spelled out in regulation.

We're also pleased that the province, as well as all the political parties in the province, are working hard to protect the interests of pension investors south of the border, with recent changes there.

With that, I welcome the opportunity to answer any questions that members may have. Thank you very much, Mr. Chair.

The Chair (Mr. Peter Z. Milczyn): Thank you. This round will begin with Ms. Munro.

Mrs. Julia Munro: Thank you very much for coming today and providing us with a little more insight into the issues.

You mentioned the success of the pension. I think it is certainly important for all of us to recognize the value and the way in which it is working for other people.

1530

I wondered if you would comment on what seems to be a trend today, to look at how the length of time that investments are being staged is stretching out. The Premier made a comment with the sale of Hydro One about looking at people interested in purchasing for pension funds out 30 years, or something like that. Is that something that is unique to us here in Ontario or in Canada, or are we going along with the rest of the guys?

Mr. Hugh O'Reilly: What I would say is unique about the Canadian model, and indeed the World Bank is studying the Canadian model and we're participating in that, is that our pension plans are independent of political interference. They have independent boards. They internally manage their own money so that they're not paying fees to Bay Street or Wall Street bankers.

As a result of that, there has been a great deal of innovation in the Canadian pension plans in terms of investments. Long-term investments are prized by pension plans because the liabilities or the benefits that we owe to members are long-term liabilities. Increasingly, it's a good thing, although sometimes actuaries don't think it's a good thing. It's good that people are living longer, but the longer you live, the longer you draw your pension. Having a stream of revenue that matches that is a successful thing.

As to particular investments, those vary. We have a particular expertise when it comes to things like infrastructure or private equity or real estate. We view ourselves as a mid-market player, writing what would be comparatively smaller cheques and working with partners. But from the point of view of pension funds, long-term investments with secure streams of income are very positive things.

Mrs. Julia Munro: Can I just ask one other question that came to mind as you were speaking about the need for long term? When we look at infrastructure, because that was one of the things that you mentioned, some of those investments include having long-term maintenance and things like that.

People have argued about the difficulty on the procurement side of that part of the arrangement. I just wondered if in your decision-making on purchasing, would that be an issue around being able to figure out how far in advance you can say that you can provide

assurance on the whole business of maintenance of the investment?

Mr. Hugh O'Reilly: Preserving the asset, making sure it's productive and maintaining it, those are all critical factors in an investment case. We have examples in other countries where we've been involved in infrastructure developments in the renewable energy area. For example, we own a third of the third-largest wind farm in Australia, the Ararat Wind Farm. We were involved in partnerships in constructing it and we're involved in partnerships in maintaining it.

As a long-term investor, it's not a tear-and-grab kind of thing. You need to make sure that asset performs in the long term, that it's properly maintained and that it succeeds in the long term. Maintenance is critical. Making sure that you have a skilled workforce there is also critical.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof.

Mr. John Vanthof: Thank you, sir, for coming and for expressing your views. A couple of things that you brought up—I'm trying to word this. As an operator of a very large pension fund—and I don't think pension funds are looked at as the Wild West of investors—you're obviously very careful.

Were you consulted regarding the changes for the superintendent before the legislation was drafted, in any way?

Mr. Hugh O'Reilly: We have, as does the industry, meetings with various officials within the Ministry of Finance. We also maintain relationships with all of the parties in the Legislature. We have had an opportunity to express our views, and we are continuing to express our views directly to the ministry, as well as availing ourselves of our opportunity to speak here.

Mr. John Vanthof: As an example, what problems do you foresee could occur with these changes with the superintendent?

Mr. Hugh O'Reilly: The problem, sir, is that in the absence of specifics, we worry that there's a potential for regulatory powers to be used in an excessive fashion. What we think is important as we look at the success of a regulatory framework is for the rules of the game to be spelled out so everyone understands them. We can abide by them. We understand what our obligations are, which we meet and more than meet.

So our view is that if these sections were amended by adding the words, "as prescribed," that would solve the issue, because that would lead to the creation of regulations. We could then understand clearly the rules of the game. We could have conversations with officials within the ministry—and, ultimately, if necessary, at the political level—to articulate our concerns.

But we just think that from the point of view of good governance and the point of view of a good regulatory system, which Ontario has, transparency helps make it more successful. That's really what we're arguing for here.

Mr. John Vanthof: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Thanks very much for coming in to speak to us today. If I've heard you correctly—if I take a step back, the measures and the powers that are proposed for the superintendent here, to my understanding, are really designed to be used if a plan administrator is believed to be non-compliant. What I hear you saying, or what I just heard you say to Mr. Vanthof, was that your concern was around the fact that you wouldn't want these measures to be used when a plan is compliant. Is that the concern? It's not the powers themselves, but it's when they're used that's the concern?

Mr. Hugh O'Reilly: I think that the way you've posed the question really helps sum up the issue, perhaps more eloquently than I did. These issues about compliance and non-compliance are always in the eye of the beholder. You may have a member who is upset. Things may have been done perfectly well, but they just may think that they've been treated unfairly. The difficulty, in the absence of a regulatory framework where the rules of the game are clearly spelled out, is that it creates uncertainty. There's a lack of transparency. Ultimately you could have a lack of regulatory consistency.

So from our point of view, if we want a pension system that has transparent rules and regulations, where all parties to the puzzle understand what each person's responsibilities—and, in our case, obligations—are, I think having it set out by regulation makes the most sense.

Mr. Yvan Baker: But would you be supportive of these types of powers for the superintendent being used in circumstances where there is credible support or evidence to support the fact that the plan may be non-compliant?

Mr. Hugh O'Reilly: I think that in answering the questions, I've been clear around transparency. I think that, yes, around compliance, but also in helping people get to the bottom of issues. If a plan member is aggrieved to the point where they feel they need to reach out to the superintendent and have the superintendent intervene, you're going to want to make sure that you respond to that.

I would like to hope, in being here, that the work we do in working with our members and how we do it, that we wouldn't reach that point, but you don't know what you don't know, so as a consequence, I do favour the superintendent gaining the powers that have been set out in Bill 127. I'm just arguing for a little more in the way of transparency, in a sense, so that everyone can understand what the rules of the game in fact are.

Mr. Yvan Baker: Okay. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thanks for the presentation. If you have anything further you'd like to submit in writing, you have until 7 p.m. tonight.

Mr. Hugh O'Reilly: Thank you, Mr. Chair, and thank you for giving me this opportunity. I appreciate it.

The Chair (Mr. Peter Z. Milczyn): The next scheduled witness is at 4 p.m., so the committee is recessed until 4 p.m.

The committee recessed from 1539 to 1600.

ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

The Chair (Mr. Peter Z. Milczyn): The committee is back in session. Our next witness of the afternoon is the Association of Chartered Certified Accountants. Good afternoon. You have up to five minutes for your presentation, which will be followed by questions. Your round of questions will begin with the New Democratic caucus. If you could please state your names for the official record as you begin.

Ms. Jillian Couse: Sure. I'm Jillian Couse.

Mr. Rashika Fernando: I'm Rashika Fernando.

Mr. Jeffrey Lewis: My name is Jeffrey Lewis.

Mr. John Bodrug: I'm John Bodrug.

Ms. Jillian Couse: Thank you. I'm with the Association of Chartered Certified Accountants. With your consent, ACCA will split our time so you can hear directly from practising members.

We have provided our brochure, which will tell you more about the ACCA. I'd also like to highlight that the ACCA is the largest international accounting designation, with over 188,000 members worldwide, of whom more than 2,000 are currently living in Ontario.

We are appearing today because Bill 127 perpetuates the suppression of the ACCA designation and, with increased fines and some wording changes, makes the law more difficult for internationally trained accountants than it was previously.

The ACCA supports measures to ensure that the public interest is protected and that credentials are properly distinguished from one another. This could be achieved by requiring that the country of origin is stated wherever an international credential is used, accompanied by a disclaimer that the individual is not a member of, or regulated by, the CPAO.

Though this is, we believe, a sensible proposal, the government has rejected it. So what are we left with? Ontario and New Brunswick are the only two Canadian provinces that may prohibit use of other designations, even where a credential is used between knowledgeable parties, where there is no risk of confusion and no suggestion that the individual is a member of CPAO.

The exceptions to that rule are so ill-defined that nobody can be sure whether an email signature block, a LinkedIn page or a business card are within the law or not. This leaves our 2,000 members struggling to know whether they are committing an offence, one for which they could be fined upwards of $25,000.

In letters to concerned constituents, MPPs, including two members of cabinet, have expressed the following interpretation of the proposed law:

"To be clear, non-CPA accountants can still practise accounting in Ontario. The restrictions are only on public advertising and promotion of those credentials, to help protect consumers and avoid public confusion."

If that was what the law actually stated, the situation would be much improved. Unfortunately, the government seems hesitant to say publicly what its MPPs and ministers say in private correspondence.

The ACCA is calling on the government to show the courage of its convictions and say publicly that the law only prohibits public advertising and promotion. That would go a long way to providing certainty while still addressing any public interest concern.

Thank you. Jeff Lewis is now going to address the committee.

Mr. Jeffrey Lewis: Good afternoon. My name is Jeffrey Lewis. I am both a member of the ACCA and CPA Ontario, with more than 32 years in the accounting profession. You might ask why I'm appearing today, given that my dual membership in both the ACCA and CPAO exempts me from this prohibition. Simply put, the suppression of international credentials is an exercise in overkill. More importantly, it's a waste of talent if qualified accountants choose to leave the profession, fail to achieve all that they can achieve, or choose not to immigrate to Ontario, all because of these restrictions.

