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**Official Report
of Debates
(Hansard)**

G-41

**Journal
des débats
(Hansard)**

G-41

**Standing Committee on
General Government**

Workplace Safety
and Insurance Amendment
Act, 2021

1st Session
42nd Parliament

Tuesday 9 March 2021

**Comité permanent des
affaires gouvernementales**

Loi de 2021 modifiant la Loi
sur la sécurité professionnelle
et l'assurance contre
les accidents du travail

1^{re} session
42^e législature

Mardi 9 mars 2021

Chair: Goldie Ghamari
Clerk: Isaiah Thorning

Présidente : Goldie Ghamari
Greffier : Isaiah Thorning

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
GENERAL GOVERNMENT**

**COMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES**

Tuesday 9 March 2021

Mardi 9 mars 2021

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

**WORKPLACE SAFETY
AND INSURANCE AMENDMENT
ACT, 2021**

**LOI DE 2021 MODIFIANT LA LOI
SUR LA SÉCURITÉ PROFESSIONNELLE
ET L'ASSURANCE CONTRE
LES ACCIDENTS DU TRAVAIL**

Consideration of the following bill:

Bill 238, An Act to amend the Workplace Safety and Insurance Act, 1997 / Projet de loi 238, Loi modifiant la Loi de 1997 sur la sécurité professionnelle et l'assurance contre les accidents du travail.

The Chair (Ms. Goldie Ghamari): Good morning, everyone. The Standing Committee on General Government will now come to order. We are here for public hearings on Bill 238, An Act to amend the Workplace Safety and Insurance Act, 1997.

We have the following members present in the room: MPP Wayne Gates, MPP Jane McKenna and MPP Guy Bourgoon. The following members are participating remotely: MPP Bob Bailey, MPP Stephen Crawford, MPP Chris Glover, MPP Amarjot Sandhu, MPP Mike Schreiner and MPP Daisy Wai. Have any other members joined us?

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

Please speak slowly and clearly, and wait until I recognize you before starting to speak. Please take a brief pause before beginning. As always, all comments should go through the Chair.

Are there any questions before we begin?

**MINISTRY OF LABOUR,
TRAINING AND SKILLS DEVELOPMENT**

The Chair (Ms. Goldie Ghamari): Our first presenter is the sponsor of Bill 238, the Minister of Labour, Training and Skills Development, MPP Monte McNaughton.

Minister, you will have 15 minutes to make an opening statement, followed by 45 minutes for questions and answers, divided into three rounds of six minutes for government members, three rounds of six minutes for the

official opposition members, and two rounds of four and a half minutes for the independent member.

Our remaining presenters today have been grouped in threes for each one-hour time slot. Each presenter will have seven minutes for their presentation, and after we have heard from all three presenters, the remaining 39 minutes of the time slot will be for questions from members of the committee. This time for questions will be broken down into two rounds of seven and a half minutes for government members, two rounds of seven and a half minutes for the official opposition, and two rounds of four and half minutes for the independent members as a group. Are there any questions?

I will now call upon the minister. You will have 15 minutes for your presentation. Please state your name for Hansard, and you may begin.

Hon. Monte McNaughton: Good morning, everyone. I'm Monte McNaughton. First, I would like to thank the Chair and members of the committee for the opportunity to speak to our proposed legislation, Bill 238, the Workplace Safety and Insurance Amendment Act, 2020. I'd also like to thank all the members of the committee for the important work you do—a really important part of the legislative process here in Ontario.

Secondly, I also want to thank my parliamentary assistant, Jane McKenna, the MPP for Burlington, who is doing extraordinary work on the labour, training and skills development files. Certainly, we continue to work every day to ensure that government, business, labour and workers work together.

I'll begin by providing some context this morning. This bill fits within the overall hard work my ministry has been doing to stop the spread of COVID and help Ontario's economy recover. Our province, as everyone here knows, has faced truly unprecedented challenges during this pandemic, and our government has responded with unprecedented action to meet these challenges.

Our government and my ministry have acted quickly to support workers and employers. All of us have been impacted by COVID-19. My heart goes out to those who have lost loved ones. And I want to again offer my gratitude to the heroes on the front lines: health care workers, emergency responders, truck drivers, construction workers, cashiers, grocery store clerks and so many more who have kept our communities functioning.

Yet the pandemic has had a particularly serious economic effect on main street businesses and those who

work for them. Retail employees, restaurant workers and staff in the hospitality and tourism industries have been especially hard hit. Statistics Canada tells us that employment in the accommodation and food services sector was down 35.4% in February 2021 compared to February 2020. Many smaller establishments had to shut down, lay off workers or cut back hours. Many businesses, including small businesses, that have remained open are working hard, being creative and making the necessary efforts to follow health and safety guidelines.

A vital part of my ministry's mandate is to work with employers and labour to create and maintain safe and fair workplaces. That's why I've met with over 200 labour leaders, hundreds of business owners and countless workers since becoming the Minister of Labour, Training and Skills Development in June 2019. We want these hard-working people to know that we're listening to what they are saying, and that my ministry has been working hard to make this difficult time easier for them and their workers.

We're supporting businesses by showing them how to comply with health and safety requirements to stop the spread of this deadly virus. As you can see from recent news coverage, we have been doing workplace inspections across Ontario and educating small businesses on how to protect their workers and patrons, as well as providing numerous resources and guidance documents.

But we have also found ways to ease the unexpected financial and operational burdens employers face. Bill 238 proposes new, additional measures to lessen the unprecedented economic impact of COVID-19 on businesses. Our legislative proposal focuses on an unanticipated rise in the earnings ceiling under the Workplace Safety and Insurance Act, 1997.

Let me explain. As I've said, during the last year, COVID-19 has resulted in significant job losses. The impact has been felt strongly among lower-wage workers, including those in the retail, hospitality and service sectors. Job losses in these areas have resulted in an increase in Ontario's average industrial wage. If a greater number of lower-wage workers than higher earners lose their jobs, the average industrial wage of those still employed rises. This does not represent an actual increase in overall earnings in our province. In fact, in this case, it is actually a result of a challenging, unexpected situation that impacted our economy very negatively.

To provide some perspective, the usual yearly increase in this average wage is between 2% and 3%. This year, the average wage increased by 7.8%. That's a substantial spike, and it has significant implications for some businesses who pay premiums to the WSIB who have workers whose earnings are at the wage ceiling.

The consequence of this rise in the average industrial wage would be an unexpected rise in the total WSIB premiums payable for some employers. An earnings ceiling, also known as maximum insurable earnings, is a figure used by the WSIB to determine the premiums employers pay. This earnings ceiling is a cap, a maximum annual wage that premiums are, in part, based on.

Based on a formula the WSIB uses, set out in the Workplace Safety and Insurance Act, the earnings ceiling is 175% of the average industrial wage in Ontario as of July 1 of each year, as reported by Statistics Canada. If the average industrial wage for Ontario is higher, the WSIB premiums for some employers will rise. To ease the strain on businesses during the pandemic, the WSIB has frozen 2021 premium rates for employers at the same levels paid in 2020. However, this freeze would not protect businesses affected by an increase in the maximum insurable earnings, or earnings ceiling. That's because the increase in the maximum insurable earnings affects the total premiums employers pay and is separate from the premium rate that they are assessed by the WSIB.

The rise in the maximum insurable earnings figure disproportionately impacts employers of higher-wage workers. This includes jobs categories such as construction and skilled trades and some health care workers; for instance, registered nurses. Employers of these higher-paid workers face a substantial increase to their total WSIB insurance premium payments this year. That increase isn't related to the safety record in their workplaces. Again, the increase would come as a result of premium calculations being subject to the earnings ceiling, and the earnings ceiling is going up because of the highly unusual circumstances we faced during the pandemic. If the earnings ceiling increases, premiums can still go up for some employers, despite the freeze on individual rates. It would be an additional burden on businesses at the very worst time. It would make it harder for them to survive, and it would be a setback for our efforts to promote Ontario's economic recovery.

To address this situation, protect businesses and help keep them viable, we are proposing to amend the Workplace Safety and Insurance Act. Our legislative proposals would insert a specific and lower maximum insurable earnings figure. To provide the committee with some additional context, the WSIB maximum insurable earnings ceiling for 2020 was \$95,400. The WSIB has estimated that about 200,000 workers had earnings above the 2020 maximum.

In Bill 238, we are proposing a ceiling cap for 2021 of \$97,308. These proposed amendments would set a 2% increase to the 2021 maximum insurable earnings ceiling, rather than the 7.8% increase it would otherwise rise to. The 2% increase reflects the typical year-over-year increase in the average industrial wage, instead of the much higher climb we've seen this past July.

0910

Bill 238, if passed, would protect employers who have workers at or above the earnings ceiling cap from a significant cost increase as a result of higher WSIB premiums. That is important in this challenging time for businesses and workers. Bill 238, if passed, would be applicable as of January 1, 2021.

I want to emphasize to this committee that our proposed approach would have no impact on the benefits payable to injured workers, as only the earnings ceiling calculation

for premiums is affected, not the ceiling for worker benefits. Our new amendment would not affect the 7.8% increase in the earnings cap for the calculation of worker benefits.

Many workers whose income is at the maximum earnings level are people on the front lines. They are firefighters, registered nurses, skilled trades and construction workers, and those in the automotive sector. These workers are truly heroes. They've rendered invaluable service to Ontario's society and economy throughout the pandemic, and they will continue to be fairly compensated for work-related injuries and occupational diseases during the COVID-19 pandemic.

While we know that the WSIB operates independently and at arm's length from the ministry, we still have responsibility for the oversight of the board, including statutory oversight of the WSIA. Not only would this bill amend the WSIA to help stabilize premiums; it's the only way a change to the formula can be done. We see this measure as a one-time temporary response to an extraordinary event. The committee will note that, under Bill 238, we are also seeking regulation-making authority to specify a lower insurable earnings ceiling in 2022, should the average industrial wage again rise unexpectedly.

The past year has taught all of us to plan for the unexpected. Employers need and deserve the financial relief our proposed adjustment will bring in 2021. When we help them remain solvent, we help them retain workers and protect jobs.

We are also proposing a legislative requirement regarding information-sharing between the WSIB and the ministry. Although a memorandum of understanding identifies certain WSIB documents to be shared with the Ministry of Labour, Training and Skills Development, a legislative requirement is a more effective tool in times of rapid and ongoing change.

This proposed legislation is another example of how my ministry continues to work alongside the WSIB to provide support for businesses who need it most, and to ensure workers are protected during very uncertain times. I urge the committee's support for these proposed legislative changes.

Bill 238 is part of our wide-ranging effort to support businesses and workers during a very difficult and challenging period. It will help us go one step further and closer to Ontario's economic recovery. If passed, it will help shield businesses from unexpected increases in their Workplace Safety and Insurance Board premiums, while allowing for an increase in the maximum Workplace Safety and Insurance Board benefits for workers who clearly depend on them.

Chair, I want to thank you and the committee for the opportunity to be here today. Thank you again for the role that everyone is playing in our democratic process here in Ontario in providing oversight to legislation that's brought forward, and thank you for your time this morning. I look forward to taking questions from my colleagues.

The Chair (Ms. Goldie Ghamari): Thank you very much, Minister. This round of questions will begin with

the official opposition for six minutes. Who would like to begin? MPP Gates?

Mr. Wayne Gates: Please. Thank you. Good morning. Thank you, Chair. And good morning to Minister McNaughton. I was actually looking forward to seeing you actually here so I could see your face better; my eyesight is not that good when I look at that screen, so it's unfortunate you didn't make it.

I'm going to ask a few questions to you. I have a bill before this House, Bill 191, which has been supported by many of the parties in the Ontario Legislature. It uses the exact same language used in the legislation around employment insurance to ensure there is no fraud but also to end the practice of deeming in the WSIB.

Under your watch, 50% of the injured workers in Ontario live in poverty. Why have you not publicly supported my bill to end deeming, and why does your government continue to support that practice?

Hon. Monte McNaughton: Good morning, MPP Gates. It's good to see you. I thought maybe our hair would be blurring our vision here this morning.

I want to begin by thanking you for bringing forward this legislation. I look forward to debating it in the House.

As you know, our ministry undertook—beginning, actually, with Minister Laurie Scott, when she was Minister of Labour, and it was presented to me—an operational review of the WSIB, which will look at some of these issues. One of the things from the operational review—as you know, there were a number of recommendations, but we did move forward with restoring funding to the Office of the Worker Adviser and the Office of the Employer Adviser, which is an increase of about \$600,000.

But my mission and that of our government is to ensure that we have a Workplace Safety and Insurance Board system that is sustainable for generations of workers to come. I'm very pleased and proud to say that we are in good fiscal health at the WSIB, thanks to the stable leadership of the board, Chair Witmer and all of the board members, as well as the team at the WSIB.

This legislation today is important. It's important to ensure that workers have jobs to go back to. That's why we're bringing relief to these employers. I'm really pleased to say that workers are going to be protected. That is my mission: to ensure that we stand by workers every single day, and I know you feel the same way, so thank you.

Mr. Wayne Gates: I can appreciate that response, but I can tell you that the injured workers who went to work every day, through no fault of their own ended up getting hurt on the job, and because of deeming, they are living in poverty. They're losing their homes. In a lot of cases, they've lost their marriages. A lot of their friends disappear. It is absolutely disgraceful, in a rich country like Canada, that we're forcing people that get hurt on the job, that go in there and perform to the best of their ability, to have to go and get ODSP to live. It's a mistake. I wish your government would certainly take another look at it. I care about workers, but I also care about injured workers who

are living in poverty. I want you to really take a serious look at the deeming bill.

Front-line workers are telling your government that the federal sick leave is not adequate. It's less than the minimum wage, and in some cases, it's hard to get. The city of Toronto and labour groups—you've been saying you're friends with labour now—who you claim to have a relationship with, are all saying we need Ontario paid sick days. Why does your government continue to deny workers sick days?

Hon. Monte McNaughton: Just to start with your first comment, MPP Gates: I do look forward to the idea and the legislation that you put forward. One of the challenges, of course, several years ago, was the WSIB, quite frankly, was on the brink of bankruptcy, with a huge, unfunded liability. We know have a really sustainable system and one that workers and businesses can rely on for generations to come. So there has really been a turnaround at the WSIB.

We've been able to reduce premiums. In fact, one of the very first measures that I took as minister was to freeze rates for not-for-profit groups. So for women's shelters and food banks and Legions that were going to see increases, we froze those rates for the foreseeable future. So I'm really proud of the system that we have, but of course, we're always looking for ways to improve the system for workers—

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

Hon. Monte McNaughton: —and for employers. I'm sorry, Chair?

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

Hon. Monte McNaughton: Yes. And on the sick day issue: Look, I'm proud that we continue to work with our federal government to improve the sick day program. As you know, we signed an agreement, \$1.1 billion, with federal government, to deliver paid sick days to workers in the province. As of three weeks ago, that was raised to one month, which I'm proud of. I continue to talk openly and frequently with Minister Qualtrough, the federal minister responsible, and I'll continue every single day, advocating on behalf of workers, labour and businesses to the federal government.