It's not only members who are negatively affected. Ontario relies on immigration and looks to foreign-trained professionals to fill future population skills gaps. Excessive restriction of their designations is contrary to Canadian values and undermines Ontario's Immigration Strategy.

When I came to Canada 12 years ago, I was equipped with an internationally renowned designation, ACCA, but found that I was restricted from using it here in Canada. I later qualified as a CA, now called a CPA, a designation of which I am extremely proud. I'm not so proud, however, of the treatment of thousands of other well-qualified professionals.

Not everybody, such as myself, is in a life situation to take the time or expense to requalify in their profession. Others may arrive having completed college and all professional requirements but not university, so would be ineligible to requalify as CPAs. Accountants established in their current roles may not want to pay membership fees to a second association simply to be able to use their designation from the first.

ACCA's designation is earned after 14 courses and examinations and three years of professional experience. Members are rightly proud of that achievement, but Ontario says that, for most purposes, you need to check your hard-earned credentials at the door when you arrive in Canada. That is far more than is required to protect the public interest or to differentiate between designations.

I echo Jillian's call to the Ontario government to clarify that the law only prohibits public advertising and promotion—

The Chair (Mr. Peter Z. Milczyn): I'll stop you there, because you've already gone over five minutes.

Mr. Jeffrey Lewis: Okay.

The Chair (Mr. Peter Z. Milczyn): There are questions, though. This round starts with Mr. Vanthof.

Mr. John Vanthof: Thank you for coming in today and expressing your views. Ms. Couse, you made a statement that I'd like to explore further regarding how to, in your opinion or your group's opinion, fix the prob-

lem by putting a country of designation. Then you stated that the government rejected that. Did the government consult with you at any time regarding this issue?

Ms. Jillian Couse: Actually, I'm going to refer to my lawyer, because he's familiar with that case.

Mr. John Vanthof: Okay. Perfect.

Mr. John Bodrug: In the introductions, I didn't clarify: I'm not an ACCA member; I'm an outside counsel to ACCA. My understanding is that we did make representations specifically to the government to pursue that type of—

The Chair (Mr. Peter Z. Milczyn): Could you speak closer to the mike, please?

Mr. John Bodrug: Sorry about that. We did make representations to pursue that as an option, but as you can see in the legislation, it has not been adopted.

Mr. John Vanthof: Okay. Your organization made—that if the legislation was more clear, as some of the letters were, you would be satisfied with that. We have heard this issue quite a bit today. My interpretation is that you can put the designation on your resumé, but if the resumé goes onto the Net, like LinkedIn, then you might be in trouble. Is that one of the examples of where we run into troubles?

Ms. Jillian Couse: Yes. Exactly.

Mr. John Vanthof: So that would also be your interpretation that that's kind of a grey area.

Ms. Jillian Couse: Yes, and that there are a lot of grey areas. That's what we're trying to understand for our members because, considering that many of our members are going to be advertising themselves on LinkedIn and other social media platforms, where is it allowed and where is it not allowed?

Mr. John Vanthof: It's not that you are against the CPAO, obviously, when one of your presenters is a member of the CPAO.

Ms. Jillian Couse: Both of them are.

Mr. John Vanthof: So it's more that you want that the ACCA be also recognized, and you've provided with—the country of origin would be sufficient for that designation.

Ms. Jillian Couse: Yes.

Mr. John Vanthof: Thank you.

Mr. John Bodrug: Just to be clear, we're not actually asking ACCA to be recognized. We're just asking—or we did ask—that if the country of origin is specified, that that would not be subject to what I'll call a per se prohibition on the mere use of the letters "CA" in combination or intermixed with anything else.

To be clear, ACCA is not advocating the right to mislead. We fully support any prohibition on implying or attempting to imply that somebody is a member of CPAO when they're not. We're really getting at—we're all talking about this strict per se prohibition on any use of the letters "CA" intermixed with something else.

Mr. John Vanthof: Thank you very much for that clarification.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker?

Mr. Yvan Baker: Thanks very much for coming in today and for sharing your thoughts and your suggestions with us. My understanding of the bill is that it's really designed to strengthen consumer protections.

1610

I come from the business world. I used to be in commercial banking and then in management consulting, so I was a consumer, in various forms, of the services that accountants provide.

Whether they're individuals, small businesses or large businesses, I think the principle here is that consumers of those services deserve to know whether the accountant they hire is accredited and regulated in the province. The CPA designation denotes a certain standard and assures consumers that they have access to a regulator locally should something go wrong.

When you presented, you talked about the fact that you're also a CPA. So people who come to Canada from around the world to practise accounting can in fact join CPAO, can acquire that designation—

Mr. Jeffrey Lewis: Well, you have to requalify as a CPA.

Mr. Yvan Baker: That's right. Understood. And my understanding is that the folks who don't have that CPA designation can still practise accounting. What we're talking about here is something which is really about how they communicate their credentials, if I'm understanding correctly.

My understanding is that folks such as yourselves, members of the ACCA, are still entitled to use their credentials on resumés, on employment applications, when giving speeches and presentations, when responding to a request for proposals.

Also, my understanding is that in this bill nothing has changed fundamentally from the current legislation in terms of how it governs ACCA members and others.

Do you think that the merger that is proposed by this bill to create the new, merged CPA makes sense for consumers of accounting services?

Mr. John Bodrug: There are a bunch of questions there. I'll start with what has changed. There are significantly higher fines in the bill. It's technical, but it introduces the concept of "intermixed," so it's any combination now. You could even put a letter in between C and A, and it's prohibited. CPA Ontario can now add to the list of prohibited designations by passing a bylaw. The merger itself, we would say, actually has changed. We're not going to comment on the benefits of why CPAO decided to do that.

The old prohibitions applied when there was another organization, the ICAO, the Institute of Chartered Accountants of Ontario, using the designation "CA." They're no longer using "CA" in isolation. Some of their members will use "CPA, CA." So we would say there is now less risk of confusion with ACCA than there was before. If one is concerned about protecting consumers, the greater concern would be confusing CPA Ontario with CPAs from the United States, for example.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett?

Mr. Toby Barrett: Thank you for coming forward. We've had a number of presentations on this subject. It seems that for maybe the last two decades there have been a lot of deliberations with respect to the accounting field, not so much from CAs, but from some of the other groups—certified management accountants, industrial accountants—who were somehow frozen out of that CA designation. Then, over time—I assume it took legislation—we have this overarching umbrella of the CPA designation.

Previous to this budget bill, were you involved in those other negotiations, sorting out this merger, if you will, where all of the other ones subsumed themselves under the CPA? Was this not worked out then?

Ms. Jillian Couse: We are a global accounting designation. We were actually not part of what was happening in Canada at the time, so we would take an outward approach to that, because that was happening within the country, and that's out of our remit.

Mr. Toby Barrett: But your members would have been practising in Canada for many, many years.

Ms. Jillian Couse: Yes, that's true, and we did have a mutual-recognition agreement with CGA, a reciprocity agreement, that allowed our members access to the profession in Canada in the past.

Mr. Toby Barrett: Okay, then. Is there any analogous situation with other professionals? I know there's another committee, regulations and private bills, and over the years so many groups come forward—engineering technology, architectural technologists or other groups like that—who essentially want to enhance their accreditation to be able to do things that an engineer or an architect can do. Have you been before that committee?

Ms. Jillian Couse: Not that I'm aware of. I don't know—John, have you?

Mr. John Bodrug: You don't have the full breadth of experience of everybody who has been here that long, but what I would say is that I'm not aware of any instance where ACCA got involved with other professions, but I would just caution that when you're comparing the restrictions on advertising in accounting to other professions, some of those other professions are ones where you have to be a member of the professional association to provide the service. In those cases, there might be a stricter prohibition that's appropriate. Here, you don't have to be a member of CPA Ontario to provide non-public accounting services, for example.

Mr. Toby Barrett: Yes, so it's just up to the company that hires you to decide whether you're qualified or not.

Mr. John Bodrug: Correct, and that's all that ACCA is asking for the opportunity to do.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all of our time for this round. Thank you very much for your presentation this afternoon. If there's anything further you'd like to submit in writing, you can do so until 7 p.m. today.

Mr. John Bodrug: Okay, thank you.

Ms. Jillian Couse: Thank you for the opportunity.

WORKERS' HEALTH AND SAFETY LEGAL CLINIC

The Chair (Mr. Peter Z. Milczyn): Our next witness of the afternoon is the Workers' Health and Safety Legal Clinic. Good afternoon.

Mr. John Bartolomeo: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to five minutes for your presentation, and if you could please state your name for the official record as you begin.

Mr. John Bartolomeo: Thank you. My name is John Bartolomeo. I am with the Workers' Health and Safety Legal Clinic. We are a specialty community legal clinic that predominantly represents workers in unlawful reprisal cases, but we do also take appeals with respect to return-to-work occupational disease in the workplace safety and insurance sphere. Today, my submissions before you will be with respect solely to schedule 33, with respect to the amendments to the Workplace Safety and Insurance Act.

There are a number of positive changes that come in through this proposed bill, but I'd just like to speak to three areas that we submit require a touch of tweaking to be as effective as intended.

The first point we'd like to raise with you is the limitation with respect to entitlement for stress as it relates to managerial decisions or actions. As a clinic that handles predominantly reprisal-type applications before the labour board, there's a bit of a disconnect between what the government sees as requiring prevention in health and safety and what it's willing to cover under workplace safety and insurance law.

For example, under the Occupational Health and Safety Act, there is recognition that vexatious conduct that is known or ought to be known as vexatious can be considered workplace harassment, and under the OHSA there is recognition that reasonable decisions by management are not workplace harassment. This is what we'd like to see reflected in the legislation as it comes to workplace safety and insurance. If, as a preventive measure, we see that not all managerial decisions or actions are reasonable, then if we're going to prevent it, we should also recognize that entitlement will flow if those actions are seen as unreasonable or vexatious.

Parts of our submission which are before you involve a number of horrendous stories about workers we represent who are predominantly in precarious situations, sole breadwinners for their family. They have to endure abuse verbally that could constitute managerial discretion: "You're not doing your job properly," with a few more colourful expletives and belittling behaviour in front of workers.

1620

The way the proposed bill is written, as it is strictly speaking a managerial action to tell you to meet a quota or do better, the nature of the comments, the nature of the behaviour that can impact this person on a stress level, would be exempt by the WSIB.

From that, it's proposed in our submission that we amend the bill to recognize that only reasonable managerial decisions or, alternatively, conduct that would be vexatious or ought to be non-vexatious would receive entitlement under the Workplace Safety and Insurance Act.

Otherwise, it's not as if these individuals are going to endure it; they're going to go off on EI sick benefits. That's not appropriate when we see from a Ministry of Labour process that this type of behaviour is meant to be prevented. If it's meant to be prevented, then it should be recognized as a rationale for entitlement for workers' compensation.

The second issue that I'd like to raise with the schedule is with respect to the retroactivity in addressing mental stress. You've probably heard already today that the first time the Workplace Safety and Insurance Appeals Tribunal addressed this issue was in 2014. One worker had to go through the entire system to have the tribunal say that the mental stress provisions were unconstitutional.

The board has their right to seek reconsideration of the decision; they did not. The board has the right to potentially judicially review the tribunal's decision; they did not. They implemented the tribunal's decision and carried on as they did before.

Another worker went through the entire process, and a third worker went through that entire process. There were no changes to the act, and the board stuck to the position that, until the act changed, they would continue to apply the law as it was.

The position we take is that workers should not have to bear the brunt of intransigence. We propose in our submission that the entitlement be retroactive to the date of the first tribunal decision. No one should have had to wait this many years for something everybody already knew.

My third recommendation is that section 8, allowing the board to rewrite law in terms of their policy power, should be struck out. They have enough authority as it is to write policy. They don't need any more, as it stands. They can participate through reconsideration at tribunal decisions. They can even seek judicial review, as I have already mentioned. Their authority exists—

The Chair (Mr. Peter Z. Milczyn): Thank you.

Mr. John Bartolomeo: Thank you.

The Chair (Mr. Peter Z. Milczyn): This round of questions begins with the government side: Mr. Baker.

Mr. Yvan Baker: Thanks very much for coming in today and speaking with us and providing your very thorough submission.

I guess just going back to some of the things you touched on—your presentation touches a little bit on the powers of the WSIB, as proposed in the legislation. My understanding is that, if passed, this bill would give the WSIB the authority to establish operational policies, just as they do with physical injuries—

Mr. John Bartolomeo: They already do that and they continue to do that with or without this section. They will implement policy and give me an opportunity to be consulted and ignored on that policy and carry on regardless.

The way it is written currently is that they will be able to change the evidentiary requirements. Rather than participate in the process as an equal partner with the tribunal and stakeholders, they will simply be able to ignore me and the tribunal and the body of case law to change the rules as they see fit.

Mr. Yvan Baker: Right. My understanding is that this will allow them to—they will go through a consultation process—I hope you'll participate in that—and they'll have an opportunity. I don't think we should prejudge what the outcome of that process would be—

Mr. John Bartolomeo: I speak from experience, rather than just second-guessing what the board will do.

As I was writing my submission, I was hard-pressed to find an example when my submissions to a consultation were followed, acknowledged—I would suspect that I was acknowledged, but I can't think of a time when I was actually followed and said, "Ah, they did exactly what I asked." I hope, one day, that will come, but until then, I can tell you right now, a consultation that ignores me is just as good as not being consulted, in some respects.

Mr. Yvan Baker: My thinking on it is, having led a lot of consultations, that the purpose of the consultation is to balance the priorities and views of a lot of folks and to take some of the best ideas to address those concerns. I wouldn't want you to feel that just because your precise ideas weren't followed you were ignored.

Let me move on, though. I think one of the pieces you referred to here as a component of the bill is the issue around the fact that, currently, people who experience chronic or traumatic mental stress are not entitled to benefits under the WSIB. You referred to that in your presentation. We're planning to remove that exemption—or proposing to remove that exemption, I should say. Could you just talk a little bit about your thoughts on that and why that's important from a worker's perspective?

Mr. John Bartolomeo: Well, it's a welcome change that has already been ruled on by the tribunal, finding that that section of the act was unconstitutional. Unfortunately, the tribunal doesn't have the power to strike it down; they can only read down. Every injured worker, until this legislation—if it passes, as proposed—has to reinvent the wheel and go through the entire process again. So definitely there is a positive there, but as my submissions were—there's a caution about simply carving out completely managerial decisions or actions, because those can be harmful. If we see it in the Occupational Health and Safety Act as unreasonable is preventable, then it should be covered, if those actions are still unreasonable.

We're in the ballpark, but we're proposing that we're a just little short of the finish line.

The Chair (Mr. Peter Z. Milczyn): Mr. Barrett?

Mr. Toby Barrett: Thank you for the brief. Maybe I have a case study in our job: I was in a restaurant—I guess it was two weekends ago—and the owner stopped

by and we had a chat. He had a newly hired employee working in the area, and the air conditioner was dripping on the equipment and dripping on the employee. She complained about it, so he suggested, "Well, stand over here." I'm just giving the one side of the story, which—I guess that's your job too. So she went home, and then he was sued for $26,000. I think, with the lawyer—I guess it cost him $7,000. I'm not sure how much money the employee got.

But is this normally what goes on, that the WSIB doesn't get involved? This is the normal process? If somebody insults you, you can get a lawyer and sue them? Is that how it usually works? And you're asking for all of this to now be incorporated and have WSIB look after it or—

Mr. John Bartolomeo: No. What we're asking for is, if, as proposed, the entitlement for mental stress is allowed, the exemption that says that all management decisions and actions don't get covered—we're asking for that to be nuanced to recognize that only reasonable managerial decisions and actions are exempt from coverage. If every sentence ends with an expletive and being told, "You're worthless as a human being. I could find anyone who's better than you—or my pet dog," on a daily basis, that behaviour may weigh down heavily on someone after a short period of time, and that should be covered.

Mr. Toby Barrett: I don't know whether he said that, but I guess my point is, if there was coverage for the employer and the employee, then he wouldn't be sued $26,000. It just comes out—his premium might go up. Is that what we're looking at in the future?

Mr. John Bartolomeo: What you're looking at is coverage for loss of earnings for a psychological or physical injury under the Workplace Safety and Insurance Act. Beyond that, I don't know what exactly that person sued for, so I couldn't comment.

Mr. Toby Barrett: So $26,000 and loss of—but what I'm saying is, the employer doesn't pay the $26,000; he just continues paying his premiums to the WSIB, and maybe they go up.

Mr. John Bartolomeo: I don't think I can comment further without more details on that. I mean, I don't know exactly what the whole cause of action is.

The Chair (Mr. Peter Z. Milczyn): Our next round is from Mr. Vanthof.

Mr. John Vanthof: Thank you for your presentation. I'd like to go more into the third issue about the powers of the WSIB. Could you elaborate more on the concerns you have? I felt you kind of ran out of time with your third issue, so I would like you to expand on that.

1630

Mr. John Bartolomeo: My apologies—yes. Section 8 under the schedule would allow the board not only to establish policy, but to create their own evidentiary requirement and to change the adjudication principles.

Effectively, when we go through the entire workers' compensation system, we end up at the appeals tribunal. It's an independent body; it's separate from the board. The appeals are heard by order-in-council appointees, appointed by the government. They adjudicate things based on the case law and the policy.

The legislation, as proposed, would allow the board to simply say, "Well, we've had enough of what the tribunal has decided or what established case law is, and we're going to create a different standard." An easy rule of thumb is, was the workplace a significant contributing factor to the injury or illness? The board could potentially create a policy that abrogates that, to make a higher standard in some situations. It may choose that some conditions require more evidence, that might be unreasonable for workers to produce.

I can only speculate, but I can reflect on how the board has been towards workers, and how easy it is to get benefits. This is merely an opportunity to create a barrier, as opposed to making it smoother for workers to claim benefits. It's a social benefit legislation meant to protect workers in their times of injury. It's not meant to create more difficulties for them.

Mr. John Vanthof: In your opinion, you don't think that the board needs any more powers than it has now?

Mr. John Bartolomeo: They can write the policy. They can reconsider tribunal decisions. They can participate in many facets that I submit is enough for them to get their point across.

Mr. John Vanthof: One other issue: This legislation is a step forward for mental stress, but would you say that it would be better if it was at least retroactive to when the first hearing was won?

Mr. John Bartolomeo: Yes. That was part of my recommendation. We've been waiting three years for this. Experience teaches me that nothing is done voluntarily. I'm thinking of regular meetings with staff. I'm thinking of an Ombudsman's complaint with regard to this issue. This has taken a long time. I don't think workers should have to wait to have their cases adjudicated. Those who were lost in the mix should have another kick at the can, quite frankly.