0920

Mr. Wayne Gates: I've got a few seconds left.

Every labour group, Minister, is calling for paid sick days in the province of Ontario. You can't pick and choose when you want to be friends with labour. The OFL has come out very strongly on supporting sick days. You know that as the minister. The city of Toronto, almost every municipality in the province of Ontario—

The Chair (Ms. Goldie Ghamari): Thank you. That's all the time we have for this round. We'll now turn to the independent member for four and a half minutes.

MPP Schreiner, you may begin.

Mr. Mike Schreiner: Thanks, Minister McNaughton, for joining us today. I just want to follow up: MPP Gates had asked about the practice of deeming. As part of your answer, you had talked about the fact that the WSIB is now

in a stronger fiscal position. We've certainly seen improvements in the board's balance sheet. We also understand with this bill that right now, businesses are really hurting and struggling due to the pandemic. We certainly want to make sure that we protect and support businesses to create and maintain jobs and our economy. But I'm curious why you would bring forward this bill that really addresses, and rightfully so, the interests of business, without addressing some long-standing systemic concerns that workers have, and especially given the fact that the board's financial position is much stronger now. Why aren't you addressing an issue like deeming that is resulting in half of injured workers living in poverty?

Hon. Monte McNaughton: Thank you, MPP Schreiner. It's good to see you. You're right on-brand with your green tie today, so it's good to see that.

Look, we're continuing to move to improve the WSIB. You're right: We are in a very sustainable position going forward. In fact, it was not that long ago where we were extremely worried. I remember as an opposition MPP being worried about the viability of the Workplace Safety and Insurance Board, but we have turned a corner. We were able to deliver substantial premium reductions, which allows employers to bring in better health and safety programs. We've seen improvements in workplace conditions right across the province.

Obviously, the COVID-19 pandemic has presented challenges for employers. But regarding Bill 238, if it passes, this really is going to help those small businesses. I think in southwestern Ontario, where you're from and where I'm from and MPP Bailey and others, it was the small companies that were going to really be hit hard by an almost 8% increase, those small contractors that maybe have six or eight or 10 employees. My mission, and one of the reasons why we brought this forward, is we need to ensure that workers have jobs to go back and, of course, we're ensuring that workers' benefits aren't going to be impacted. It's a real balance, I believe, that we've struck on this legislation.

As I said during the first question, we have undertaken an operational review of the WSIB. There are more changes to come. We've started to move decisively on improving the system, including restoring that funding to the worker—

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

Hon. Monte McNaughton: —adviser and the employer adviser. That's an important start, because employers and workers need to have a stronger voice in this system.

Mr. Mike Schreiner: Minister, I would, with all due respect, suggest that there are a number of injured workers who would argue that the bill isn't balanced and maybe the fiscal stability within WSIB has been on the back of those workers, and are looking for balance. I think we want a balanced system, but I think that balance also includes protecting injured workers—which would then lead me to my next question.

I know we're almost out of time, but given the fact that we know that the federal paid sick leave benefit falls far short of what's needed to contain workplace outbreaks

and, hopefully, avoid a third lockdown—which I know every small business in my riding, and I'm sure your riding, wants to avoid—why not bring in paid sick days and then lobby the federal government for some funding to help cover it, but at least have a better program in place than what the feds are offering?

The Chair (Ms. Goldie Ghamari): Thank you. That's all the time we have for this round. We'll now turn to the government for questioning of six minutes. Who would like to begin? MPP McKenna.

Ms. Jane McKenna: First of all, thank you so much, Minister. It has been a privilege and an honour to be your PA. I can say this unequivocally: There are certain people who have their ministries and they go above and beyond with their stakeholders and listening to everybody. Being a PA with you just shows that more and more every day.

I did hear MPP Schreiner, the independent, saying that we're not listening—I hope I'm quoting him properly—to employers and employees. But I have to say, just as a constituent from Burlington, that employees were thrilled with this because if they need to file WSIB, there is no impact to their benefits. So I just want to be very clear with saying that first and foremost, not just as the PA to labour.

Also, employers, again in my constituency, are saying the same thing, that they deserve and need the financial relief. They can't afford the increase and what paying the extra cost would be to WSIB.

In saying that, I just want to thank you again, because you're here as the Minister of Labour, Training and Skills Development to listen to the people. I know how many stakeholders you do see on a regular basis, and I do feel that there is an open door for being able to talk to you.

I guess my first question is, Minister, what will the financial impact of this change be to the WSIB?

Hon. Monte McNaughton: Thanks very much, MPP McKenna. As I said in the beginning, you've truly been a champion for workers and small businesses across the province. You've served as parliamentary assistant since 2018, when our government came in, and you've done heroic work.

We always take the approach that government, industry and labour and workers have to work together; that's when we come to the best solutions. The challenges that are in front of us are big challenges. We heard last year about this challenge with the WSIB rate increases and we moved to ensure that workers are protected while ensuring that small and medium-sized employers are able to keep their doors open and workers have jobs to go back to.

This is a very minimal impact to the WSIB financially, but thank goodness we restored sustainability to the system. There is cash on hand, the WSIB is in good financial health, and we're continuing to ensure that we have a Workplace Safety and Insurance Board system that's going to protect workers and employers for generations to come. I am proud to say that we are in that position.

We're going further: We're helping businesses through a clearly unprecedented time, helping workers through challenging times, and we're going to continue to help those non-profits.

As I said, PA McKenna, you and I and our government moved to ensure that there weren't rate increases for our local Legions, who play such a vital role for our veterans in our communities. In many communities, like where I come from in Newbury, the Royal Canadian Legion is the only community centre and public building that we have. It's used for community events, Halloween events, public meetings and things like that.

Again, I think we've struck the right balance on this in protecting employers and protecting workers, and we'll continue to ensure we have a really strong system for generations to come.

Ms. Jane McKenna: I want to thank you very much because, as we've said, these are unprecedented times. We're obviously moving constantly because things have changed in this last year that we've been in this position where we are right now.

I just want to say this again: We are here for the people who are out there working extremely hard every day, and we want to make sure they continue to keep their positions. I'm very grateful, obviously, with what you brought forward with Bill 186. Thank you so much for that.

Just for everybody that's tuning in here today, can you explain how WSIB premiums are calculated?

Hon. Monte McNaughton: Yes, certainly. There is a formula using the average industrial wage. We've had to step in with this legislation, and it had to be a legislative fix because the COVID-19 pandemic disproportionately impacted lower-wage earners, which drove up the cost of the industrial average wage. Many, especially those small and medium-sized employers, were going to see rate increases that were going to be unsustainable for them—

The Chair (Ms. Goldie Ghamari): One minute left. 0930

Hon. Monte McNaughton: —but we've built a healthy WSIB system, thanks to the steady leadership of the board and the team at the WSIB, to ensure that we are able to step in and support these businesses, but most importantly, support the workers. Every single day when we come to work, it's about protecting working class families and workers' jobs. This legislation is striking that balance, and I hope all members will support something that is in the public interest.

Ms. Jane McKenna: Thank you so much, Minister. I appreciate our time. Does MPP Bailey—how much time do we have left, Chair?

The Chair (Ms. Goldie Ghamari): About 10 seconds.

Ms. Jane McKenna: Okay. MPP Bailey will take that next. Thank you so much.

The Chair (Ms. Goldie Ghamari): Okay. We'll now turn to the official opposition for six minutes. Who would like to begin?

Mr. Wayne Gates: Thank you. I appreciate that.

I'm going to give you two ways that you can help workers. I've already given you one with deeming; I'm going to give you another one in my next question.

I can tell you that I know a lot of business people, particularly in Niagara Falls—we have been hit really hard with tourism. We've lost 40,000 jobs. Every business I know, they care about their workers. They tell me they

don't want anybody who gets hurt on the job to have to live in poverty. I can tell you that. Every single one doesn't want that to happen to them. They love their employees. A lot of our businesses in Niagara Falls are locally owned. These people live in our community. They coach our soccer teams. They don't want to see Wayne Gates get hurt on the job and then have to live in poverty. That's why that deeming bill is so important.

My next question is: Since this pandemic began, 2,000 workers have been denied WSIB coverage for claims related to COVID-19 in the workplace; 512 are still waiting for a hearing. Front-line heroes have saved lives every day in this pandemic. Why is your ministry forcing these workers to fight the WSIB instead of focusing on getting over the COVID-19 they get in the workplace? When will you support Bill 191 and give these workers presumptive coverage? Just in case people don't understand that, it would mean that the WSIB has to prove that they didn't get COVID-19 in the workplace, instead of saying, "Well, you went to Zehrs on Saturday, so we're not going to cover you."

They're getting sick in our hospitals, in our long-term-care facilities, in our retirement homes, and when they go to collect WSIB, they're being denied. Presumptive language in Bill 191—which you can include, by the way, in this bill, as well as deeming. If you care about workers, like you keep saying and like your assistant does, these are two bills that are all about workers.

Hon. Monte McNaughton: Thank you so much, MPP Gates. I really do appreciate these suggestions and ideas that you continually bring forward. You're certainly always advocating on behalf of families across the province, and I appreciate that.

One of the things that we have undertaken—and you'll be well aware of this—is enforcement in businesses. Overwhelmingly, we continue to see the vast majority of businesses have truly stepped up during the pandemic to prevent COVID-19 from entering workplaces. I'm proud to say that last year, in 2020, we did far more inspections than we did in 2019. I do want to give a shout-out to our Ministry of Labour, Training and Skills Development inspectors. They've done heroic work.

I think back to those early days of the pandemic when there were those on the opposite side in opposition parties and some out in the public that wanted us to shut down construction, for example. That would have put 500,000 people out of work, including about 65,000 women. I'm proud to say that our government took a different approach. I got on the phone and started reaching out to the largest labour leaders in the country, to industry leaders and contractors, and said to them, "Let's work together. Let's keep the construction industry going." These are well-paying jobs and meaningful employment. We want to ensure that, for example, apprentices get the hours and the full scope of the trade to complete that apprenticeship journey. We were able to safely keep hundreds of thousands of construction workers working during the pandemic because government, industry, labour and workers worked together.

On your specific question—

Mr. Wayne Gates: Monte, I don't mean to cut you off, but I only have a few minutes here, and I've got a few more questions.

The Chair (Ms. Goldie Ghamari): Two minutes.

Hon. Monte McNaughton: I just want to answer, regarding your question—

Mr. Wayne Gates: I'm satisfied with your answer.

Hon. Monte McNaughton: —I'm closely monitoring the WSIB's approach to claims, and—

Mr. Wayne Gates: Can I move on to the next question, please, Chair?

Hon. Monte McNaughton: —that 90% of claims—

The Chair (Ms. Goldie Ghamari): Apologies, Minister. I would encourage members not to speak over each other. However, you've asked the minister a question and he should have an opportunity to respond to the question.

Mr. Wayne Gates: Well, he just used up three minutes of my time. He doesn't have to answer three minutes a question. Can I get on to my next question?

The Chair (Ms. Goldie Ghamari): Okay, well, let's—Minister, if you can please maybe just wrap up, so that the member can ask his next question. Thank you.

Hon. Monte McNaughton: Yes, and this is important: I want to reassure MPP Gates that I'm closely monitoring the WSIB's approach to claims, in particular during COVID-19. Close to 90% of claims have been allowed; that's over 16,500 workers getting support. I'm also proud to say we're doing this in a very transparent way. The WSIB publicly publishes—

Mr. Wayne Gates: Chair.

The Chair (Ms. Goldie Ghamari): Thank you, Minister. Sorry, Minister. We have one minute left. I'd like the member to have an opportunity to ask his question.

Mr. Wayne Gates: We have a number of industry associate leaders from the construction industry presenting today on this bill. We know that last year we saw a number of deaths in the month of December on construction sites, and we also know that deaths in construction remain high since 2014, at around 20 deaths a year. With the potential for high injuries and death rates on construction sites putting a strain on WSIB, what is your government doing to address this issue?

Hon. Monte McNaughton: Certainly, my heart goes out to those families who lost loved ones in construction or any workplace across the province. Every worker deserves to come home healthy and safe at the end of a hard day's work to their families and loved ones. Of course, close to home for me, we had a catastrophe at the end of last year that our ministry is currently—

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

We'll now turn to the independent member for four and a half minutes. MPP Schreiner, you may begin.

Mr. Mike Schreiner: Minister, I'm curious if you're open to ideas around potentially bringing in some amendments to this bill to just balance it out a little bit. One of the concerns that has been brought to my attention is that during the pandemic, some of the spread of COVID happened, we think, due to temp agencies and temp workers

going from place to place, whether it's through farms or long-term care, home care etc.

Some organizations have suggested that client companies should be responsible for WSIB premiums related to workplace injuries from temporary workers. Is that an idea that you've explored and would be open to considering as part of changes to the WSIB?

Hon. Monte McNaughton: Certainly the legislative committee will go through the clause-by-clause on this bill. I'm always open to ideas. I tell every worker across the province, every association and industry, that my door is always open, and we'll take the best ideas and implement them.

One of the things I've done during this pandemic is I launched a blitz in those workplaces that use and hire temp help workers. It's a concern that I have, and something that we're sparing no expense on, to protect the health and safety on those job sites and in those workplaces. We've done over 40,000 workplace inspections and investigations related to COVID-19 since the pandemic hit, including a targeted blitz on those workplaces, including farms, that have temp help agency workers.

Mr. Mike Schreiner: So you would be open to changes to better protect those workers and, I would say, just protect society in general, given how we've seen possible spread through these temp agencies?

Hon. Monte McNaughton: My top priority is to protect the health and safety of every single worker in this province. That's why we've hired more than a hundred new Ministry of Labour, Training and Skills Development inspectors, which will bring, under this Progressive Conservative government, more inspectors than in provincial history. It will allow us to get to more job sites and workplaces that have workers, for example, with temp help agency workers.

Again, I want to protect the health and safety of every worker, and we'll certainly listen to good ideas when they come forward.

0940

Mr. Mike Schreiner: I appreciate it.
Chair, how much time do I have left?

Interjection.

Mr. Mike Schreiner: You know what, Minister? I'm going to ask an unrelated question really quickly, but it's related to workplace safety, and that's use of mobile rapid testing, particularly, in construction sites; I'm thinking farms, I'm thinking of places where it might be more challenging to roll out rapid testing this spring.

Hon. Monte McNaughton: Certainly I'm proud of what we've done in construction, which is to test literally thousands of workers. It's a key tool in the toolbox—

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

Hon. Monte McNaughton: —to keep COVID-19 from entering workplaces and job sites. I know there are testing units on farms in southwestern Ontario—close to home for you and I—but certainly an important part of preventing COVID-19 from entering workplaces.