Mr. John Vanthof: Thank you very much for a very concise presentation.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation this afternoon. If there's anything further you'd like to submit in writing, you have until 7 p.m. today.

Mr. John Bartolomeo: Thank you.

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witness this afternoon is the Chartered Professional Accountants of Ontario. Good afternoon. You have up to five minutes for your presentation. Your round of questions will begin with the Progressive Conservative caucus. If you could please state your names for the official record as you begin.

Ms. Carol Wilding: I'm Carol Wilding, president and CEO, Chartered Professional Accountants of Ontario.

I will introduce my colleagues. With me today is Raj Kothari, vice-chair, managing partner at PwC. On my left is Richard Olfert, managing partner, regulatory, quality and risk, for Canada at Deloitte.

CPA Ontario is the qualifying and regulatory body of Ontario's more than 87,000 chartered professional accountants and 19,000 students. We exist to protect the public interest by ensuring that the CPA profession, including our members, students and firms, meets the highest standards of integrity and expertise.

I'm here today to speak specifically to schedule 3 of Bill 127. This section is historic as it formally completes the operational unification of the accounting profession agreed to and in place since 2014. Let me explain. In 2014, Ontario's certified general accountants, CGAs; certified management accountants, CMAs; and chartered accountants, CAs, took a major step forward by uniting together as chartered professional accountants, CPAs, advancing their commitment to the public and the profession.

Like our colleagues in every province across the country, we voted to unify our profession because we knew that doing so was essential to reduce consumer confusion, strengthen public protection and adopt the best practices of each of the legacy organizations.

While Ontario's accounting profession has, for all practical purposes, operated as a unified profession since 2014 through these agreements of the legacy organizations, it is essential that the many benefits of unification to the public and professional accountants alike be enshrined in Ontario law.

Those benefits include a single, strong, well-resourced regulator; consistent high ethical and practice standards right across Canada; and reduced consumer confusion, enhancing public protection.

With one body, one regulator and multiple entry pathways, this will allow Canadians and internationally trained professionals clear access to the accounting profession. The passage of this act will ensure there is a supply of highly qualified CPAs able to meet the needs of our growing economy.

I have already talked a lot about standards and I want to elaborate on that, given their importance. We have high standards for both qualification and ongoing conduct. These are applied and enforced not just on the granting of the CPA designation, but throughout the person's professional career. Ontario CPAs are subject to ongoing regulation and oversight to protect public interest, which include: complying with the CPA code of professional conduct; meeting mandatory annual continuing professional development requirements; and being subject to public oversight and discipline mechanisms.

To support its oversight activities, CPA Ontario has a comprehensive complaints investigation and discipline process. Complaints and other matters concerning the professional conduct of members, students, applicants and firms are dealt with on a timely basis.

I do also wish to update MPPs on what CPA Ontario is doing to ensure that our doors stay open while our standards stay high, because that too is of fundamental importance to me and our organization, as I know it is to all of you. Ontario's accounting profession is an open profession. There are currently over 7,500 internationally educated and/or designated accounting professionals who have successfully transitioned their international credentials to earn their designation in Ontario.

CPA Ontario actively recruits not only internationally trained accountants, but also internationally educated individuals who might be interested in becoming a Canadian accounting professional. In fact, 15% of CPA Ontario's student population holds an international degree.

Accountants with designations in good standing from approximately 20 professional accounting bodies in 16 international jurisdictions are accepted as CPAs through MRAs, mutual-recognition agreements, or memorandums of understanding. I won't take you through the list, but I will say we have an MRA with ACCA and with CIMA.

Many of these MRAs allow these individuals to quickly join CPA Ontario and immediately use the CPA designation without needing to fulfill any other requirements upon admission. In addition, CPA Ontario grants advanced-level standing for entry to the CPA program to members of 175 international accounting bodies in 130 countries that are members of IFAC, the International Federation of Accountants. Members of IFAC bodies are required only to complete or challenge the CPA program and the common final exam, and are eligible to receive full recognition for their experience completed outside of Canada.

Our processes for assessing and enabling access to the profession have been recognized by successive Ontario governments as best practices, and we remain committed to ongoing review and improvement.

So there's no confusion, I do wish to stress the fact that the new legislation contains no new restrictions on the permitted use of foreign-accounting designations, nor does it prevent anyone in the province from providing general accounting or bookkeeping services.

In conclusion, CPA Ontario would like to thank the Premier, the Attorney General and the finance minister as well as MPPs from all three parties for your thoughtful engagement with the profession throughout the unification process.

We encourage all members of the Legislature to support the unification of Ontario's three legacy accounting bodies by supporting the new Chartered Professional Accountants of Ontario Act, 2017, set out in schedule 3.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Wilding. Ms. Martow for three minutes.

Mrs. Gila Martow: Thank you very much for your presentation. I just want to say that my late mother, Miriam Sivak Gladstone, got her CA in Quebec in the late 1950s. Five hundred people got their CA that year and she was the only woman. I have been following this the last couple of years and I know she would have been happy, because she always felt that the consumers were very confused.

My question to you is, we had a presentation from ACCA, the Association of Chartered Certified Accountants, and they are concerned that—I guess the issue was there already—because the fines go up, they're concerned about linking their resumé on social media and LinkedIn websites and things like that. Do you have any concerns as well?

Ms. Carol Wilding: I would say a couple of things there. First and foremost, there's nothing that prevents anybody in this room or anyone from actually practising general accounting services or bookkeeping services, so there isn't a restriction in terms of access that way.

1640

There are, in the current act and in the legislation going forward, certain circumstances in which an internationally trained accountant, i.e., an ACCA, can use it. That's on a job application, as you've heard, in an RFP, in a speech or a presentation. There are specific instances there.

I think the important piece, as I referenced in my remarks, is that we are an open profession and there are multiple pathways, whether it's through an MRA or through an MOU. In fact, with that ACCA, we do have an MRA. We have a number of our members—and I believe some in that panel before—were actually dual members; they were CPAs and ACCAs. So the access to the profession is there.

It is important, first and foremost, that the legislation is about protecting public interest. In accounting, this is about regulation and protecting public interest.

The use of a designation in an online format could potentially be misleading in terms of: Is there local oversight and regulation of that individual, when in fact there would not necessarily be if they are not a member of CPA Ontario? I think that would be our primary concern: that unless an individual chooses to become a member of CPA Ontario, there are no Canadian laws that oversee their activities, or a provincial or Canadian body that oversees them as an accountant. That's why our role as a regulator is to ensure that when they present themselves to the public, whether that's online or elsewhere, an individual understands that there is public protection and oversight.

Mrs. Gila Martow: I sort of see what you're saying about protection, but the restriction of the letters C and A in the designation—say somebody is a CPA, as we saw, and also they want to put up the ACCA with their resumé or on a social media site. Can they be fined if they are a CPA designate and they also put up ACCA?

Ms. Carol Wilding: If they are a regulated member in good standing of CPA Ontario, coming through an ACCA MRA, they can use their ACCA designation. If they are not a member in good standing in Ontario, then they cannot, for the reasons we've articulated, use that. But there is nothing preventing them from actually working in the province.

Mrs. Gila Martow: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof.

Mr. John Vanthof: Thank you very much for your presentation. You mentioned an MRA with the ACCA. What would an MRA entail if you were an international accountant looking to—

Ms. Carol Wilding: A mutual-recognition agreement is what the MRA stands for. It's one of the pathways that enables individuals with an international designation to come into the profession. In the case of an MRA, in most cases you come in and you can actually use it immediately. There are no additional requirements for admission. Within a couple of years, you have to take a professional development course in terms of local tax or law. It's not restrictive in terms of time. It's not restrictive in entry. It's not restrictive in cost. That's the way in which someone would come in through an MRA that we have, as I said, with up to 16 different jurisdictions.

Mr. John Vanthof: So an international accountant could come in and, within two years, could be a CPA?

Ms. Carol Wilding: No. If you come in through an MRA, you can use your CPA designation almost immediately, in most countries. For individuals coming in, you can use it almost immediately, and then you just have to fulfill the local tax and local business law.

Mr. John Vanthof: I have to ask: What's the controversy, then?

Ms. Carol Wilding: As I said, there are no new restrictions here in the new act compared to the previous act. What I think you're hearing from some international organizations is more about creating a global brand than it is about protecting the public interest. Our role, first and foremost, as the regulator in Ontario, is to ensure that those individuals who hold themselves out as regulated professional accountants are such.

Access is not that difficult. As I said, it's easy to get access. It's a fair process. It's an independent process at arm's length through an IQAB body, an international qualifications appraisal board. There are easy things that are in place for someone to come in. I'd suggest that that's more about creating a global brand than protecting public interest. We would certainly urge MPPs to act in the public interest first and foremost.

Mr. John Vanthof: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Baker.

Mr. Yvan Baker: Thanks very much for coming in. Having been a consumer of accounting services in my previous life prior to politics, I am pleased about this: that we're bringing the CA, CGA and CMA designations together. Could you speak to us just about why you think this piece of legislation and bringing them together is so important?

Ms. Carol Wilding: I'm actually going to ask some of my colleagues to speak a little bit to that.

Mr. Richard Olfert: I think there are two principle benefits. The first is that the journey to unification began more than a decade ago with a public policy impetus from the provinces and the Premiers to get labour mobility in order, so the internal trade agreement was the impetus for it.