We're in the midst of doing a targeted inspection blitz of farms. We wanted to get out early. We know that last

year, unfortunately, 12% of migrant workers contracted COVID-19, but when we went out last year to farms, 98% of those farms didn't have COVID after we visited. That's why I launched this blitz in January or February of this year to get out to hundreds and hundreds of farms to prevent COVID-19 from entering those farms. We're going to continue to protect the health and safety of workers, and testing is an important part of that.

Mr. Mike Schreiner: And you'll provide the staffing that administers—

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

We'll now turn to the government for the next round of questions. Who would like to begin? MPP Bailey, you may begin. You have six minutes. MPP Bailey, you have to unmute your microphone. No, we can't hear you. It could be your earphones, maybe? You might have to unplug the headphones. We can't hear you.

Mr. Robert Bailey: There, how's that?

The Chair (Ms. Goldie Ghamari): Yes, now we can hear you, MPP Bailey. I'll reset the clock for you, MPP Bailey.

Mr. Robert Bailey: I apologize—the muting technology.

The Chair (Ms. Goldie Ghamari): You may begin. You have six minutes.

Mr. Robert Bailey: Yes, thank you. I want to thank Minister McNaughton for appearing today, as well as his parliamentary assistant, Jane McKenna, for the great job they have been doing over the last year with COVID.

I wanted to touch on my own riding, specifically. I know that the ministry, and the minister, of course, with his ministry staff, were able to keep a large project in my riding—the Nova project, a \$2-billion project; we were able to keep that safe, keep it functioning, along with a number of other job sites in Sarnia–Lambton. The unemployment insurance and WSIB—I've always said that if you're working in Sarnia, thank God, you're 25% safer than in anywhere else in North America. That costs money, that great co-operation between employees and employers.

Having said that, I'd just like the minister to touch on that, and also—I know other people want to ask, but I'd like him to also talk a little bit about the skilled trades and the impact that his training announcements are going to have on that, specifically for my riding, but for the rest of the province as well.

Hon. Monte McNaughton: Thank you, MPP Bailey. Thanks for always standing up for the people of Sarnia–Lambton. You've been at the Legislature now since 2007. You rival another famous MPP and cabinet minister that has come from that area, Lambton county: Lorne Henderson. I know he was a mentor of yours, and I'll tell you, MPP Bailey, you do a great job for your constituents.

I also want to just take a moment, because I think it's so important to everyone here in Ontario—not just Ontario, but those states and jurisdictions around the Great Lakes—and that's you championing the line 5 project. I think of the best-paying skilled trades jobs anywhere, and

those would be the workers working on line 5. It's so important that we have these jobs. I know where you and I come from, it's thousands of jobs that would be lost if this project doesn't go forward, so thanks to you, and Premier Ford and the government, for championing that project.

One of the reasons why this legislation is vital and so important is because if these rate increases go ahead, it's going to put skilled trades workers out of work; it's going to force small and medium-sized businesses to close down. It means workers wouldn't have jobs to go back to. It's unprecedented times and challenges, so we need to move quickly, and that's what we've done with this piece of legislation that balances the needs of containing costs for employers and also ensuring that payouts to injured workers won't be impacted at all.

When it comes to the skilled trades, it's certainly my mission and the government's mission to get more young people into the trades. We're really focusing on ending the stigma around the trades, simplifying the apprenticeship system and encouraging employers like those in Sarnia to bring on more apprentices.

Mr. Robert Bailey: Thank you. I'd like to yield the rest of my time, Madam Chair, to MPP Daisy Wai, please.

The Chair (Ms. Goldie Ghamari): Thank you. Before we continue, though—I'm just pausing the time here—we have to confirm MPP Sheref Sabawy. MPP Sabawy, could you please confirm that you are present and that you are in Ontario?

Mr. Sheref Sabawy: This is Sheref Sabawy, MPP from Mississauga—Erin Mills. I'm actually in Queen's Park.

The Chair (Ms. Goldie Ghamari): Thank you.

I just wanted to mention this to committee members: I've also received notice that our last presenter of the day, Canadian Manufacturers and Exporters, has cancelled, so they will not be attending.

MPP Daisy Wai, you may begin. You have two minutes and 30 seconds left.

Mrs. Daisy Wai: I just want to say thank you very much to our minister as well as our PA Jane McKenna for doing such great work, especially during the pandemic time. We understand how hard you have been working and getting different industries with different guidelines so that they can overcome this pandemic time.

I really appreciate the introduction of this bill not only to protect large companies but small companies—especially the small companies—but also to make sure that the workers will still be secure in their jobs. The only thing I would like to know is, does this negatively impact the injured workers in any way?

Hon. Monte McNaughton: Thank you, MPP Wai. Not at all. We're ensuring that workers' benefits are protected. This is a move to ensure that we don't increase rates to businesses overnight that could put them out of business and workers not have a job to go to in the morning. So I believe we've struck the right balance here to protect workers and also to shield businesses from an unexpected rise in their WSIB premiums.

Mrs. Daisy Wai: Well, this is great. What will be the anticipated reaction to these measures, then?

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

Hon. Monte McNaughton: Certainly, we've worked hard to talk to workers, labour and industry on this initiative to make sure that we strike the right balance. That's why workers will be protected, and we're going to prevent a huge spike in cost to those employers across the province.

Again, it's clearly unprecedented times in Ontario. It's all hands on deck to ensure that we're protecting jobs and the health and safety of everyone in the province. This will play a key role in the economic recovery as well. We were talking a moment ago about those opportunities in the skilled trades. We have an opportunity to spread opportunity more widely and fairly in every community across the province. This will be one measure to ensure that that happens.

The Chair (Ms. Goldie Ghamari): Thank you. That's all the time we have for this round. We'll now turn to the official opposition for the last round. MPP Gates, you have six minutes.

Mr. Wayne Gates: I've got two statements. You don't have to answer this, Minister: When you said you talked to workers—the OFL doesn't support this bill, and they represent 1.4 million workers in the province of Ontario.

The other statement I'd like to make is: You had said that the WSIB is financially sound. If that's the case, then why not fix deeming? Labour has been calling for this for years. So if they have money to do it, why aren't they doing it?

And then I'll get to a question: Workers suffering from workplace cancers in a number of clusters around Ontario have been trying to get your ministry to implement the Demers report. These groups are telling me the minister keeps delaying and refusing to commit to the recommendations. As you know, every year, more of these injured workers are dying from the cancers they got in their workplace. They're dying poor because the WSIB will not give them benefits. Will you right this wrong and give these workers justice and implement the Demers report?

0950

Hon. Monte McNaughton: Well, thank you—a couple of questions there. On the first one, certainly, as I've said, there were a number of recommendations that came forward in the operational review. We moved forward on a number of them, now, including restoring funding to the Office of the Worker Adviser and the Office of the Employer Adviser, a \$600,000 increase which will help navigate the WSIB system.

And you're right: The system is more sustainable today than it's been in decades, and I'm proud of that, because that's good news for workers and it's good news, in particular, for small and medium-sized employers out there. We've got a system that's going to ensure that there are benefits for injured workers for generations to come. And when you think back not that long ago, the system was at risk. But because of strong board leadership and governance and the team at the WSIB, they have been able to turn this around—in fact, a decade earlier.

One of the things, because of this system and the sustainability of the system, we now are seeing businesses

investing in better health and safety programs, more technology, creating jobs because they're paying less, in premium reductions. So it's good news for workers, because in many cases, they can pay higher wages. I know, before the pandemic, for the first time in many years in Ontario, wages were going up, which was great news. Now, obviously the pandemic has impacted this.

And lastly, regarding Dr. Demers, I want to thank him for his report. We're certainly looking at his report and a number of the recommendations. We'll be looking forward to commenting on that in the time ahead.

Mr. Wayne Gates: Thanks for your comments. The one that's really hit home and has hit home for a long time is in Peterborough, the GE plant. Maybe you could take a serious look at that. I have met with the family members that have lost their spouses with cancer. It's very, very sad. It has gone on for a number of years. I would like you personally to take a look at that situation in Peterborough with the WSIB, and try and help those spouses that, through no fault of their own, their partners have died and they're now living in poverty as well.

Do you believe that WSIB coverage should be extended to cover all retirement homes in the province of Ontario, yes or no?

Hon. Monte McNaughton: Well, certainly, we're continuing to build a sustainable WSIB system for years to come. We launched, thankfully—and credit to former Minister Scott and to the Premier and to the entire government for launching an operational review of the WSIB system, to ensure that workers are protected. There are a number of recommendations, and we'll be continuing to implement some of them and to ensure that workers are protected and employers have a sustainable future ahead.

Mr. Wayne Gates: Thanks. The WSIB new rate framework, obviously effective January 1, 2020, has expanded experience rating, making it a key factor in rate setting. This was done even though there is ample evidence that experience rating does not work—

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

Mr. Wayne Gates: —thank you—and is bad for workers.

That wasn't bad; I did that all in one sentence.

It's bad for workers, with a possibility of encouraging claim suppression from employers. Why does the government believe that this rate framework, along with the legislation, will be good for injured workers in the province of Ontario? What we shouldn't be doing is funding businesses on the back of the workers in the province of Ontario.

Hon. Monte McNaughton: I'm proud one of the first actions I took when I became Minister of Labour in June of 2019 was to bring in Supporting Ontario's Safe Employers measures—or program, I should say—which ensured that we're rewarding those employers who are increasing and improving health and safety protocols. This is good for workers. I believe, and I'm sure you do, MPP Gates, that every single worker deserves to come home safe and healthy after a hard day's work, and that's the lens that I look at every decision through. We want to ensure that workers remain healthy—

The Chair (Ms. Goldie Ghamari): Thank you very much. That's all the time we have for this round. We'll now turn to the government for six minutes. Who would like to begin? MPP McKenna?

Ms. Jane McKenna: No, MPP Crawford is going to speak now.

The Chair (Ms. Goldie Ghamari): All right. MPP Crawford, you may begin.

Mr. Stephen Crawford: Welcome, Minister McNaughton. It's great to see you here today. I know that when our government took office in 2018, Ontario was saddled with about 380,000 regulations. We had more regulations than any jurisdiction in the world. A lot of these are necessary, but many of them were hindrances to business. I know our government has made a commitment to try to reduce some of these regulations and have business flourish.

My question is, with this WSIB change that is projected in Bill 238, what kind of impact is this going to have on businesses so that they can flourish, especially coming out of this COVID pandemic?

Hon. Monte McNaughton: Thank you very much, MPP Crawford. It's been a real pleasure working with you, such a strong voice for Oakville and always bringing ideas forward to fix the problems that we have in Ontario.

I'm proud to say that our ministry has delivered substantial savings to employers while at the same time protecting payouts to injured workers. We're going to continue to build a sustainable WSIB system for decades to come. The fiscal health of the organization is sound, and I have to congratulate the governance of the WSIB and the team there. They've turned this organization around, literally, in a short time period. In fact, at one point, the unfunded liability wasn't going to be fixed until 2027 or 2028, so we did it 10 years early, which speaks volumes to the leadership there and the contributions of employers and workers.

This is going to be a savings for employers across the province. I'm proud of this because it's going to ensure that businesses can remain open and that workers are going to have jobs to go back to and workers also won't be impacted when it comes to their payouts from injuries.

We're continuing to find ways to reduce red tape for workers and for businesses out there. One of the undertakings that I've taken with PA McKenna and our government is to make the apprenticeship system much easier. We know that we inherited a complicated skilled trades system. I can't tell you how many young people come up to me and they say, "I know how to become a lawyer, I know how to become a teacher, but I have no idea how to become an electrician or a welder or an arborist." That's what we're going to change. We're going to build a simple apprenticeship system. We know these jobs are meaningful; they're well-paying. In many cases, young people can start their own businesses and hire people. That's the Ontario dream that people have, and that's what we're intending to fix: that broken apprenticeship system in the province.

Mr. Stephen Crawford: That's great. I think this bill, then—before I go just to one other quick question—will

have a positive effect on business, but also, this is positive for workers.

Hon. Monte McNaughton: Absolutely. It's imperative that we have a workplace safety and insurance system that's going to pay out injured workers and have the cash in the bank to pay out injured workers, as well as provide insurance premiums to businesses that are competitive. The WSIB is one of the largest insurance companies in all of North America, and we've built a very sustainable, viable system for generations of workers and businesses to come. This is one of the greatest achievements of our government, I believe.

Mr. Stephen Crawford: That's great. Thank you very much, Minister McNaughton. I'll share my time with MPP Sabawy, if he's there.

The Chair (Ms. Goldie Ghamari): MPP Sabawy, you have just under two minutes.

Mr. Sheref Sabawy: Thank you very much, Minister. I really would like to thank you for bringing in this subject, and I really admire the courage you took to fix the trade industry, making it open for new workers to come in to feed these very well-paid jobs—and needed jobs, I would say, for making sure that our economy has the right resources to grow and the companies who are looking for skilled workers can find the right skills.

My question is: With every piece of legislation we bring in as a government, we have been putting in consideration for the people. I would like to understand from you which exactly is the sector you think this legislation is benefiting.

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

Hon. Monte McNaughton: Thank you, MPP Sabawy. Thanks for all of your work, and MPP Wai's work and the whole team standing up for your constituents, your small businesses and all of the workers. This is going to have a positive effect on literally all kinds of different businesses in different sectors.

I'm glad you raised the issue of the skilled trades—of course, one of my passions. These are great opportunities for women, for people from under-represented groups and at-risk communities and Indigenous people. We're working to attract people into these jobs. In construction alone, for example, in the next 10 years, we're going to be short 100,000 workers. These are great-paying jobs, and we're going to continue to work every single day to recruit more people into the skilled trades.

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

At this point I'd like to thank the minister for his time and for answering the committee's questions. You are now released. Enjoy the rest of your day.

I'd like to thank committee members. I think this was an excellent morning. There were very few technical difficulties, and everyone was respectful. I hope that we can continue in the same way throughout the next few hearings that we have.

At this point, I'd like to call for a recess until 3 o'clock, at which point we will resume for our next set of witnesses. Thank you, everyone.

The committee recessed from 1002 to 1500.

The Chair (Ms. Goldie Ghamari): Good afternoon, everyone. The Standing Committee on General Government will now resume. We are currently meeting regarding Bill 238, An Act to amend the Workplace Safety and Insurance Act.

Our remaining presenters for today have been grouped in threes for each one-hour time slot. Each presenter will have seven minutes for their presentation, and after we have heard from all three presenters, the remaining 39 minutes of the time slot will be for questions from members of the committee. This time for questions will be broken down into two rounds of seven and a half minutes for government members, two rounds of seven and a half minutes for the official opposition, and two rounds of four and a half minutes for the independent members as a group. Are there any questions?

CONSTRUCTION EMPLOYERS COALITION ONTARIO SEWER AND WATERMAIN CONSTRUCTION ASSOCIATION

The Chair (Ms. Goldie Ghamari): Seeing none, I will now call upon the presenters. First, we have the Construction Employers Coalition. We have David Frame and Les Liversidge. Please state your names for the record, and then you may begin. You will have seven minutes.

Mr. David Frame: Yes, thank you, Chair. My name is David Frame. I am director of government relations with the Ontario General Contractors Association. Today, I am here as chair of the Construction Employers Coalition, CEC, for Workplace Safety and Insurance Board and health and safety and prevention. I am joined by Les Liversidge, a lawyer, WSIB expert, author and long-time advocate for workplace safety and insurance.

The CEC is a coalition of 18 construction associations that collectively represent more than 2,000 contractors in Ontario. Our organization was formed in 2011 to respond to the WSIB unfunded liability issue.

Thank you for the opportunity to appear at the committee today and speak to Bill 238. CEC supports Bill 238's primary purpose: to take the action required to address COVID-19 falsely inflating the maximum earnings ceiling and imposing an unintended increase in WSIB costs.

We would like to recognize the Minister of Labour, Training and Skills Development and ministry officials for their co-operation and support of workers and employers throughout the COVID-19 pandemic. Ontario's construction sites have remained safe and productive while taking the necessary precautions to keep sanitation and safety standards high in this challenging time. The construction industry continued to provide employment for more than 400,000 essential workers over the past year, despite shutdowns in some sectors and the use of restricted health and safety protocols.

The WSIB reports that construction has experienced less than 1% of all COVID-19 workplace claims. This is a great example of an industry, contractors, unions and workers coming together with government to meet a

common challenge. This has come at a price: The pandemic required that the construction industry remain open and quickly implemented protocols that included heightened cleaning, physical distancing, requiring fewer workers on-site, often pushing out delivery dates and, of course, requiring the extensive use of PPE. These are unintended requirements and often paid for by the contractor, causing many to be financially stressed as a result.

The addition of an unwarranted 7.8% increase in WSIB premiums came as another surprise cost of COVID-19. CEC made recommendations to address this anomaly back in August 2020, and our letters to the WSIB chair and to the ministry are attached to our submission. Our recommendation was similar as to what is proposed in this bill: to implement a one-time adjustment to maximum wage earnings for 2021. Bill 238 will address this in an efficient manner that will increase benefits while eliminating the unintended consequence of the section 54(2) calculation. By proposing this legislation, Minister McNaughton has responded to the need to quickly correct this flaw.

I'd now like to call on Les Liversidge, who will comment on the information component of the proposed legislation.

Mr. Les Liversidge: Thank you very much, David, and members of the committee. My name is Les Liversidge. I want to talk about the second part of the bill—not too much discussion on that so far. It deals with information exchange between the WSIB and the minister. It's very simple and straightforward. The revised section 167 says, "The minister may direct the board to provide the minister with information that the minister considers necessary for the" purpose of "administration of the act." It sounds pretty straightforward. It doesn't sound at first blush like there's anything controversial about that, except in my view, that directive already exists.

The same act directs that the minister and the board enter into a memorandum of understanding—they have; it's a long-standing document—an active memorandum of understanding which was affirmed by the minister in November, 2019, exists. And when one pulls that up and looks at it, they find out that there are almost identical provisions in the memorandum of understanding, which is a document directly between the minister and the WSIB.

It says this—I'll just quote one part of it, clause 11.1.2: "The board, at the request of the minister or the deputy minister, shall supply specific data and other information that may be required from time to time for the purpose of administering ministry legislation." It's almost the same language that is in the proposed amendment. So, on its face, it appears that the amendment is either redundant or is designed to expressly supplant the memorandum of understanding.

I think there's a downside with this, that there might be an unintended consequence to this, and it may inadvertently and indirectly diminish to a degree the independence or the perceived independence between the WSIB and the ministry, which may trigger some future unintended consequences. It seems that the memorandum of understanding is intended to facilitate that which the amendment itself seeks.

I should also point out that—

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

Mr. Les Liversidge: Thank you.

I should also point out that if the memorandum of understanding process is not currently working—and I don't know if it is or it isn't, and I haven't any information to the contrary—there is a clause in the memorandum that provides a process to address—and I'll just quote from the document—"specific matters concerning ... information sharing."

In a nutshell, while I understand the policy and intent of the amendment, to me, it seems to already be covered, may be redundant, as a result and it may have some unintended adverse consequence in the long term.

The Chair (Ms. Goldie Ghamari): Thank you. We'll now turn to our next group of presenters. We have the Ontario Sewer and Watermain Construction Association. Please state your names for the record, and then you may begin. You will have seven minutes.

Mr. Patrick McManus: Thank you, Chair Ghamari, and members of provincial Parliament. My name Patrick McManus, and I am the executive director of the Ontario Sewer and Watermain Construction Association, or OSWCA. Thank you for giving me the opportunity to speak with you this afternoon and offer our support for Bill 238.

The OSWCA represents 10 local heavy-construction associations based in the large urban centres in the province and has 800 member companies across the province. Overall, our members employ an average of 20,000 workers each year in our sector, depending on project demands.

While we do have a number of very large contractors in our membership, for the most part, we're made up of the small to medium-size regionally based companies. These are not your enormous construction companies building multi-billion-dollar projects that are often associated with the construction industry but rather, small, family-run businesses that employ between 20 and 30 people and that tend to operate largely in the municipalities where they're headquartered. This is typical of the majority of construction companies in our sector of the industry.

As you all know, 2020 was a difficult year. COVID had a very significant impact on our sector, both in terms of unexpected costs but also in terms of production delays. Initially, there were delays in getting spring project work launched, and when that work did launch, there were added costs to maintaining safe and healthy sites, including added PPE purchases and production slowdowns due to the staggering of shifts and breaks. This is problematic in our sector because we operate in a rather unique manner. Companies compete for work by providing blind bids to a municipality for each project, and the lowest bidder is then selected and wins the job.

1510

In these types of contracts, there tends to be very little opportunity to recuperate any added costs of this sort, and from our experience, very few municipalities to date have been willing to entertain additional costs on their contracts due to COVID. So while most companies were certainly happy and willing to absorb these costs in order to keep

their doors open and to keep their employees working, it has been a very difficult year from a profit-and-loss standpoint, given the circumstances.

Our sector in this industry is very fragile right now, and we are finding ways to cope, but things are certainly tenuous. This is why we're supporting Bill 238. We're very thankful for Minister McNaughton taking action to remedy this situation, because we are in a situation right now where the dollars and the cents matter a lot. Companies are hurting, and every little bit of support like this counts.

In terms of why this proposed one-off change to the WSIA is important, just to get a little bit technical on this: According to section 54.1 of the Workplace Safety and Insurance Act, the WSIB sets its earnings ceiling at 175% of the average industrial wage in the province over the previous 12 months. Unfortunately, COVID has skewed the industrial average and its calculation, because it has triggered a collapse in employment, which has had a disproportionate impact on lower-wage employees in our province. Many lower-wage employees' earnings have been removed from the calculation of the average industrial wage, which has resulted in a disproportionate jump in this average. Based on the formula the WSIB uses, its earnings ceiling is set to rise by 7.8%, but this increase is not a result of a rising tide of industrial wages, but rather because the lower-wage income earners are disappearing in large numbers from the economy.

Now, construction is a high-wage industry. A significant percentage of our workers earn at or above the maximum insurable earnings ceiling set by the WSIB every year. Therefore, a black-letter interpretation and application of section 54.1 of the WSIA effectively means that construction companies are going to be faced with a 7.8% increase in their premium rates next year. We don't believe that this is the intent of this statute; the intent is to ensure that the insurable earnings ceiling increases as wages increase, not because a global pandemic is temporarily shutting down huge portions of our economy, skewing the average wage calculation.

We appreciate that the government has recognized this and taken action in a one-off act to correct it. An increase of this magnitude year over year would be alarming at the best of times, but it is really more impactful in a negative sense under the current conditions. It also seems as though it would be contrary to other government policies on supporting the fragile areas of the economy. We believe that the 2% increase that the bill is suggesting is much more manageable.

It's important to note that this is not going to affect the funding integrity of the WSIB. According to their own 2020 economic statement, the WSIB's funding remains at over 100% on a sufficiency-ratio basis for the second year in a row, and it's anticipated, even under current circumstances, to remain at over 100% for the foreseeable future.

The Vice-Chair (Mr. Mike Schreiner): One minute.

Mr. Patrick McManus: This is really an effort to continue to help Ontario employers weather this storm, so we support the government's actions to reduce the maximum insurable earnings ceiling increase and limit it to

only 2%, and we really thank you for your action on this piece.

The Vice-Chair (Mr. Mike Schreiner): Great. Thank you for your presentation. You still had 40 seconds, just so you know.

This round of questions will begin with the government members, and—

Mr. Wayne Gates: Just a question: Is the Canadian Union of Public Employees coming?

The Vice-Chair (Mr. Mike Schreiner): MPP Gates, they cancelled.

Mr. Wayne Gates: They just cancelled?

The Vice-Chair (Mr. Mike Schreiner): Yes.

Mr. Wayne Gates: Because I asked earlier when we came here, and you just mentioned about the Canadian Manufacturers and Exporters. So CUPE is not here either?

The Vice-Chair (Mr. Mike Schreiner): That's right, yes.

Mr. Wayne Gates: So it's just the two?

The Vice-Chair (Mr. Mike Schreiner): Just the two, yes.

Mr. Wayne Gates: Okay. Thank you. I appreciate that.

The Vice-Chair (Mr. Mike Schreiner): Yes, absolutely.

To the round of questions: With this round, we'll begin with the government members. You will have 7.5 minutes. I recognize MPP Sabawy.

Mr. Sheref Sabawy: Thank you very much, Mr. Chair. My question would be to Patrick. Just for the record, I would like you to tell us a little bit about specific trades involved within your sector. If you can please describe the types of risks they may see on the job, and how they are being mitigated against.

Mr. Patrick McManus: Certainly. Yes, we are sewer and water main construction trades, so we employ labourers and equipment operators. This is the type of trade that is often seen in each of your municipalities delaying traffic in the middle of the street, digging up the roads to replace water and sewer pipes, and working on new land development sites. We're the first trades in to establish what's called site servicing in order for new housing and commercial developments.

In terms of mitigation techniques, we are an outdoor trade. We only work, typically, between the months of March and December, and there is a winter break depending on what work is available. In terms of what we've had to put in place: we've added handwashing stations; more porta-potties on remote sites; hot water tanks that have to be put in, often in the middle of farmers' fields as new land development is being serviced; new masks, gloves and sanitation stations. We've had to stagger work start times and work end times. We've had to stagger breaks. Why that's impactful in our trade is that it's a little bit different than your typical trade in a building because we work as a crew, as a unit, so six to eight people that are always working together, each having their own job as part of a larger unit, and can't really do their jobs independently. So when one person is on break, we've typically,

actually, had an added person on every single job site as a float in order to cover for the people that are on breaks.

We've seen a production slowdown of about 20%, and that is across industry. That includes in the underground tunnelling sector as well. It's been a very difficult thing to adjust to because production has been much slower, and the PPE required to do the work in relatively close quarters has been substantially increased. It's led to a significant increase in project costs.

Mr. Sheref Sabawy: Thank you very much. I appreciate that.

The Vice-Chair (Mr. Mike Schreiner): MPP Wai?

Mr. Sheref Sabawy: I'm still having—

The Vice-Chair (Mr. Mike Schreiner): Go ahead, Mr. Sabawy. Sorry. MPP Wai raised her hand.

Mr. Sheref Sabawy: Thank you very much, Patrick, for this brief. We now understand more about that sector specifically.

The measure in this legislation is not linked specifically to your sector, but it's more generic, covering many, many sectors. What influence, exactly, is this legislation going to have in your sector or your industry that made you really anxious to give us this submission today and participate in today's discussion? If you please—thank you.

Mr. Patrick McManus: Primarily, this was an issue of an added operational cost that was very unexpected. It was something in the nature of \$125 per worker in our industry. We're in a situation where every dollar counts, especially for the smaller companies: 80% of our members are small, family-owned contractors. All of these little incremental costs over the course of 2020 and into 2021 are leading to substantial increases in the overall costs of operating a company. So any of these changes that are leading to cost savings are a tremendous help.

1520

Mr. David Frame: One of the experiences we unfortunately had in our industry is that the costs of COVID were not foreseen in our contracts. With many owners, it could be negotiated in, and many owners, to their credit, have been prepared to pick up many of the costs of COVID. Some haven't, and we're still struggling with those discussions. So on top of that, to have an 8% increase in WSIB costs out of the blue was really the last thing the industry needed.

Patrick talked to you about the water main contractors struggling. It's typical for most of the industry. It was a bad year. Some of our industry was shut down for a while, and it meant that we had to struggle with the effects of COVID. But workers' compensation is an important responsibility that we have, and we're prepared to pay that bill, but the 8% increase was not justified.

Mr. Sheref Sabawy: Thank you very much. I appreciate the answers. That clarifies for us what your interest is in the bill, so thank you very much.

Now, I'll pass the rest of my time to my colleague Daisy, please.

The Vice-Chair (Mr. Mike Schreiner): I recognize MPP Wai.

Mrs. Daisy Wai: Thank you, Mr. Chair. How much time do I have?

The Vice-Chair (Mr. Mike Schreiner): You have one minute.

Mrs. Daisy Wai: Okay. I'll quickly say it: First of all, I just want to thank both David from the Construction Employers Coalition as well as Patrick from the Ontario Sewer and Watermain Construction Association for supporting this bill.

I understand how terrible the pandemic is to all of us and especially to your industry. From your perspective, can you explain how this will ensure workers remain supported and employers can continue to rebuild after the impacts of COVID-19?

May I ask both of you to respond, please? Perhaps David will go first, then?

Mr. David Frame: Sure. One thing the pandemic has done is it has made employers more aware of health and safety and the need for good health and safety. We actually found in the results we've heard from the WSIB that there were a number of accidents that were actually off last year during the pandemic. We're more aware—

The Vice-Chair (Mr. Mike Schreiner): I'm sorry to interrupt, but that's all the time we have for this round of questioning.

The next round will go to the official opposition. You'll have 7.5 minutes. I recognize MPP Gates.

Mr. Wayne Gates: Thank you, Chair. I appreciate that. I'm going to start with the Construction Employers Coalition, although I do appreciate both of these organizations coming today.

I'm going to start with a statement to the Construction Employers Coalition: You had said that there's less than 1% COVID on these construction sites. I think that's great. I've talked to a lot of the construction workers, and they've said they've never seen a construction site so safe since COVID-19. I guess what we have to do is make sure, as we go forward and COVID disappears, that we continue to keep those sites safe and clean as well, with washrooms and running water and stuff. I thought that was a very good comment on your part, and I wanted to get that out.

But the one I'd like you to expand on—because you're absolutely right: In questioning the minister this morning, we were talking a lot, quite frankly, about deeming and people living in poverty. We were talking about presumptive language, where people are being denied WSIB. They're catching COVID, particularly in our hospitals and long-term-care and retirement homes. But you talked a little bit about the memo of understanding between WSIB that is being changed in this particular bill and how you felt that there's already a process in place to allow that to happen, in sharing the information. And then you said you have a little bit of a concern around the independence between the minister and the WSIB. I'd really like you to elaborate on that a bit, because that's the concern that I have as well. I didn't understand why it was in the bill, and it looks like the independence of the WSIB is going to be threatened once this bill goes through. I just want to get you—because you had a lot of knowledge on it, and I really appreciated that.