Considerable work was done by the three bodies to say, "Let's eliminate confusion in the marketplace. Let's create a single, strong regulatory body for the profession-

als who are practising as accountants." There was a view that there needed to be uniform standards and ethics, and the competition between domestic accounting bodies needed to be eliminated so we would have one standard. That process of unifying those three domestic accounting bodies is now entirely complete, with the exception of this legislation in Ontario which in my mind is the capstone for the entire process.

The second benefit is that while many of those opportunities inherent in unification have occurred because of the working agreements put in place between CGAs, CMAs and CAs in Ontario, there's still a legal requirement to do things three times. There are three annual meetings, three annual reports and three organizations that need to continue to exist on paper. The effectiveness and the efficiency of the profession can be enhanced by taking that time and effort that's going into perpetuating that threefold existence and creating a single organization so that we can focus the regulatory effort to the maximum.

Mr. Yvan Baker: Chair, how much time do I have?

The Chair (Mr. Peter Z. Milczyn): One minute.

Mr. Yvan Baker: I also perceive that there would be a reduction in confusion, wouldn't there?

Mr. Richard Olfert: For sure.

Mr. Yvan Baker: Is that accurate?

Mr. Richard Olfert: For certain. That was fundamentally part of the drive to unification, to say, "Why would we have three domestic bodies all claiming to be the best standard for accounting?" So a single standard has been created, in the public interest, and the confusion across the Canadian domestic bodies is done.

Mr. Yvan Baker: I know we only have a few seconds left here, but can you just speak briefly to the issue of labour mobility? How does this facilitate labour mobility? I'm talking about across Canada now.

Mr. Richard Olfert: When an individual moves from one province to another, they are under the exact same set of standards, the exact same code of conduct. The requirements to practise or to be a member of the provincial institute of CPAs is uniform across the board, so there is zero friction in moving from one province to the next.

Mr. Yvan Baker: Great. Thank you, Chair.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation this afternoon. If there is anything further you'd like to submit in writing, you have until 7 p.m. today.

Ms. Carol Wilding: Thank you.

ONTARIO NURSES' ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness this afternoon is the Ontario Nurses' Association. Good afternoon. You have up to five minutes for your presentation, and if you could please state your names for the official record as you begin.

Ms. Linda Haslam-Stroud: Thank you. I am Linda Haslam-Stroud. I'm a registered nurse and I'm president of the Ontario Nurses' Association. Joining me today is Tricia Sadoway from our Workplace Safety and Insurance Board team and Lawrence Walter from our government relations team.

I think most of you know that ONA is Canada's largest nursing union. We represent 64,000 registered nurses and allied health professionals, as well as 16,000 nursing students across Ontario. Last November, Minister Hoskins gave a speech at our biennial convention, where he said that "for patient care needs to be met, and for patients to feel that they are heard and confident in the care they are receiving, every nurse they come into contact with has to feel respected and empowered in their workplace. Every minute of every day."

Unfortunately, at the present time, Ontario's nurses have not reached that bar of feeling empowered or respected in the workplace, and I am concerned that the Ontario budget may not provide the relief that we were anticipating to assist that.

I have been speaking with a number of chief executive officers of hospitals who have identified a concern regarding the methodology in the determination of the hospital funding formula. So there are two areas: One is funding of hospitals and other sectors, and the second area I would like to touch on is the newly imposed barriers for nurses and other workers to receive Workplace Safety and Insurance Board benefits. I've been listening to some of the other speakers speak about that, for chronic and traumatic mental stress injuries, and that's outlined in schedule 33.

As far as the hospital funding formula goes, on page 111 of the budget, every hospital was to receive a minimum of 2%. When we saw that all hospitals would receive 2% and others 3%, we were cautiously optimistic that the RN cuts would end and we would be able to provide quality patient care and improve that care. But now we're not so sure.

1650

I did speak to Minister Hoskins just before I came here about my concerns regarding the funding methodology. He is going to look at that, but my question is: Is the minimum of 2% really a 2% increase and not looking at the same money that was previously there?

The area of long-term care: There's a 2% funding increase there. As we know, that simply will maintain the status quo for our elderly. You've heard me speak time and time again from this chair: A daily minimum staffing standard of four hours of nursing and personal care per resident per day would take us a long way forward in improving care for the elderly.

Our community and home care budget has had a provision of a 5% increase. What we're trying to do is attract registered nurses to care for the ill and complex patients in their homes and in the community. The concern there, of course, is that without any wage and benefit parity with the hospitals, we may continue to have those concerns.

Public health was flatlined again. We know that there is an expert panel on public health, and we look forward

to seeing whether the recommendations there will include a strong focus on expanding capacity for public health. Expanding public health is critical, I believe, to preventing disease and certainly supporting healthy outcomes for our patients through all lifespans.

The last thing I'd like to talk to you about is the Workplace Safety and Insurance Board. I do want you to know that we are very pleased that we learned in the budget that we're finally moving to eliminate discrimination in workplace compensation legislation by bringing in amendments to include elements for chronic mental stress injuries. I'm going to say "however" now: However, we are concerned because one of the clauses remains in right after that in schedule 33. The exception that was left in, unfortunately, introduces new barriers for nurses and other workers to actually receive the benefits that we intended with the previous amendment that I just mentioned for chronic mental stress injuries.

For the chronic area, you heard a previous speaker talk about retroactivity and it not applying; we believe it should. It is really costly and unfair for injured workers to have to mount a charter challenge and wait years for a tribunal panel to grant entitlement.

The other thing is in relation to the wording of subsection 13(5). We believe it's discriminatory to workers who suffer mental stress due to increasing workloads and the physical and psychological demands from cuts to staffing and resources. What we see, and it may be an unintended consequence, is that there are different rules that are now going to apply for workers who suffer physical injuries, as a result of the employment decisions, versus chronic mental stress.

The Bill 127 additions to section 159—I did meet with Minister Flynn just in a meeting prior to coming in here, so we discussed it as well. We believe those additions are unnecessary in light of the board's already well-established power to make policies that are binding on appeals tribunals. If they're implemented, these proposed amendments would allow WSIB to impose even greater restrictions on entitlement to mental injuries than, in fact, the existing legislation.

The Chair (Mr. Peter Z. Milczyn): I'll cut you off there. You've already gone a bit over.

Ms. Linda Haslam-Stroud: And that is it. Thank you very much for allowing me to speak.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof, you start off this round.

Mr. John Vanthof: Thank you very much for coming in. I'm going to focus on something that you were the first one to bring up. Could you expand a bit on your concerns regarding the funding increase for hospitals and how it could or could not impact hospital care?

Ms. Linda Haslam-Stroud: The hospital funding is very complex. I'm the last person to give you that explanation, but my understanding was that the intent was for there to be a minimum of a 2% increase to the funding for the hospitals. Some people were going to get more than that, but a minimum of 2%.

I have now spoken to a number of CEOs who are identifying that previous money they had received on an annual basis, but wasn't part of the full base funding, is now being considered as—they're being given it again, but it's being considered as part of the 2%. In fact, there isn't a new 2% increase in the funding. That is the concern.

Minister Hoskins, who I just spoke to, indicated that he was going to go back and take a look at that.

Mr. John Vanthof: Okay. So having been on a hospital board, I do understand that—

Ms. Linda Haslam-Stroud: Okay, you probably understand it more than I do.

Mr. John Vanthof: —and that would be a big problem.

Your concerns regarding WSIB: Is your concern that they're going to write their own rules, basically? Am I paraphrasing too much?

Ms. Linda Haslam-Stroud: No. They have expanded powers to write policies which we believe are going to negate the true benefit of including chronic mental stress in its simplest way.

Mr. John Vanthof: Okay. Thank you very much.

Ms. Linda Haslam-Stroud: Thank you.

The Chair (Mr. Peter Z. Milczyn): Madam—

Ms. Daiene Vernile: Ms. Vernile.

The Chair (Mr. Peter Z. Milczyn): Ms. Vernile. I was going to call you Madam Speaker for some reason.

Ms. Daiene Vernile: No worries. It's late in the day.

Interjection.

Ms. Daiene Vernile: Chair, I've been called worse.

Okay. Carol, thank you very much for coming. You have got a couple of colleagues with you, and I know that five minutes is not a lot of time. Do either of you want to add to the conversation? Do you have anything that you want to say?

Ms. Linda Haslam-Stroud: Lawrence? Regarding the—

Mr. Lawrence Walter: Really, nothing further than what Linda—

Ms. Daiene Vernile: Linda. Right.

Ms. Linda Haslam-Stroud: It's Linda, yes.

Ms. Daiene Vernile: Sorry.

Ms. Linda Haslam-Stroud: That's okay.

Mr. Lawrence Walter: No, just to put a caution around the funding, to monitor the funding. Because I know your commitment was to try to stabilize funding in hospitals, and from what we're hearing, it may not happen. We want to make sure that you're on top of that and monitor the implementation of the funding from the budget.

On the workers' compensation, we do appreciate that you've moved forward with coverage of chronic mental stress. Although we were the first to take a tribunal case and case law did show that your policies were discriminatory, so you really had to do something. But we do appreciate that.

We would like you now to take a look at these amendments that you have put forward—by the way, without any consultation with folks like the Ontario Nurses' Association—

Ms. Daiene Vernile: I can absolutely tell you—and I'll just come to you in a second—that the funding is going through. In fact, I was delighted to make some telephone calls in my riding of Kitchener Centre to the CEOs of our local hospitals, to Don Shilton at St. Mary's General Hospital and also to Malcolm Maxwell at Grand River Hospital. They're both very pleased to see that the increases are coming their way.