Mr. Les Liversidge: Great. I'll respond to that. Thank you very much for that question. I don't think that the amendment supplants at all or is designed to override the memorandum of understanding. I don't really know why that provision is there. It's not a good explanation in the explanatory notes.

At first brush, the information shared between the WSIB and the government is required, is absolutely essential. The system needs it; the act contemplates it. The act speaks to that, even before this amendment. And a memorandum of understanding, which is about a 32-page document, speaks to a whole host of issues notwithstanding the clear independence and the expectation of independence of the WSIB. It respects that. The MOU respects the independence of the board and it is designed to ensure that both the ministry and the WSIB are in lockstep in achieving the very important public policy objectives of workers' comp. I think that goes without saying.

The only concern I have is with respect to the information exchange. In statutory construction—there's an expectation that all statutes are remedial in nature. In other words, they're designed to solve a certain problem. This problem isn't so much defined as yet, but it will be viewed, perhaps, at some future point that the information demands set out in the proposed section 167 bring the WSIB maybe a little bit closer into the house of the ministry. I don't think that's intended. I don't think that that is what they're trying to achieve at all. There's no sense of that, and I don't think that will be an immediate result.

There have been, at times in the last decade—if you track back to 2009, when the Auditor General became engaged in workers' comp in a big way and released a report in November 2009 which looked at the entire funding of the WSIB and was very concerned with the financial integrity. Over that past decade, everybody has got their acts together, employers, the board and the government. Everybody has acted, I think, in an extraordinary measure.

One of the offshoots of that discussion was a worry that maybe the WSIB isn't so independent after all, and I think the efforts over the last decade have been to focus to ensure the continued independence of the board. I think it's important. I think it's essential, and it allows the role of the board and the government, while they are on the same playing field, to be slightly different. They have different roles. The WSIB is clearly expected to be, and clearly is, the administrator of the act. That's their job; that's what they do. The government's role is to ensure that the act is being administered so that the public policy objectives set out in that statute are being met.

A memorandum of understanding is the document that provides the link between the two institutions, I think in a very thoughtful, deliberate fashion, including the exchange of information. I read the provision of the statute, the proposed amendment, and I read the provision as it exists right now in the MOU, and they're almost identical. They clearly are chasing the same objective. I just think that it's probably not necessary. It's there for a reason, obviously, but it already pretty much is being addressed.

The other point I want to make is that in the event that there is some problem with the information flow between the WSIB and the ministry, and I don't have any information that there is, there's actually a process right in the MOU that can be triggered to initiate a review or a discussion in a common-sense, straightforward fashion to work out any problems which may arise.

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

Mr. Les Liversidge: So I would caution against the utilization of that. I don't think it's necessary. It seems to be, to me, duplicative, and somewhat superfluous. It may have a different intention and a different purpose that's not explained in the preamble, but again, not to repeat, the overall policy objective of information-sharing is, I think, already sufficiently covered between the board and the government through the MOU.

1530

Mr. Wayne Gates: What have I got left?

The Chair (Ms. Goldie Ghamari): Thirty seconds.

Mr. Wayne Gates: I've got 30 seconds left, but I really do appreciate you really spelling this out for everybody in this committee. It's not something that's been discussed a lot. It wasn't discussed, quite frankly, when the bill was brought forward, so I really appreciate the knowledge that you bring to the subject.

I will say that I believe there is a reason why it was put here. There is an intention, I think, to interfere in what the WSIB is going to do. There already is a process, so any time the government puts something in a bill, it usually means they want to do something—

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

Mr. Wayne Gates: I just want to say thank you; it's very appreciated. Thank you.

The Chair (Ms. Goldie Ghamari): That concludes our round of questioning. We'll now turn to the independent member for four and a half minutes. MPP Schreiner, you may begin.

Mr. Mike Schreiner: Thank you, Chair. I appreciate both presenters for coming in and allowing me to do a bit of double duty here and be able to ask some questions as well. I just want to echo the compliments to the construction and trades sectors in general. Direct to both of you: I think the safety record in terms of COVID spread throughout the sector has been better than many people thought might be the case, so I appreciate you and all of your members, the good work they've done.

I want to direct my questions to the Construction Employers Coalition. I want to follow up a bit on what MPP Gates was asking. Mr. Liversidge, you had mentioned that there could be concerns around the independence of the WSIB in relation to the ministry. I'm just wondering if you could outline—no imputing motive or anything like that, but maybe just if you could outline some possible concerns around what could be potential outcomes if the WSIB is not as independent from the ministry as maybe it is right now.

Mr. Les Liversidge: Sure. Thank you very much for that question. First of all, I don't think that there is any

intention on the part of the government to make the WSIB less independent. There's no indication that there is. The actions over the last number of years, the last number of decades, in the fullness of time with any government and with any managing team at the WSIB, have always preserved the independence of the WSIB. It's an expert agency. It makes sense.

The WSIB is the expert. The WSIB provides advice to the government, not the reverse. That's how the relationship is intended. That's how the statute has set it up. That's how it operates in fact, to my knowledge, in the long time that I've spent on this file. The board advises the government. The government seeks advice of the board. Both approaches are dynamic. Both approaches are contemplated by the general structure and operation of the act and by the specific set-up of the memorandum of understanding.

I don't think that there is any intention at all in any way to undermine the independence of the WSIB, nor is there any evidence to suggest that that's the approach that has been taken or is being taken. I think it's in the government's interest, in a public policy and also in a political sense, that the board remain independent. The government wants to be putting out fires, not starting them, and I think that's one of the political benefits of the nature of the relationship. So I don't think that there's any intention to do that. I think if there's any result, it would inadvertently.

I can only track back to the only time that I can recall when this became an active point of contention—

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

Mr. Les Liversidge:—and that was when the funding of the board was particularly poor, when the—I already mentioned this, about the Auditor General, and there was a worry that the government may, in fact, be deemed to be, essentially, the administrative owner of the WSIB. That changed. There was actually direct legislative intervention through the form of regulations. The funding improved.

So I think that the hands-off approach is the expectation of the government. But there's a worry that in the event that the conversation ever turns around again to that type of worry, that may be viewed as evidence of less than an independent relationship.

Mr. Mike Schreiner: So in other words, there might be some unintended consequences and you have forewarned the parliamentarians here in Ontario of that.

Mr. Les Liversidge: Yes, that's exactly it.

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

Mr. Mike Schreiner: I appreciate your time.

The Chair (Ms. Goldie Ghamari): We'll now turn to the government side for the next round of questions.

MPP Crawford, you have seven and a half minutes. You may begin.

Mr. Stephen Crawford: Thank you to all the presenters for being here today. We really appreciate that.

Let's take a step back and flash back to December 2019, pre-COVID. Ontario was in a very good position. We had the strongest economic growth in North America. We were called the Ontario miracle. Governors were calling Premier Ford: "What's going on in Ontario?" We've made

a lot of substantive changes, which take 12 or 18 months to really kick in, and by that point, we were starting to see some strong economic growth and a lot of great indicators.

COVID, obviously, came along and threw everybody off. It hurt economic growth; it hurt families, businesses, individuals. We know that people are struggling, businesses are struggling. So our intent, I think, with Bill 238 is to help struggling businesses and individuals who are part of those businesses and work for those businesses and help fuel that economic growth in a post-COVID world.

I guess my question that will go to Patrick: How do you feel Bill 238 will be able to help and support businesses so that they can flourish in this post-COVID world?

Mr. Patrick McManus: Right. This is a matter of dollars and cents right now. Things are very fragile in the construction industry. I think it was David that mentioned a little bit earlier that some public buyers have been great at accepting additional cost extras on contracts that were unexpected at the time that the contracts were signed, but many are not. A lot of contractors out there have lost money on projects or are just sort of skimming by, and all of these types of cost-saving measures are very important.

This is an unavoidable cost. We want to make sure that we can keep and reemploy all of our staff that are coming back off of winter layoff right now. This is a major difference. This is the difference between one or two employees at a small contractor's operations. Any of these little changes that are saving 5% on WSIB costs that can be re-invested into the company and can be, frankly, reinvested into the health and safety of the job sites are very important to keeping companies working and to keeping workers safe.

Mr. Stephen Crawford: Do you think in any way this will have a negative effect on those workers? Do you think it will be neutral, positive or negative for the workers? Clearly, from the businesses' point of view, it seems like it's fairly positive. Obviously, our concern as well is the workers that paid into this—do you think they will still be in as good a position with this legislation as without?

Mr. Patrick McManus: Yes, absolutely. The WSIB's finances are the strongest they've been since before I was born. They are continuing to report that their funding levels are above 100% on the sufficiency-ratio basis. This is going to allow more money to continue to be reinvested back into the companies. These health and safety costs have shot up so high that this is going to—again, that little bit extra is going to be reinvested back in.

We've had tremendous health and safety records over this last year. The heavy civil sector, which is sewers, water mains, roads and bridge construction, accounts for 0.07% of COVID claims, despite being essential work throughout this entire pandemic. We've never stopped working. This is a testament to the companies and the workers working together to be very safe. This type of change allows that reinvestment back into the health and safety portion of the company.

Mr. Stephen Crawford: Okay. Do you have any sense of the number of claims over the last 12 months through COVID? Has it been the same, less or more? Do you have

any sense? That's to any of the presenters, if they have any idea on that. I'm just curious on the trend lines there.

Mr. Patrick McManus: I can speak to it. We've had 14 COVID claims in 2020 for our whole industry. I think David could probably speak to the broader construction industry sector.

1540

Mr. David Frame: Yes. I just checked it the other day, in fact: 144 claims for the whole construction industry, to date, from COVID, out of about 17,000. That's less than 1%.

Mr. Stephen Crawford: Less than 1%. Okay. Well, thank you very much. I appreciate that. I think, if I'm correct, MPP Bailey—

The Chair (Ms. Goldie Ghamari): Thank you. MPP McKenna will be next. MPP McKenna, you have two and a half minutes left.

Ms. Jane McKenna: Thank you so much. I'm going to just ask one question and then I'll pass it along, as well, to one of my other colleagues. The NDP opposition always seems to be looking for a conspiracy theory. It's important for those watching at home to understand that the WSIB has always been and always will be independent from the Ministry of Labour and the provincial government. As you mentioned, Les, the WSIB advises the government, and the government seeks the advice of the board, not the other way around. Thank you for so clearly explaining that.

So to be clear, you are not concerned about any threat to the independence of the WSIB?

Mr. Les Liversidge: Not at the present time. No, absolutely not. I don't think that the section which I outlined has any intention of that whatsoever. If one looks at the conduct between the government and the board—recent conduct, conduct five years ago, conduct a decade ago—one constant thread from year to year, decade to decade, administration to administration, is the independence of the WSIB. The act clearly expects that. From a public policy standpoint, it is extraordinarily important that you have an independent expert agency that is—

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

Mr. Les Liversidge:—fundamentally responsible for administering what is one of the most significant, important statutes in the province. I think that the independence—nobody has ever sought to at all diminish the independence of the WSIB, no government that I'm aware of, and the board has always acted in a proper, independent manner and achieved, in lockstep with the government of the day, the social objectives of the Workplace Safety and Insurance Act.

Ms. Jane McKenna: Thank you so much. MPP Sandhu is going to take the last question.

The Chair (Ms. Goldie Ghamari): Sure. You have 15 seconds left.

Ms. Jane McKenna: Okay.

Mr. Amarjot Sandhu: I will just thank both the presenters for their presentations, and thank you for all the great work you guys are doing. Thank you so much.

The Chair (Ms. Goldie Ghamari): Okay, thank you.

We'll now turn to the NDP for the next round of questions. Who would like to begin? MPP Gates.

Mr. Wayne Gates: Thank you very much. I appreciate it. Again, I'll start by—either one of the associations, companies could answer this. My question is relatively simple, although I'm going to expand on it. Numerous presenters have outlined systemic issues with WSIB: 50% of injured workers are living in poverty, through no fault of their own, simply because they're injured at work. I have put forward a bill called the deeming bill, which I'm sure you're all familiar with, that would make sure that people aren't—say that they can perform a job that they can't do or they're not physically able to do, and then their premiums are cut and they end up on ODSP or OW.

I also have a Bill 191, which is presumptive coverage, which will mean that if I am working in a long-term-care facility or a hospital—and this has happened in the province of Ontario; I'm not making this up—where they get COVID at work, and then they're denied WSIB. What happens is, they have to fight with WSIB. The presumptive language would certainly make it better for our heroes that are going to work every day or our essential workers that are going to work every day. I have asked the government, which I think is fair and reasonable and, quite frankly, should be done, to include it in this bill, because I know that the Ontario Sewer and Watermain Construction Association have said they support the bill, which is fine. But I'm looking at, if we're going to talk about this during COVID, which I'm not sure is the number one issue out there—either one of you guys can answer this. How do you believe this bill helps to address the issue around deeming, presumptive coverage, and workers in the province of Ontario?

Mr. Les Liversidge: Can I address that? Because I think those are extraordinarily important questions. One of the problems—too bad I've only got, what, five minutes to answer what requires probably a 45-minute chunk of time.

Mr. Wayne Gates: I'm willing to wait for you.

Mr. Les Liversidge: Okay. I'll focus on the presumptive element. One of the problems: This bill addresses a very narrow, urgent issue with a very narrow, simple solution. I don't think it was intended to address all of the workers' comp issues at present, and I want to talk about that. There are two issues I would like to respond to, but let me focus on the presumption one, because you raised that in the first question and you raised it again.

I think that presumption, particularly in a COVID environment, is an important consideration. I understand absolutely the allure of presumptions; it sounds like it is being helpful if we got a presumption. The presumption would be that if you are employed and you get COVID, an employment relationship is presumed, unless the evidence shows you didn't get it at work.

Now, presumptions are not new to workers' compensation legislation; they go right back to the first act of 1914. There are two types of presumptions. There's the "facts are not knowable" type of presumption that is designed to

protect the estate. If a worker dies at work with no witnesses, you can presumptively conclude that it was work-related simply through the operation of a presumption.

Then there's a judicial-notice type of presumption. That's the type that we see in operation for occupational disease. For occupational disease, where science gets to the point where there's a reasonable, general expectation of causation between exposure to a substance and employment, you can presume a relationship without having to reinvent the legal wheel every time you get a case.

Both of those presumptions make sense. Both of them work extraordinarily well. They're actually a quite brilliant design element of the current act, but they operate quite differently. The idea of a COVID presumption is almost a hybrid between the two. It infers a judicial-notice type of approach but redefines the "facts are not knowable" problem to a "facts are knowable, but there's no need to obtain them" approach—in other words, to expeditiously ensure that somebody gets an entitlement, unless the facts show that it didn't happen.

Now, there's a pitfall with that. There's a problem with that, and I'll explain what the problem is. I understand the allure to it, because it makes things look fair and efficient. First of all, the basic standard of evidence in workers' comp is balance of probability. It's not an onerous threshold, and the system is rather brilliantly designed. I spent my life on this; I'm a big fan of the way the system works.

One of the difficulties you have with the WSIB is that it has to get into very personal issues to decide medical issues, in the least intrusive manner possible. Hence the WSIB is charged with the requirement to establish, on the balance of probability, that there is an employment causation. The worker, who has first-hand knowledge, is able to adduce the evidence and present that to the board in a very fair and efficient manner.

Now, if you changed it, and if you reversed the onus and you said, "Well, everything is presumed unless it's not," and if an employer was of the view, for whatever reason, that there may not have been an employment causation, that employer would not be able to rely upon the approach of the WSIB to deal with the balance of probability, because entitlement was presumed. So the employer, therefore, would then have to be required to adduce evidence. The system automatically changes—switches overnight—from being an inquiry-based system with the board in charge to being a court-like system.

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

Mr. Les Liversidge: I think that the people you're seeking to protect ultimately would fall victim to that, so I would strongly encourage that the presumption issue be very, very carefully examined. And there should be a debate on it, because it keeps coming up. It came up with this. It comes up with PTSD. It comes up all the time.

Mr. Wayne Gates: I always enjoy listening to you speak because of your knowledge around WSIB, but I'll tell you, it's no different to me than the presumptive language that we awarded to firefighters when they were getting cancer on the job and they were denied compensation for close to—some cases went on for 30 or 35 years.

Now we have presumptive language in place to protect firefighters in the province of Ontario.

1550

When you look at people that are essential workers, who are working in our hospitals, who are working—

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

Mr. Wayne Gates: You've used up too much time.

The Chair (Ms. Goldie Ghamari): We'll now turn to the independent Green Party member for four and half minutes. MPP Schreiner, you may begin.

Mr. Mike Schreiner: I'm actually going to allow you to elaborate a little bit more, because I'm learning a lot here. I guess I'll go back to you, Les, with this question. I realize you represent an employer, but put yourself in the position of a worker who has obtained COVID on the job—I'm thinking particularly in high-risk workplaces—who is being denied their WSIB claim. How do we address that in a way that protects workers but also protects employers as well? The fact that we've had so many workers denied WSIB makes me think that somehow that balance of probability is a bit out of whack. How do we put it maybe in a more balanced position?

Mr. Les Liversidge: That's a great question. First of all, for the record, let me clearly state, I represent both workers and employers in workers' compensation.

Mr. Mike Schreiner: Okay. I appreciate that.

Mr. Les Liversidge: So I advocate for both. I always tend to think of my overall, overarching client as the act itself, as corny as that may sound.

That's a great question. How do you deal with a case where it looks, on the face, as if a worker has an entitlement and the board is denying it? I don't know those cases. I haven't looked into them, so I can only speak in a very general sense. The balance of probability test, first of all, is a pretty low threshold test. That is the same as the civil standard, plus a worker has a legal benefit that a civil litigant does not have: The statute tips things in the favour of the worker, by design, because there is a statutory provision that where things are generally equal in weight, one way or the other, the benefit of the doubt as a matter of law goes to the worker. So it's a little bit better than the civil standard, because it's the balance of probability plus the benefit of doubt. So it benefits the worker in that sense.

I neither accept nor reject the hypothesis that the board is improperly denying COVID claims or improperly allowing COVID claims. The balance-of-probability standard is not that difficult. The problem with COVID is that it is a disease that is also obtainable in the general public. Not everybody who gets COVID has been employed or has got it at work. In fact, the vast majority—if you just look at it from the standpoint of the balance of probability, look at the odds. Look at the number of cases in Ontario. Look at the number of cases submitted to the WSIB. Overwhelmingly, it's non-occupational in origin. So that makes it a little tough.

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

Mr. Les Liversidge: But at the same time, if you look at it from the standpoint of just balancing the evidence, if

there was confirmed exposure in the workplace and somebody gets COVID, a strong case can be made for an entitlement. If the members of the committee have evidence that there is a serious problem, before it's addressed from a standpoint of an amendment presumption—because I do believe that the approach of presumptions will deliver a can of worms that you didn't intend—that you would want to bring the board before you to examine those cases. I think that would be a prudent course for the committee to do.

I have no evidence, though, that these cases are being improperly allowed or denied. The committee obviously would have evidence that wouldn't be available to me.

Mr. Mike Schreiner: I see my amount of time, Chair.

The Chair (Ms. Goldie Ghamari): Eight seconds.

Mr. Mike Schreiner: Thank you to both presenters. I appreciate your time today.

The Chair (Ms. Goldie Ghamari): I'd also like to thank our presenters for joining us this afternoon. This concludes our first round of presentations. You are now released and may stand down.

INJURED WORKERS
COMMUNITY LEGAL CLINIC
ONTARIO NETWORK OF INJURED
WORKERS GROUPS

The Chair (Ms. Goldie Ghamari): We'll now turn to our next set of presenters.

Interruption.

The Chair (Ms. Goldie Ghamari): My apologies. I'll just get my timer ready.

For our next set of presenters, first we have the Injured Workers Community Legal Clinic. Please state your names for the record and then you may begin. You will have seven minutes for your presentation.

Ms. Kathrin Furniss: Hi there. My name is Kathrin Furniss and I'm here with my colleague Tebasum Durrani from Injured Workers Community Legal Clinic, but we're here speaking on behalf of the Ontario Legal Clinics' Workers' Compensation Network, which is a group that consists of legal clinic workers throughout Ontario who work on WSIB claims. We intend, in our brief time, to highlight first of all who the bill is actually helping, which we think is only big employers, and second of all who the bill should be helping, which we think is injured workers; and we're going to suggest three better uses of a WSIB COVID relief bill.

I want to start by diving a bit more deeply into who this bill would actually help. As you know, Bill 238 caps WSIB premiums for large employers for 2021 and possibly 2022. Usually employers pay WSIB premiums based on their payroll, but there's a cap: The employers don't have to pay premiums on amounts above 175% of the average industrial wage, AIW. In 2020, COVID-19 led to far fewer low-wage workers being employed, and as a result, the average industrial wage increased by 7.8% rather than a more typical 2% to 3%.

As you know, Bill 238 makes it so that employers who have workers earning above 175% of the AIW are protected from their premiums reflecting the unusually high AIW this year. But to be clear, the changes proposed in this bill would only benefit employers who pay workers above \$97,308. So who is this bill really helping? How many small businesses in Ontario do you know that have workers earning more than \$97,000? In reality, not many, if any, so this bill really only aims to help big businesses. It doesn't help those who are really struggling with the impact of COVID-19: small businesses and, most importantly, vulnerable workers.

Also keep in mind that the WSIB's premium structure already automatically adjusts to economic downturns, since premiums are based on payroll. With less economic activity, there is less payroll, hence less premiums. So by reducing payroll requirements, you just help those industries that are doing well in a pandemic, like the Amazons of the world.

In 2020, for the fourth year in a row, the WSIB reduced the premium rate for schedule 1 businesses. The 2020 reduction was, on average, 17%, and the total cumulative reduction to the average premium rate since 2016 is 47.1%. Premiums have already gone down by \$2 billion since 2018. There is no threat of unreasonably high premium rates which requires legislative action. Without this bill, a small number of big businesses will see a slight increase in their premiums, but only for the portion of their payroll relating to workers earning above \$97,000. These employers have already had their premiums reduced by almost 50% in the last five years.

The impact of this increase in the AIW is, by comparison, very minor. I'm sure with a few clicks of a button, the WSIB would be able to inform this standing committee of exactly how many and what proportion of employers this bill would affect, the average number of extra dollars each would have to pay, and the total number of dollars that the WSIB will unnecessarily lose if this bill is passed.

I repeat: There is no problem here that is being addressed by Bill 238, as written, that requires the Legislature's attention.

I'm now going to pass it on to my colleague, who will talk about what a WSIB COVID relief bill should be addressing.

Ms. Tebasum Durrani: Thanks, Kathrin. Basically, we submit that this bill should provide relief—

The Chair (Ms. Goldie Ghamari): Sorry, can you please state your name for the record?

Ms. Tebasum Durrani: Absolutely. Tebasum Durrani.

The Chair (Ms. Goldie Ghamari): Thank you.

Ms. Tebasum Durrani: You're welcome. I'd like to speak about what this bill can and should do, which is provide relief for injured workers. We submit this can be done in a couple of ways. First, we think that the bill should provide that for any front-line worker who has to work with the public and contracts COVID, there's a presumption that they got it from their workplace.

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Currently, there are many front-line workers in Ontario who have COVID who are either fighting with the WSIB

for much-needed benefits and assistance or are waiting to have their claims decided. According to the board's own statistics:

- for workers in nursing and residential care facilities, there are currently 385 claims that have been denied to date and 34 pending;

- for hospital workers, there are 382 claims that have been denied to date; 18 are pending;

- ambulatory health care workers: 106 claims have been denied; 28 are pending.

We can and should do better for front-line workers and, by extension, our communities in the midst of this pandemic.

Another amendment that would provide much-needed financial relief to injured workers is a supplement to those with permanent impairments, to acknowledge the extra costs associated with COVID-19 for people who are often at higher risk of the virus: things like added costs for groceries or food delivery, or taking taxis as opposed to public transit to get to appointments. This would be in keeping with many other income support programs which have responded to the challenges of living through a pandemic by increasing the financial benefits they provide. For example, ODSP provided a one-time supplement. The Old Age Security and Guaranteed Income Supplement program provided additional monies to Canadians, as did federal recovery benefits.

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

Ms. Tebasum Durrani: The WSIB has only focused on providing benefits for employers.

Finally, we feel that another worthwhile amendment this bill could introduce is the elimination of the practice of deeming. This applies to workers with permanent impairments who can't go back to their previous job. The WSIB chooses a new job, and it deems the worker able to do that job and reduces their benefits according to what they could be earning, irrespective of whether the worker is capable of that job and if the job actually exists.

Outside of a global pandemic, this practice leaves many injured workers in poverty, relying on OW or ODSP in many cases. In the midst of a pandemic, when we're experiencing unemployment and economic uncertainty, the WSIB continues to expect that workers are going to go out and participate in retraining programs and then find jobs that, quite frankly, may not be available and suitable for them. The WSIB is assuming that permanently impaired people with little or no experience in a new field will be able to find a job. This places injured workers in a precarious—

The Chair (Ms. Goldie Ghamari): Thank you very much. This concludes our first presenters.

We'll now turn to our next set of presenters. We have the Ontario Network of Injured Workers Groups. Please state your names for the record, and then you may begin. You will have seven minutes.

Mr. Paul Taylor: Yes, it's Paul Taylor, corporate secretary for the Ontario Network of Injured Workers Groups, and my colleagues Karl Crevar and Eugene LeFrançois, also from the Ontario Network of Injured

Workers Groups. I'm just going to share my PowerPoint, because I think it would be better if you could see pictures than my face, to be honest.

I will say I know Mike Schreiner, and he knows I have a sense of humour, but right now, to me, this is probably one of the most serious and important things that I could ever discuss with you.

I just want to say that the Ontario Network of Injured Workers Groups represents injured workers right across Ontario. Presently, we have approximately 26 member groups that represent thousands of injured workers. The main points of our presentation today are the unfairness of the bill and how this current bill will be viewed by voters next year in 2022 in the election if this bill is approved unchanged, and, more importantly, the cost of this bill to taxpayers and how this government will be viewed by voters next year if they approve this bill unchanged.

I'm going to explain the cost factor and the unfairness now. This bill has not seen one dime for injured workers, as my other colleagues have mentioned. Injured workers have had to pay for increased costs due to COVID-19, but have got nothing for COVID relief at all from the WSIB or anywhere. We have to pay for grocery delivery, because most of them can't leave homes. Most of them have chronic, serious conditions.

There are increased costs in prescription costs, because instead of getting one prescription for three months, you get one for one month. There are increased costs of goods due to COVID. Remember that groceries—everything has skyrocketed. The WSIB benefits have not increased. There has been no supplement at all, and other added costs as well due to COVID.

Over the last few years—let's not lie; there's a huge point here—employers have gotten over a 47% reduction in premiums, and guess who paid that price? Me. Injured workers just like me, hundreds of thousands, because our benefits were wrongly cut. I was kind of angry at the last presenter, because he said that there was no issue with injured workers. There's a huge one. The board just systematically cuts benefits with no reason. Trust me; I'm in the courts right now, fighting them. They do what they want, when they want, how they want.

Not one dime for injured worker groups—injured worker groups provide an invaluable service to injured workers. For many, in some cases, it's suicide prevention—services where the WSIB has completely ignored people, left them to the cold, literally. COVID relief has provided nothing to these groups—none. They don't qualify for the, what was it, \$10,000 or \$20,000 the Ontario government has graciously given to small business? But what have they given to these groups? Nothing. In fact, it was the Conservative government in 1998 that cut all funding to these groups and devastated the injured workers.

Workers' compensation is not taxpayer-funded. I guess—I hope—every politician, every MPP, knows that. It's funded by employer premiums. But when you start tinkering with the workers' compensation system, it pushes injured workers into the cold and on to Ontario-

taxpayer-funded programs like social assistance, such as Ontario Works and the Ontario Disability Support Program. For example, in a survey conducted from the data that I obtained from the Ministry of Community and Social Services, more than 4,000 injured workers a month, on average, are on social assistance. That works out to over \$30 million a year.

So when the WSIB sits there and says, “We’re doing a great job,” and they pat themselves on the back, you had better ask yourself: What is that costing taxpayers? Because taxpayers are going to start learning from people like me that this is all a complete and utter deception, that the \$2.8 billion that they say from 2017 is actually costing taxpayers, and they will remember that when it comes time to vote.

The other problem that I wasn’t able to find out is what it’s costing in OSAP, OHIP, CPPD—all these programs. I can’t count how many injured workers have said that their own doctors are stopping billing with WSIB and trying to get them on OHIP because the WSIB is a nightmare to deal with.

As I said, the other gentleman talked about the law and how it seemed to be fair, but it’s not. It’s employer-slanted. The law itself calls for an employer committee but no injured-worker committee.

The bill will cost taxpayers even more money through the further transfer. What’s going to happen if you reduce the WSIB’s income? Automatically, in a typical business model, you have to compensate for that shortfall in revenue, which means they’re going to have to cut WSIB staff, the WSIAT are going to have to cut staff and the OWA are going to have to cut staff. And what does that mean? That means that workers are going to have to wait even longer for decisions.

The OWA told me many times that there’s a two-year wait for me to get representation. My landlord is not going to wait two years. We’ve only been a few months in this pandemic where landlords aren’t getting paid, and they’re freaking out. Can you imagine if we actually had a right not to pay our rent while we’re waiting for WSIB? That’s ridiculous. The WSIB needs to step it up, and this bill is not going to help.