You were going to add something?

Ms. Tricia Sadoway: Yes, on the WSIB issues. It's been raised a couple of times that they have the power, now, to make policies, so what's the difference with this legislation? The power to decide and create different evidentiary rules for different types of injuries is what your proposed amendments to section 159 are doing. That makes the system much more undemocratic than it has been.

You need only look at the draft policy that has been released by the board for public consultation to see that, with the section 159 additions, they've already made the current legislation, the restrictions to traumatic mental stress only, worse than the existing legislation by adding those additional evidentiary rules.

Ms. Daiene Vernile: I'm very encouraged to hear, though, that you sat down and chatted with Dr. Hoskins, and that he's going to be looking into your concerns. Thank you very much for coming here today, and for all of the work that you do as nurses.

Ms. Linda Haslam-Stroud: Thank you very much.

Ms. Ann Hoggarth: Is there any time left?

The Chair (Mr. Peter Z. Milczyn): Twenty seconds.

Ms. Ann Hoggarth: I just wanted to say that I know that a couple of weeks ago, I made a call to our local health unit with quite a large input of funds. I'm sure they weren't the only ones.

Ms. Linda Haslam-Stroud: Public health, you mean?

Ms. Ann Hoggarth: Yes.

The Chair (Mr. Peter Z. Milczyn): Ms. Martow.

Mrs. Gila Martow: Thank you very much—I believe it's Linda.

Ms. Linda Haslam-Stroud: Yes.

Mrs. Gila Martow: I just want to ask you: If the cost of living goes up 2% and they increase the hospital budget 2%, is it really an increase?

Ms. Linda Haslam-Stroud: It's basically flatlining and it's going to be the status quo. The overcapacity and the hallway nursing that are presently happening are still going to be a huge challenge. It's nothing new—hallway nursing and the overcapacity—but it's now getting to the front page of the paper more recently.

Mrs. Gila Martow: I worked at Markham Stouffville Hospital; I was an optometrist in the health centre. I saw first-hand the aging demographic. You know, you just see the sort of changes. When I first started practising, it would be so incredibly rare to see somebody in their nineties, and then the next thing you know—my husband is an eye specialist and we're having patients 100 years old having cataract surgery.

Even if we had a patient who was 100 years old 20 years before, they weren't well enough to have surgery. So the cost of—and I'm not begrudging the health care. But we have to plan, and we knew it was coming. There is a cost-of-living factor, but on top of that there's the aging demographic. There's an increase in population, so some of these hospitals are seeing a huge increase in population for their region, and their funding has to reflect that. So I'm frustrated as well.

1700

I just wanted to mention what you said about RN cuts. Do you feel that that's being picked up by other types of nursing? That's what we heard in question period last week when we mentioned the RN cuts. We were told, I think by the Premier directly, that that has not been clear because there are other types of nursing out there.

Ms. Linda Haslam-Stroud: There's room for all kinds of nurses in the system: registered practical, nurse practitioners and registered nurses. The College of Nurses statistics and our line-by-line accounting are showing that there is a reduction in RNs in hospitals as the acuity and complexity are going up—that's what RNs take care of. The RPNs, of course, take care of our stable, predictable patients. So we do have issues, yes.

Mrs. Gila Martow: In terms of the WSIB, I had to pay into WSIB all of a sudden in the last few years that I was practising; I didn't have to before that. I asked why, and they said it's because we work with little screwdrivers, fixing people's glasses and things like that.

Nursing is a really tough profession. When they're working in an overcapacity environment—many of our emergency rooms are past 100% capacity—it's putting stress on the nurses. I think that if we put the investments in the hospital—I just wanted you to speak about that. What kind of investments could we make to prevent having the nurses need to make claims to WSIB?

Ms. Linda Haslam-Stroud: I think part of it has to do with violence, which we're working on. It's also to do with musculoskeletal injuries and, unfortunately, the chronic mental stress, and that is because of the excessive workloads. As we increase two patients per unit, we're not increasing any staff, because they've identified every unit can take an overcapacity: "Move two here, move two here, move three here."

As the nurses on the front lines, we are welcoming these patients and trying to give quality care. It is a major stress on us, but we're going to continue to be there. We're going to advocate for quality care, and we're going to try the best we can under the circumstances we're under.

Mrs. Gila Martow: I appreciate all your effort and your representation. Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation today. If there's anything further you'd like to give us in writing, you have until 7 p.m. today.

Ms. Linda Haslam-Stroud: Thank you very much. Have a good afternoon.

ONTARIO PHARMACISTS ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness this afternoon is the Ontario Pharmacists Association. Good afternoon. You have up to five minutes for your presentation. Please state your names for the official record as you begin.

Mr. Andrew Gall: Good afternoon. I'm Andrew Gall. As of May 1, I am the CEO of the Ontario Pharmacists Association. Joining me is Allan Malek, our senior vice-president of professional affairs at OPA.

OPA represents over 10,000 pharmacy professionals, pharmacists and pharmacy technicians across Ontario. We're the largest advocacy organization and professional development and drug information provider for pharmacists in all of Canada.

Thank you for the opportunity to share our concerns regarding the language within Bill 127 with the committee.

We're here today to inform the committee of our concerns regarding the proposed wording of schedule 24 within the bill. We're tabling two options for consideration. Our recommended option number 1 is that schedule 24 be removed in its entirety. Option number 2 provides amended language to schedule 24, and our revised wording is provided in the handout. We respectfully request that you consider the two options and amend the legislation when you undertake your clause-by-clause review of the bill. Our concerns are shared by the Neighbourhood Pharmacy Association of Canada, and we understand that this association may be presenting after us today.

The 2015 budget stated that the government of Ontario would seek a $150-million annual reduction in expenditures within the Ontario Public Drug Programs. Since that budget was tabled, both of our organizations have been working with the Ministry of Health and Long-Term Care to achieve these reductions in a way that would minimize the financial and operational impacts on Ontario's pharmacy professionals. We acknowledge that the goal of schedule 24 was to address aspects related to the initial challenge of the $150 million. Though we were advised that the legislative change was required to recoup the shortfall from the 2015 budget, we did not agree, nor were we advised that that such a broad power would be proposed by the government in Bill 127. As it's currently written, the Ontario government has the power to deduct payments from pharmacies' health network accounts in perpetuity.

Despite the collaborative approach we've had with the ministry over the last two and a half years, we're extremely concerned with the impact of the current language of schedule 24 and the impact of funding reductions on our members' ability to deliver the sustainable, accessible health care in pharmacy that Ontario patients rely on.

The bill as drafted goes beyond achieving financial savings for the province. If passed as is, this bill will extend authorities to the executive officer of the Ontario Public Drug Programs that we and our lawyers believe are far too broad. From our discussions with the ministry, we expected to see time limits and upper dollar limits clearly defined and outlined in the bill. As written, you'll see there are none. There are no time limits, no dollar limits and no parameters or guidelines present. Schedule 24 as drafted does not reflect what we expected.

The government's objective can be simply achieved without schedule 24, utilizing the existing regulatory framework. We would request that the parties continue to collaborate on an acceptable time frame and approach to recoup these required savings.

Mr. Chair and committee members, if you do not remove schedule 24 or amend this schedule as we propose, if this language becomes law, it will create great uncertainty for pharmacies and pharmacists in Ontario.

While we realize that schedule 24 references that there will be regulations to follow, regulations don't provide the certainty that our members and their employees need. Respectfully speaking, regulations don't take on the permanence of carrying the weight of legislation, which, when passed, becomes the law of the land. What if a future executive officer uses the brand new powers written into this bill to unilaterally impose additional funding cuts that have nothing to do with budget 2015? What should we be doing? The bill opens a window for future cuts without consultation. You must understand why we and our members are concerned.

We're proposing two options for your consideration.

Option 1: Remove schedule 24 in its entirety from the bill and, in collaboration with the ministry, use the existing regulatory process to recover the budget 2015 savings shortfall of approximately $35 million and determine the time frame—up to 24 months—that this savings shortfall will be achieved in and how to best achieve it to minimize the impact to pharmacists and pharmacies and, ultimately, the patients they care for and serve.

Option 2 is to amend schedule 24 in the legislation. We have worked with our legal counsel and have provided the ministry, and now yourselves, with the following alternative language based on this morning's feedback from ministry's legal. That's included in your handout in the last two pages. We invite you to take a look at the handout. You'll see the language as proposed. There are changes focusing on limiting the time frame and the dollar amount.

We're confident that the desired outcomes can be obtained ideally from simply removing schedule 24 in its entirety—our preferred option, option 1. Alternatively, adopting our proposed amendment, option 2, will mitigate some of the fear and future risk to pharmacy professionals that is created by the current language in the schedule.

The Chair (Mr. Peter Z. Milczyn): Thank you. I have to cut you off there.

This round of questioning begins with the government side: Mr. Baker.

Mr. Yvan Baker: Gentlemen, thanks very much for coming in. It's good to see you again. I'm just wondering if you could, for the sake of the committee members who

haven't had a chance to—first of all, I'm not trained as a lawyer, so it takes me a little bit longer, but also for the sake of the folks who are watching at home and reading the Hansard at some point, could you walk us through what you proposed here in your submission as far as the amendment? Could you summarize it for us?

Mr. Andrew Gall: Yes, certainly. I'll start with that.

The first thing we're proposing is to actually take away schedule 24. It's not needed. We can use the current regulations in place.