Another good point to prove my point about the cuts: The WSIB staff voted, more than 95%, to strike. That tells you that they’re fed up and they’re angry with the cuts, because they’re bearing the brunt of these so-called savings. The savings are not real. They’re a deception. What they’re doing is they’re literally just transferring the costs from employers onto hard-working taxpayers.

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

Mr. Paul Taylor: My final point, and maybe you’re not aware, is that the Supreme Court of Canada in 2019 issued a new decision about judicial review. Now, you might say, “Well, this is completely irrelevant.” It is very relevant for one simple reason: According to the WSIAT in their annual reports, from 2015 onward, they’ve seen an uptick in judicial reviews. Judicial reviews mean that when the WSIB says, “We don’t have to pay these benefits,” now, all of a sudden, you’re going to have a whole

influx of cases that have been reversed by the court because of the new decision from the Supreme Court and the WSIB is going to pay those.

That’s my presentation. I’m going to stop the Power-Point and turn it over to Karl and Eugene, if you guys want to add anything in, because I went pretty fast; my apologies to the committee. I do thank you again for allowing me to speak.

Karl, if you want to go.

Mr. Karl Crevar: Yes. My name is Karl Crevar—

The Chair (Ms. Goldie Ghamari): My apologies, Karl. Time is actually up, but I’m sure that you will have an opportunity to speak during question period.

At this point, we’ll now turn to the independent member for four and a half minutes. MPP Schreiner, you may begin.

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Mr. Mike Schreiner: I appreciate all the presenters.

Karl, normally, I would say, “Use my time,” but my time is limited. I have a few questions for my friend Paul, and I don’t want to lose that time. But I may come back to you at some point, Karl.

Paul, you’re right, you usually are a pretty funny guy.

Paul and I ran against each other in the last election. He likes to tell lots of jokes, and we had a lot of fun on the campaign trail.

That’s the most serious I’ve ever heard you in any presentation, Paul, which says a lot about what you’re talking about here.

You and I have had a lot of conversations about the personal impact of things like deeming. I’m wondering if you could talk about what it does to a person to experience that and then to be forced on to ODSP or Ontario Works.

Mr. Paul Taylor: I really do appreciate you giving me the chance to answer your question.

I personally experienced deeming, and I still do.

It’s really hard to explain that I was a typical white male—blue-collar, hard-working guy. I drove trucks for 23 years, and I worked an average of 60 to 70 hours a week. The work I did was—I didn’t sit, like I am right now, nice and comfy. I worked at Canadian Tire and I physically hand-unloaded every piece in the trailer. I have photos of it. It was hard, back-breaking work, but I loved it.

My only concern was, when I got hurt—I always thought I would be protected. I went from making \$50,000 a year down to \$10,000, and I kept getting blamed—that I’m lazy, I’m no good. That’s deeming—when they turn around and they say, “You’re faking. You’re making it up.” I attempted suicide on two separate occasions because of the stigma that the WSIB and the Ontario Legislature has with injured workers. My question to them and to you is, why do you hate me so much? Why do you hate injured workers so much—and you’ll say you don’t, but you do, by your actions. When you say, “You’re all faking,” how do you know we’re faking? You’re not a doctor, but you impose these heavy rules and restrictions on injured workers, and we’ve done nothing wrong. Every one of us just wants to get back to work.

Mr. Mike Schreiner: Do you think this bill could be more balanced between employers and employees if there were actually some amendments to it that would address some of the concerns injured workers have had for a long time?

Mr. Paul Taylor: One of the biggest concerns I have is that there is zero in there for injured workers at all. You might say, “Well, they’re getting their benefits.” Well, if I’m getting my regular benefits and the economy is in regular shape, then there’s no problem. But as everybody has mentioned, prescriptions are more expensive—I have to pay for part of my own prescriptions. Why? Because the WSIB just said, “We’re not covering that anymore.” So now I have to pay a double prescription fee at the pharmacy because of COVID-19 regulations.

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

Mr. Paul Taylor: I tried ordering my own groceries, but it was too expensive. I have to risk my welfare, my health, to go to the store and get the groceries.

Mr. Mike Schreiner: You’re part of a network. How many injured workers are reaching out to you, as one of the leaders in the network, with the kinds of concerns that you’ve experienced and expressed today?

Mr. Paul Taylor: I have started an international group, and I hear from injured workers, not just across Ontario, but across Canada. They all say the same thing: They were very happy; they were very successful; then, they got hurt and their life was destroyed.

The one question that many injured workers bring up is—we want to know the suicide rate of injured workers. That’s the real indicator of how pathetic this system really is.

This bill is just adding more insult to injury because you’re doing nothing for injured workers. It’s like we don’t exist. We don’t have rights. We’re not—

The Chair (Ms. Goldie Ghamari): Thank you very much. That concludes this round of questions.

We’ll now turn to the government side for seven and a half minutes. MPP McKenna.

Ms. Jane McKenna: I’m going to ask a quick question, and then I’m going to pass it over to MPP Sandhu.

We heard, during the last presentation, about the idea of presumption as it relates to the WSIB. The idea of presumption has been floated around lately as something that would be very helpful to workers. But when it comes to COVID-19, if we reverse the onus, employers would not be able to rely on the approach used by the WSIB. What this would mean is that employers would have to produce evidence on the likely cause of their employee’s exposure to COVID-19.

We heard from a solicitor previously that presumption would take the inquiry-based system of the WSIB and turn it into a court-like system. We were warned the idea of presumption would actually harm the very people it looks to protect. Do you agree or disagree with the view of presumption? Why, or why not?

Ms. Kathrin Furniss: We agree with putting in the presumption, and I don’t understand the idea that it’s going to hurt injured workers. I think that employers might

be interested in looking for—if they have evidence, for example, that a worker’s family member was sick with COVID and then the worker makes a claim and says they got it at work, then the employer would have the opportunity to submit that evidence: “No, it’s more likely that they got it at home because their family member has it and I know that they told me.” They might already have that information.

Otherwise, as you mentioned, it’s an inquisitorial system in the sense that the WSIB has the power to make those inquiries, and so if they have any information, they could ask about whether the injured worker had any contact with people with COVID-19 outside of the workplace. So I don’t think that there’s any sort of risk to the system.

I think what it does is it makes the very logical presumption that a worker who is working front-line is coming into contact with way more people through their workplace than they are in their private, non-work life in these COVID times. Assuming that the worker is only seeing their family and very minimal people out in their minimal daily interactions, it’s much more likely that a front-line worker is getting it from work than not. So unless either the employer or the WSIB through their inquiries has direct information that the worker likely got it from somewhere else and had contact somewhere else, to me, the presumption makes sense. I don’t see the problem with it.

Ms. Jane McKenna: I’m going to pass it over to MPP Sandhu.

The Chair (Ms. Goldie Ghamari): MPP Sandhu?

Mr. Amarjot Sandhu: First of all, I would like to thank both the presenters for their presentations. My question is to IWC. Since forming the government, we have reduced WSIB premiums by nearly 50%. This has allowed for businesses to hire more staff and invest in health and safety enhancements for their workers. Can you please help the committee understand why you would oppose a measure to help protect jobs and improve workplace safety for workers?

Ms. Kathrin Furniss: Well, we oppose the measure, because reducing WSIB income and premiums, as Paul was talking about—what it does is it makes the WSIB system tighten their purse strings because they have less income. By reducing employer premiums by such drastic, irresponsible rates, it means that the WSIB coffers are greatly reduced, and that means that the WSIB starts to get more restrictive and cautious about their benefits and then they start cutting off injured workers for silly reasons and make them go through years of appeals, while they’re on social assistance in the meanwhile.

I think that the suggestion that the WSIB premium rates being reduced is actually helping workers is false. What it’s doing is it’s putting them at risk. I think that that top-down approach of saying, “If we tax businesses less, that’s obviously going to improve the lives of workers,” is not correct. I think that, really, if you put money in the pockets of injured workers, that’s going to improve their lives directly. So I don’t understand going through the

middleman and hoping for the best. Really, what needs to happen is the WSIB needs to have enough money to do their job well, and instead of giving employers rate cuts, they need to be giving injured workers the benefits that they are entitled to.

Mr. Amarjot Sandhu: Thank you. The government also recently released an independent review of the WSIB. What recommendations from the report would you advise the government to move forward with?

Ms. Kathrin Furniss: That is a much bigger question. There were some recommendations in there related to streamlining the WSIB process around electronic access to information, which would be good, and also listening to the tribunal. We find that the tribunal makes decisions in several cases, and then the WSIB doesn't incorporate that information into their decision-making, so the WSIB continues to make decisions that are contrary to what the tribunal decided, and then injured workers have to go all the way back up to the tribunal to get the tribunal to say that same thing that they said in the decision before.

That would be another thing that was in the recommendations of having the tribunal and WSIB have better communication so that the WSIB properly adapts their decision-making to reflect tribunal decisions.

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What else was there? I didn't prepare to respond to the recommendations of the Speer-Dykeman report, so I don't know whether any of the other presenters have something off the top of their head, but we certainly have lots of ideas on that. I've got documents on my computer that talk about it, but I didn't prepare to bring that to the government today. But I would absolutely welcome an opportunity to respond to the specific recommendations, because I know we had an opportunity to make submissions to the Speer-Dykeman review, but then they came out with these specific recommendations, and we haven't been able to comment on our thoughts on those specific recommendations. There are a lot of them that are very concerning to us, and we would like to be able to speak on the specific recommendations.

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

Mr. Amarjot Sandhu: Thank you so much. I appreciate your response. Madam Chair, I'll pass it on to my colleague MPP Wai for the next question.

Mrs. Daisy Wai: Since I only have one minute, I will just very quickly ask the question. I share the concerns that both Kathrin as well as Paul have presented. But I also understand that recently the government increased funding for the Office of the Worker Adviser, which helps non-unionized workers navigate the WSIB. Can you please share with us how OWA and this investment in it helps your members?

Mr. Paul Taylor: I'm very familiar with the OWA and their funding policy. Presently, they only represent injured workers up until the tribunal. They're delayed from two years—

The Chair (Ms. Goldie Ghamari): Thank you. That's all the time that we have for this round. We'll now have to turn to the NDP for seven and a half minutes. MPP Gates, you may begin.

Mr. Wayne Gates: Thank you. I appreciate it. I'm just going to make a couple of statements before I get into some questions for the Ontario Network of Injured Workers Groups. I want to say that nobody should have to live in poverty because they got hurt at work. I think that's probably what you've been talking about through this.

This is a question that you can answer as well: Do you believe that we should support business on the backs of injured workers?

Mr. Paul Taylor: Is that to me?

Mr. Wayne Gates: Yes.

Mr. Paul Taylor: Sorry, Wayne. My apologies.

Mr. Wayne Gates: That's all right.

Mr. Paul Taylor: I believe that everybody should be treated fairly and equally. Sitting there and giving business this extra leg up is not fair. If, in this Bill 238, there was compensation for injured workers, injured worker groups and employers, I would be somewhat supportive of it. But to be honest with you, Karl will tell you and so will Eugene—oh, Eugene's not here; my apologies—that history tells us every time the Conservative government and WSIB do cuts, it costs me personally, because they just deny my claim and then I end up on social assistance. And who pays social assistance? Taxpayers.

Remember: WSIB is funded solely by employers. This is something that I'm going to make taxpayers and voters remember next year in the election: how the government did everything it could to make taxpayers pay that bill. As far as presumption goes, carcinogens—many, many diseases are presumed and deemed to be work injury.

During COVID—I actually thought when COVID came out it would be an automatic, and it seems to be no. What about bad employers that force workers to work and then they get COVID? How are we going to deal with that? We're going to put the disease on top of denying them their claim, because that has happened.

Six hundred health care workers in the beginning of this were denied by the WSIB. People that have dedicated, hard-working jobs that do not want to fake an injury—they want to go to work. Why would they ever fake an injury? It makes no sense. Those 600 denials make no sense to me at all.

It's the conduct and behaviour of the WSIB that really needs to be looked at by this Legislature—by all government. We're all human. We can be manipulated and controlled in any direction, but if the system doesn't work, nothing will work.

Mr. Wayne Gates: Just so you know, there are 883 health care workers that have been denied WSIB.

According to your presentation—here, I'll do this one, seeing as I don't have a lot of time. You've seen a copy of my bill, Bill 119, which uses the exact same language that's already in place for employment insurance to end deeming in the WSIB and ensure there is no fraud. Do you support my bill? And do you believe that the government should immediately adopt my bill?

Mr. Paul Taylor: Wayne, I'm more of a legalistic person in the law, and when I read your bill, I start laughing. The reason why I laugh is because all you're doing,

Wayne, is saying that injured workers actually have rights under section 7 of our charter, under human rights, under the UN. Somebody doesn't sit there and point at you and go, "Oh, we think you're faking, so you're not getting anything." No medical evidence, no proof, no nothing, and they do this. That's what deeming is.

I love this one; this is my favourite, and I hear it all the time: "We think you can be a parking lot attendant." Tell me something: When was the last time you've seen a parking lot attendant? Okay, I did see one there by the Legislature and by city hall. That was it. I live in Hamilton, and I haven't seen any. In Guelph, too, I haven't seen any there either.

But this is what the WSIB does: They just make up these fictitious jobs. If the WSIB was actually a court of law, they would be charged with fraud.

Mr. Wayne Gates: Do you believe, under this administration, under the Conservatives, that workers can get access to justice and support from the WSIB when they are hurt in the workplace?

Mr. Paul Taylor: No, not right now. MPP Wai was talking about the OWA, and like I said, the reduction in time—

Interruption.

Mr. Paul Taylor: I'm right in the middle of a presentation.

Mr. Wayne Gates: Somebody's dog is barking.

The Chair (Ms. Goldie Ghamari): Can we get his name for Hansard?

Interruption.

Mr. Wayne Gates: Are you okay?

Mr. Paul Taylor: Sorry. My apologies. It's just that my daughter came home unexpectedly. That's one thing we love about Zoom.

What I was trying to get to is that the OWA represent injured workers—non-unionized; fine. I've been constantly hearing about unions that just don't have the resources anymore to represent injured workers who are unionized. I also hear that injured workers have to wait years, and even with that funding, that's a "give \$1 and take \$10" situation.

I haven't seen the budgets, but I already know instinctively that there's something dirty with all this, and that's why I'm fighting—myself, personally—in my own cases in the courts: because there are so many things wrong, and there is nothing ethical, moral or even legal about the WSIB system, the workers' compensation system in Ontario.

You know, the one thing I could leave in a thought for you guys is: There but for the grace of God go you, because do you know what? If you ever got hurt—I would not even wish this on a Conservative or anyone, the hell that you have to go through with the system.