Under option 2, what we have done is we've added language. Specifically, if you look under section 6, paragraph 3, we've quantified the dollar limit up to a total aggregate amount of $35.3 million. So we've quantified what that shortfall was and we talked about how it would be up to 4% off of section 6(1)1, which references the dispensing fee and/or under the mark-up.

We've also specified that if there are any over-deductions, they would be repaid to the pharmacies within X number of days or a month. We've actually tightened it: What's the dollar amount, what's the time frame and how is it deducted?

1710

Mr. Yvan Baker: Okay. And your objective here, if I understood your presentation correctly, is to provide certainty that might otherwise be in regulation, but regulations that you have not seen yet. Am I summarizing you correctly—

Mr. Andrew Gall: Which is correct, because right now, in legislation, it's saying they can deduct and there's no end, so it's in perpetuity, the way it is written right now.

Mr. Yvan Baker: Right. I know that you represent pharmacists—Chair, how much time do I have?

The Chair (Mr. Peter Z. Milczyn): One minute.

Mr. Yvan Baker: I know you represent pharmacists who are larger and smaller. There's quite a range of folks who you represent. Can you talk about how you believe these things would translate to a small pharmacist in a community?

Mr. Andrew Gall: I'll ask Allan to comment.

Mr. Allan Malek: Thank you for the question. I think all pharmacy business owners are going to be impacted. The challenge, as Andrew has articulated, is that the proposed changes to the legislation will keep an open target on the pharmacy funding, with no time limits in place.

From a small-pharmacy perspective, this is particularly hard. Many of these pharmacists work with either a small staff or work in small community pharmacies, and they're very impacted by day-to-day cash flow. When there is uncertainty in legislation, it becomes highly problematic. By introducing more of the detail into the regulation and removing this clause, I think it will provide more of that business certainty, especially for the small players.

Mr. Yvan Baker: Chair, do I have any time left?

The Chair (Mr. Peter Z. Milczyn): You've used up all your time.

Mr. Fedeli?

Mr. Victor Fedeli: Thank you very much, gentlemen, for being here. I know that when we sat in the budget briefing with 30 or 40 or more of the ministry staff, they told us that this regulation would develop a subtraction. So we asked them what a subtraction would be. Although it took quite a bit to figure out, we finally figured out that—I just called it a pharmacy tax. Is that how you see this as well?

Mr. Allan Malek: It's an excellent question. I wouldn't necessarily call it a tax; that has quite a connotation to it.

However, there is a lot of background to this. It goes back to budget 2015, and it goes back to savings initiatives the government at the time had put in place, through a variety of initiatives, to recoup $150 million out of the public drug program. That's on an annual basis. This was over a three-year period, $150 million. Effectively, there are challenges at the front line, many that are outside of pharmacists' control, that limit their ability to deliver on those savings. What this piece will actually amount to is the ability of the government to close the savings gap that was not delivered over the 2015 budget.

Mr. Victor Fedeli: So who pays that money?

Mr. Allan Malek: That is coming directly out of the pharmacy owners.

Mr. Victor Fedeli: What do you think that adds up to, in the course of a year?

Mr. Allan Malek: The way we calculate it for this particular element—and it has been articulated in our statements—that amounts to $35.3 million. That is over fiscal 2016-17.

Mr. Victor Fedeli: That's annually?

Mr. Allan Malek: That's what we have accrued to date.

Mr. Victor Fedeli: Okay.

Mr. Andrew Gall: But the annual amount was $150 million, right? The gap for 2016-17 was short by $35 million, so the government wants to recoup that.

Mr. Victor Fedeli: That's what they called the subtraction?

Mr. Andrew Gall: That's the subtraction.

Mr. Victor Fedeli: When you say there are no limits, no dollar limits, no parameters or guidelines, what are you referring to? Do we know that number, or are we worried that it's open?

Mr. Andrew Gall: If you read schedule 24, the way it is, there are no limits there whatsoever. It says that the executive officer can subtract. What we're saying is, ideally, get rid of it, because we've had an agreed process for the last two and a half years that has worked. Let's just continue on there, and there's no need for that. But if it needs to be in legislation, you need to put boundaries on it, because there are no limits.

Mr. Victor Fedeli: So when you say—and I have it here in front of me—"governing the manner in which the executive officer determines any ... amount to be subtracted under subsection 6(1);" that's the concern? The fact that this executive officer can make this "sub-

traction" is this great uncertainty that you say would exist then for pharmacists?

Mr. Andrew Gall: Right.

Mr. Victor Fedeli: We're certain of one thing, that it's going to cost you money, but the uncertainty is how much.

The Chair (Mr. Peter Z. Milczyn): Mr. Fedeli, that's all your time.

Mr. Andrew Gall: Right. When does it end? Right now, there's no end.

Mr. Victor Fedeli: Thank you for your time. I really appreciate that.

Mr. Andrew Gall: Thank you.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof.

Mr. John Vanthof: Thank you very much for coming. I would just like to back up a bit. Before this budget came out, you were on course with the government on the—I don't know if it was an agreed-upon amount or the amount they decided, but you were on course to rein that money in?

Mr. Allan Malek: The answer to that would be no, for many reasons beyond pharmacists' control. Prescribing behaviours, for example, may dictate the savings and the ability of pharmacists to achieve savings. We recognize, acknowledge and accept that there was a budgetary shortfall from fiscal 2016-17. We had worked with the ministry very closely and had agreed that a reconciliation process, such as was being proposed, was a workable solution. However, it was contingent on a very tight timeline, a very defined timeline.

What caught us off guard with Bill 127 was the fact that the language did not include a timeline, did not include a dollar limit. That is being left to a regulatory phase and it's very hard, as you might imagine, for us to be able to look forward and see what those regulations are going to look like.

Mr. John Vanthof: As a group, were you satisfied with the level of consultation you had with the government before this was—

Mr. Allan Malek: Absolutely. I would say it has been a very collaborative process and we continue to work collaboratively with the government and with the Ministry of Health as we move through these processes.

Mr. John Vanthof: But currently, you're just worried that this is too open-ended?

Mr. Andrew Gall: Well, it is, yes. It's broad powers and it was not what we were led to believe.

Mr. John Vanthof: So you had—how do I word this? Before the budget was dropped, you were fairly confident that it was going to be more applicable to your problem? This did catch you by surprise, what was in the budget?

Mr. Allan Malek: The way the language of the legislative change was phrased, yes, that was a surprise. We were expecting a closed process with timelines and dollar amounts.

Mr. John Vanthof: More along the lines of what you've proposed.

Mr. Allan Malek: Exactly.

Mr. John Vanthof: Okay. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, gentlemen, very much for your presentation this afternoon. If there's anything further you'd like to submit in writing, you have until 7 p.m. today to do so.

Mr. Andrew Gall: Thank you.

MR. STEVE MANTIS

The Chair (Mr. Peter Z. Milczyn): Our final witness of the afternoon is Mr. Steve Mantis. Good afternoon, sir.

Mr. Steve Mantis: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to five minutes for your presentation, and even though we know who you are, we still need you to say your name on your own for the official record as you begin.

Mr. Steve Mantis: Thank you, Mr. Chair. My name is Steve Mantis. I'm appearing as an individual, but I also serve as the chair of the research action committee of the Ontario Network of Injured Workers Groups. I'm a northern boy; I'm from Thunder Bay, and I'm the treasurer of the Thunder Bay and District Injured Workers Support Group.

I kind of ended up here by chance today. I was coming down for a number of meetings. Actually, I had a meeting this afternoon with management at the WSIB, but it got cancelled, so all of a sudden I had an opening in my schedule and found out there were hearings here and people were presenting on WSIB.

A number of the folks who presented on behalf of injured workers concerning schedule 33 were lawyers and have worked with us for many years. I greatly respect and support their opinions. We support the presentation by the Ontario Federation of Labour.

At 8 o'clock this morning we were on email with our Thunder Bay injured workers' group, going, "Oh, my gosh. What's happening in the Legislature? They're changing the rules on workers' compensation. We didn't even know." We need to support the amendments that the OFL was presenting.

1720

But my intention today really was to try to bring some of the experience of workers who get hurt and how that relationship with the WCB, now the WSIB, actually unfolds. It's great to think about the law and all the work that you guys do as MPPs, but the reality that many workers face is—let's say there's a lot of room for improvement.

I got hurt almost 40 years ago, in 1978, working construction and lost my arm. I'm one of the success stories at workers' comp. People who have a permanent impairment, a permanent disability—we're looking at 30% to 40% of those are chronically unemployed. That same number is oftentimes living in or near the poverty level. We have been working with researchers for the last 20 years to document what actually happens to workers who are hurt in serious injuries.

I got appointed to the workers' compensation board of directors in 1991, in January. My first request was, "Can we look at what actually happens to workers with serious

injuries long term?" There was very little information on what actually happens. Ever since that time, I have been meeting with every Minister of Labour we've had to make that same argument, that if we don't know how the people who are most vulnerable in the system actually do, how is it we're making evidence-based decisions? In lots of WSIB's stuff on their website, they talk about, "We make evidence-based decisions." Well, where's the evidence?

It's funny. I've been working in the non-profit sector for many years, and we go and we get a grant for $25,000. The accountability for showing what the outcomes are from that $25,000 is significant. The WSIB goes through almost $4 billion a year, and they don't know whether the people who they're supposed to be there to help are actually helped. So some of the research we've done looks at that group of people with permanent impairments.

What we found was that 45% suffer from mental illness, 38% from depression, and there's a range of other conditions. Families break down 28% more than average families in Ontario. When they go back to work, 45% of the workers get re-injured, and that can happen two or three times, making the physical disability worse, but also the mental piece: "Why am I going to a place where they say they're going to look after me, the law says that they have to protect my health, and I am repeatedly injured over and over and my disability is worse?"

I think there's big room for improvement. And what we've seen in the last eight years is that the focus has been primarily on reducing costs. That's the measure that the WSIB can use to clearly tell you how well they're doing. They put quarterly reports out, jeez, just like our for-profit institutions that tell you how much money was saved this quarter and how much closer they are to reducing the costs. It's amazing, because not only have they reduced health care costs, but they've made everybody better. We should have the hospital association in here because they can learn a lot from the WSIB: "Don't spend the money on health care; we'll just get the people better."

Really, my main focus is that last section of schedule 33 that talks about giving the board broader powers to make policy. We all know they make policy; that's fine. But what, in fact, I think it's doing is it's superseding your power.

The Workers' Compensation Act was our first piece of social legislation, in 1914, the first piece of our social safety net. We look at that act and we read it and are inspired. The debates that have happened in the House around protecting workers are things that we use in our efforts to try to hold the system accountable.

To say now the board can just make rules, different evidence on different conditions, with the focus they've got now of reducing costs, we think will increase that number of people with mental health problems and put that burden onto family members, the community and society at large. What we're seeing is a big spike over the last number of years in people going to social assistance.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Mantis. We were all listening very carefully. I did give you a couple of extra minutes.

Mr. Steve Mantis: Oh, thank you so much.

The Chair (Mr. Peter Z. Milczyn): We'll go on to questions now. Mr. Barrett.

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

I heard your very understandable presentation. You mentioned a 45% injury when they go back to work. I'm astounded to hear that because for years in industry, what I've noticed in consulting, before I had this job, was the goal was to get an injured worker back into the workplace as soon as possible, slowly, back into the lunchroom and back with their work colleagues before they get so isolated that maybe they don't end up working again, which was another one of your stats.

So just a quick comment, and my partner has got a question too.

Mr. Steve Mantis: It's hard to understand. This is research that was done by the Institute for Work and Health. They're really a leading research institute in English Canada on workplace health and safety and workers' compensation. They were comparing it to numbers out of Australia, and the numbers are almost the same in both Ontario and Australia.

That's broken down into two categories. One is kind of a reoccurrence where the same body part is affected, but the other is where other body parts are also affected. Once I lost my arm, I looked around and said, "Who's going to hire a one-armed carpenter?" No one stood up, and I started my own construction company. What I learned from that is that if I've got the power to modify the job to fit my own strengths and capabilities, I can do that job just fine.

Mr. Toby Barrett: That might be the answer.

Mr. Steve Mantis: I don't wear my prosthetic arm anymore, but I did for 14 or 16 hours a day. But it only works up about this high, so any work overhead, well, it would be foolish for me to try to attempt that—I'm not productive. But we reorganize our workplace so that that can get done. It can work, but oftentimes that's not the mindset of including the worker in that decision-making.

Mr. Victor Fedeli: Thank you very much, Mr. Mantis. I really enjoyed your presentation. I found it very thoughtful, and you have such a soothing way to get your point across.

Mr. Steve Mantis: Thank you so much. I'm all nervous. I wasn't prepared.

Mr. Victor Fedeli: You did great, believe me. We listen to many presentations throughout the year and this was rather pleasant to listen to.

You talked about the fact that—I use the language; I'm not putting words in your mouth—if you can't measure it, you can't manage it. Those are the words that we use.

I was really surprised at your comment about WSIB, that one of the only things they can measure is the fact that they reduced their costs. The other numbers

throughout the year, the numbers that helped the workers, really are not measured. Is that still the case today? I mean, you talked about when you were on the board in 1991. Is that still the case today, in your opinion?

Mr. Steve Mantis: It is, and it has become more pronounced. They've hired communications experts to spin to make it look good. One of the numbers they are actively promoting is that 92% of the workers are back to work with no wage loss within 12 months. We kind of go, "Now, wait a second. How can you say that?" Because what happens in the adjudication of a claim is the adjudicator makes a decision, checks a box that goes into a database that says, "You're now better. You can go back to work. I'm closing the file."

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They don't know whether that worker actually went back to work. They don't know whether they got injured again. They don't know if they went to China. They just know that when the case was closed and that box was checked on the computer that goes into the database, the adjudicator said, "You're ready to go back to work." We heard earlier that they talked about how they use the normal healing times, oftentimes, to make those decisions.

Mr. Victor Fedeli: Thank you, Mr. Mantis.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof.

Mr. John Vanthof: Steve, I'd like to echo that. You made an incredible presentation.

I'm going to equate it to my job. I'm a farmer, and right now everybody in northern Ontario wants to talk about agriculture. They want to talk about all kinds of things that they've read about and studied, and they've never put their hand on a plow. Lots of times at committee, we have all kinds of people talking about workplace injuries, but they've never been injured and they've never been through the process. I think it's a fitting end to this that we're actually talking about this. Unfortunately, it is the end of this.

From what I gathered, you think the problems with the WSIB could be getting worse instead of better.

Mr. Steve Mantis: I do.

Mr. John Vanthof: Do you believe that these changes to let them develop more of their own policy, without our scrutiny, are going to make it worse much more quickly?

Mr. Steve Mantis: I do believe that, and it's based on observing what has happened over the years.

It's interesting. If we go back 10 years, we were talking to then-Minister of Labour Steve Peters. We had a good relationship with him and really led him to understand the problem with deeming, where a person is told they can do a job, but really can't do the job. They end up unemployed, but they are given no benefits, because they're deemed to be employable. Steve Peters said, "We're going to change that," and in another budget bill, interestingly enough, he put in to change the wording in the act, with the intention that deeming would be removed. They changed the word from "deeming" to "determining."

I saw him in the Legislature right after it happened. He was so happy. He came up and said, "Steve, we did it. We got rid of deeming." I said, "Well, I'm not sure you understand the WSIB that well," because it changed nothing. Their focus has been on keeping those costs in line, and more specifically now, since 2009, on reducing costs. Then they spin the information to say that they're doing good.

They do do good. The numbers are that 76% of the time, people are satisfied. Well, 76% of a quarter of a million people—that's how many people are injured every year. What does that leave? I think that leaves just roughly, off the top, 62,500 people who are not satisfied, who don't feel like they got a fair deal.

One of the things they planned to do to rein in the costs, starting in 2010, was on pre-existing conditions. I think one of the lawyers talked about this. We have been saying to the minister: That is actually breaking the law. The law says you take the worker as you find them.

The Chair (Mr. Peter Z. Milczyn): Now we have a question from Ms. Vernile or Mr. Baker.

Ms. Daiene Vernile: I just wanted to add my voice to my colleagues' and say that considering you were a last-minute fill-in and you said that you were nervous, I thought you were fantastic. You did very well to inform us. You were very animated. You gave us some lived experiences and you represented injured workers very well.

What's the take-away for us? If there's one number-one thing that you want us to come away with, what is it?

Mr. Steve Mantis: I want you to set a high standard that we as advocates can then hold the compensation board accountable to. Giving away that power, which it seems to me this bill does, says there are no standards. You're not setting any standards anymore. "We trust you guys. You look after it."

We believe you guys have some morality, and you have to be accountable to the people who vote for you. WSIB doesn't. We can't figure out where they're accountable. I've been working with subsequent Ministers of Labour to put in the memorandum of understanding that they track outcomes. For crying out loud, let's see if you're doing the job you're supposed to do. It never happens.

It's not because it's me or not. It's just that any management is performance management. You set goals and you measure against them, and if you're lacking then there's room for improvement there. But if you don't set the goals or if your only goal is to save money—which, unfortunately, the Legislature told the board back in 2010 was the priority—they are fulfilling that priority.

We really look to you to set that bar high and to say, "We want to provide quality service to our citizens who get hurt at work. We really care about you, and we want to actually integrate you back into the workplace."

What I learned as well is that—I've been spending the rest of my career in management. If you involve the workers in the decision-making about how the work is done, your quality goes up, your morale goes up and your profit goes up. What's the problem here? The problem is management prerogative. The management says, "I'm

the boss, and I'll tell you what to do." Well, that's fine and good, but if you want to make more profit—if you have a participatory approach and you look at everybody's strengths and weaknesses—and we all have them—and say, "How can we best create a workplace and a workforce where we're all pulling together?", I think we all can gain from that.

Ms. Daiene Vernile: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Mr. Mantis, whoever you were supposed to meet with today, their loss was our gain this afternoon.

Mr. Steve Mantis: Thank you so much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for coming in. If you have time, in the next hour and 20 minutes, to send something in in writing, feel free to do so.

Mr. Steve Mantis: Thank you. You know, Mr. Chair, this has been my life. Since I lost my arm, I have seen the hardship that others have gone through. Not me; I had the support and care and whatever abilities to make it through. But many haven't, and we really look for your help to address that issue. Thank you so much.

The Chair (Mr. Peter Z. Milczyn): Thank you.

For members of the committee, hard copies of amendments to the bill are due by 7 p.m. today. They can be delivered to room 1405 in the Whitney Block. If you haven't submitted your amendments yet, please do so.

The committee will stand adjourned until 8:30 a.m. tomorrow, Tuesday, May 16, when we'll meet in room 151 for the purpose of clause-by-clause consideration of Bill 127. Committee is adjourned.

The committee adjourned at 1738.

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