Mr. Wayne Gates: Yes, I think the one thing that jumped out at me—it's good that my colleagues from, I guess, three parties are here; I don't think the other one is here. You were making \$50,000 a year when you got hurt. You were very productive. You loved your job. You had a good family life. Since you've been hurt, it turned your

entire world upside down, through no fault of your own, other than a system that doesn't protect workers.

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

Mr. Wayne Gates: I've heard this so many times from so many workers across the province of Ontario when they get hurt on the job: They had a good job, they had a good family, they had a home, they were having their kids go to skating and play hockey and all the things that we do—and all of a sudden, they get hurt, and when you need the system to protect you with WSIB, it's not there for you and you end up in poverty and you end up collecting ODSP. Instead of the employer being responsible for you, it's the taxpayer. That's what's happening at the WSIB, and it has been going on for a long time.

I don't want people to think—you're coming here this afternoon. You were a productive, healthy, happy employee in the province of Ontario, and your whole life has been changed because you got hurt through no fault of your own. That's why we have to fix this system.

I'll try to get a question in; I doubt if I will. Before the Legislature today is Bill 191. It's a bill put forward to ensure workers who catch COVID-19 in the workplace do not have to fight WSIB for benefits. As of today, almost 2,000 workers—

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

We'll now turn to the independent member for the next round of questioning, four and a half minutes. MPP Schreiner, you may begin.

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Mr. Mike Schreiner: I wanted to direct my next question to the Injured Workers Community Legal Clinic and, I think, really direct it towards you, Kathrin. You had mentioned that this bill, as it's currently written, will only benefit large employers and will not benefit small businesses. Can you elaborate on how this bill won't benefit small businesses?

Ms. Kathrin Furniss: Yes, so, as I was mentioning, because WSIB premiums are only paid by employers on their payroll when workers make above 175% of the average industrial wage—175% of the average industrial wage is \$97,000. You'll see that in the bill, they've got that number, ninety-seven thousand three hundred and something dollars. That number that's in the bill, that dollar figure, is what they're capping. The bill is proposing that premiums be capped on wages above that. I can't think of a small local business that pays someone \$97,000. Small local businesses that I know—restaurants, bars, stores that sell things, community institutions—don't pay their employees \$97,000.

Who does pay their employees \$97,000? Big companies, so big companies are the only ones that are going to be benefiting from this bill, because they're the only ones who have people on their payroll that earn more than \$97,000. This bill will only give a break on premiums to employers that have workers who they pay more than \$97,000 a year.

Mr. Mike Schreiner: And is that based on an average?

Ms. Kathrin Furniss: The average industrial wage is calculated based on the averages, and that's 175% of the

average industrial wage. That number is an average, but that specific number gets applied to the premium rate setting. So they don't look at what employers within the system make on average in order to set premiums; they pick that number and then they apply it to everybody. They average it out every year based on what the actual income is, and then they use that number, kind of like they set inflation rates—or for housing, how much you're allowed to raise rent by.

Mr. Mike Schreiner: Great. No, I appreciate you clarifying that. I think that's an important point.

Karl, I said if I had time I was going to come back to you. I want to give you a few minutes. I don't know how much time I have left, but probably a couple of minutes.

The Chair (Ms. Goldie Ghamari): A minute, 50 seconds.

Mr. Mike Schreiner: I wanted to give you a couple of minutes to say what you wanted to say, Karl.

Mr. Karl Crevar: Well, to start with, I wanted to say that I find it very disturbing, when legislation is introduced of this magnitude, the time limit that's imposed on us to present our case. I think that's a disgrace. I've said this before, before previous standing committees. We don't have enough time to actually tell you or the committee how injured workers are being impacted.

Number two, I want to support the bill, and I question why the private member's bill of Wayne Gates from the NDP is not being addressed by the government at all. It's been sitting there for almost two years.

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

Mr. Karl Crevar: I'm sorry?

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

Mr. Mike Schreiner: One minute.

Mr. Karl Crevar: The other factor is, if you look at the presumption cause, there was a court ruling that came out of British Columbia that dealt with that, where some of the lab workers contracted breast cancer and the argument was, "Well, you can't identify the actual carcinogen." So here you have the Supreme Court stating that the presumption should be that it happened at work. Because those workers were exposed to multiple chemicals, you could not identify that one.

The last point I want to make is, I've been with the Ontario Network of Injured Workers Groups from the beginning, and we have dealt with government and with the board to try and address the economic issue, but every time since 1990, in three different governments, when legislation was introduced to amend the Workers' Compensation Act, it's always been that the benefits have been reduced.

The Chair (Ms. Goldie Ghamari): Thank you very much. That concludes this round of questions.

Mr. Mike Schreiner: Thanks, Karl.

The Chair (Ms. Goldie Ghamari): We'll now turn to the government for seven and a half minutes. MPP McKenna, you may begin.

Ms. Jane McKenna: I'm just going to quickly jump in, because the last two people have talked about deeming

with MPP Gates's bill, and then I'm going to pass it over to MPP Wai.

Did you know that when the Ontario NDP were in government, they refused to make changes to the WSIB specific to deeming, even though significant changes to deeming were put in place 10 months before they were elected? When the NDP propped up the Liberal minority government from 2011 to 2014, they fought for 15% cuts to auto insurance that never happened but didn't use their power to do anything about deeming.

I have a question: Do you believe any political party when they make promises about WSIB and deeming?

Mr. Paul Taylor: If that question is to me, I can say through my own experience that every time that the NDP has been in power or tried to be in power, they've always advocated for the labour movement and specifically for injured workers. You can twist things around and say, "Well, you know, they did this. They had this opportunity." Yes, I remember the Rae days. I'll never forget that, and I'll never forget how he promised us government car insurance, and look what we got: We pretty much have it, but we have those skyrocketing rates. And by the way, that has been under the control of the Liberals and the Conservative government.

So yes, in some ways, some governments don't act right, but right now, under the current system that has been under the Liberals and the Conservatives for the last 30 years, it has been a complete and utter disaster. A human rights tragedy is what I would call the workers' compensation system under the current government and the previous governments of the Liberals.

Ms. Jane McKenna: I'm going to pass it over to MPP Wai.

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

Ms. Kathrin Furniss: Would I be able to jump in while we're waiting for MPP Wai? I just wanted to say that—

The Chair (Ms. Goldie Ghamari): Sorry; I've paused the time because the question period is for MPPs to ask questions of specific witnesses, so I don't want to eat into anyone's time unfairly.

MPP Wai, have you resolved the technical issues?

Mrs. Daisy Wai: Yes.

The Chair (Ms. Goldie Ghamari): Okay. You may begin.

Mrs. Daisy Wai: Kathrin, I understand you've got something to say. Why don't you say it first, then?

Ms. Kathrin Furniss: Thank you. I just wanted to respond a little bit, say something about the deeming situation. Deeming has actually been a tool that has been really aggressively used to cut injured workers' benefits in the last five years. I believe Paul, in his PowerPoint presentation, put up some graphs that showed that injured worker benefits were cut basically in half over the last several years, and there was no change in legislation that led to that. That was all the way that the WSIB implemented deeming and other benefits. Deeming has been in the act since 1990, and it's always been a problem. We always think it's been terrible, but it has only been in the

last five years or so that deeming has been used in this way that applied to all injured workers in a systematic way that we've seen injured worker benefits cut in about half over the last number of years, and it has been devastating.

So deeming is a problem and has been since its inception, but it has been used and implemented in a much more ruthless and horrible way in recent years, which has led to more injured workers being pushed into poverty, and its application has been particularly terrible. It's even more urgent right now that MPP Gates's bill is passed so that the WSIB can't use deeming in the way that it has been.

Mrs. Daisy Wai: Thank you, Kathrin, for your comments.

I would like to go back to what I was asking earlier about the increased funding for the Office of the Worker Adviser. Paul, you have made some comments about the OWA. Can I know a little bit more about your comments and why you would think that this investment—is this investment helping you and your members?

Mr. Paul Taylor: Thank you, MPP Wai. I really appreciate the question. I just want to say that, normally, the OWA's function is to represent only non-union workers. They changed the legislation a few years ago, which, personally, I don't agree with. I think that everyone, regardless of if you're union or not, should get adequate representation, and it should be not just at the WSIB and WSIAT level; it should be in court too.

This is a new thing that is coming, thanks to the Supreme Court of Canada, that judicial reviews are going to be increasing. Right now, there are injured workers representing themselves in court, including myself. Now, I'm a little bit more attuned to things, but there's this person—their name is Chen—and they were begging the judge for a lawyer. The judge said, "No, it's going to cost taxpayer money," and I'm like, "Are you crazy?" I almost got into a fight with the judge, because I'm like, "Why are you saying it's going to cost taxpayers when the WSIB is funded by employers? This makes no sense."

So OWA does serve a great purpose; it does. But it's too limited in its funding. It's too limited in its capacity. They should be representing injured workers 110%, and it should be immediate representation—not two years, not three years. I was told that three months is what you should have in your savings account, so representation, decisions of the board and the tribunal should be within three months—after that, poverty; after that, destruction of the family structure and everything else. For anybody to tell me to wait for anything more than three months is pointless. It's just not going to work. You're going to see devastating costs.

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Earlier, I mentioned the suicide factor. That is the ultimate cost to our society, and we seem to sweep it under the carpet too quickly. Why? Because people don't have proper representation; they don't have a proper voice. So what happens? They end up taking their own life. And it seems to me that the Legislature, this government, doesn't really care.

Mrs. Daisy Wai: Thank you for your comments.

Overall, the increased funding for the OWA has still been helping members. You're just pointing out some of the concerns that you have there.

Are you happy with the increase in the funding in the OWA?

Mr. Paul Taylor: No, I'm not.

If I took your paycheque from you today, and you get a paycheque every two weeks or whatever way you get it; I don't care—

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

Mr. Paul Taylor: —and then I said to you, "You have to wait a year"—the WSIB gives the OWA funding to reduce the wait-list from two years to one year. How is that going to help an injured worker, when they have to starve for a year just to get representation? Then, they have to wait for the WSIB and the WSIAT appeal process.

The WSIAT reduced their decision-makers by more than 50%. They've only got, like, 10 for the whole province of Ontario.

Mrs. Daisy Wai: I have no further questions.

I see that Karl wants to make a comment.

Mr. Karl Crevar: I want to expand a little bit on your question about the increase in funding for the Office of the Worker Adviser. What the board did was increase that funding—but also the representation area of non-compensatory claims. It was for the right to refuse. So that was money that was—

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

We'll now turn to the official opposition. MPP Bourgouin, you have seven and a half minutes. You may begin.

Mr. Guy Bourgouin: Thanks to the two presenters. I've learned a lot today.

My first question is to the Injured Workers Community Legal Clinic. I've heard you say this bill is for the big employers, that they already got reduced by 55%—so less income, less benefits. But this morning, we heard the minister say that the WSIB is financially sound. We were hearing the clinic talk about front-line workers being denied, denied and denied. If the WSIB is financially sound, why don't we see better benefits?

What would you like to see in better benefits for injured workers? If we're giving these breaks to these big employers, which we already have—55%—why can't we do more for injured workers?

Ms. Kathrin Furniss: We need to see the elimination of the practice of deeming. The WSIB has cut injured worker benefits by 50% in order to get to that fully funded status that you say the WSIB is; they've got their funding under control. How do you think they got there? They got there by reducing the benefits that they paid out. If you look at the WSIB annual reports—you don't even have to take my word for it; it's coming from their own numbers. If you look at the dollar figure of benefits they paid out, it reduced by half for injured workers over a short period of time. That's how they became financially stable—on the backs of injured workers.

What I want to see is for injured workers to not be treated like criminals and denied by default. It's a private

insurance company mentality. The WSIB is supposed to be a social safety net, not a private insurance company that's looking to deny; whereas the approach that has been taken in order to achieve that fully funded status years ahead of when they were told they should—they accelerated their timeline for becoming fully funded by several years, and the way they did it was by reducing the amount of benefits they paid out by billions of dollars.

Deeming is one of the biggest culprits of that, because what they're doing is cutting off injured workers' loss-of-earnings benefits. Even though they don't have jobs, they're saying, "Well, but we think you could be a parking lot attendant," as Paul said. "So we're going to assume that you're making minimum wage and we'll only pay you the difference between what you were making before minimum wage." So injured workers end up with \$200 a week from the WSIB rather than the \$600 a week that they would have otherwise gotten. I think that eliminating deeming would go a long way to getting injured workers what they deserve.

There are so many other things that could be done to improve the system, but that initial approach—the whole WSIB structure—needs to shift in order to be able to come from a place of: "We're here to help injured workers and to support them," not look to deny benefits and "How soon can we cut you off? How soon can we lower your loss-of-earnings benefits through deeming?"

So deeming would be my number one best financial request for how we can do better for injured workers. Eliminate the practice of cutting injured worker benefits based on phantom jobs, and listen to their health care workers.

Also, injured workers get denied on the basis of pre-existing conditions. They say, "Oh, I saw that there was some degenerative disc disease in that MRI. I'm going to say that that's why you've got back problems ongoing after your injury," even though degenerative disc disease is going to show up in anybody's MRI over the age of 25. If the person never had any back issues before, never had any symptoms, and then they get injured and get an MRI that shows degenerative disc disease, the WSIB says, "Well, you know, it's not just the workplace injury's fault. You had this degeneration, so we're going to blame that." That's another way that the WSIB uses to deny injured workers benefits.

So it's not that we want extra benefits for injured. It's that we want them to actually get the benefits that they should without the WSIB using these tactics to cut them off.

Mr. Guy Bourgouin: Thank you.

I'm seeing Eugene LeFrançois, who has been trying to get into this. So I want to give Eugene at least a moment to say what he wants to say on these particular issues.

Mr. Eugene LeFrançois: Merci, thank you very much, and meegwetch. I am an injured worker. I got hurt in 1985, so I go back into a pension system. I get a pension now until the day I'm dead. If I die because of my injuries, it will continue with my wife until she's dead. But if I don't die from my injuries, the pension is gone with me.

With deeming, I had Tom Teahen in our meeting. We had a meeting in Thunder Bay about deeming and the OWA, and Tom Teahen came. We asked him for more money for the OWA. He told us, "All the OWA has to do is ask me for how much money they want and I will write the cheque." There are witnesses to that.

Deeming is a very, very bad thing. For instance, when I was going for rehab, I happened to tell my adjudicator that I quit drinking. That's all I said: "I quit drinking." He said, "Oh, perfect—a drug-alcohol counsellor." He closed my file—done. I lost a lot of money over that just because I happened to mention that I quit drinking. Right away, I was deemed to be a drug-alcohol counsellor at \$30 an hour.

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

Mr. Eugene LeFrançois: Thirty bucks an hour doesn't help anybody when you don't get thirty bucks an hour. But I lost my entire benefits and I was down to 10% of my wage. At that time it was \$160. How can you support a family on \$160? It's very hard. I did get welfare. I had to pay every penny back when I won my case. Is that fair? That is not fair at all.

Deeming is one of the worst things that anybody can do—imagine yourself, that you're deemed to get a wage for being a politician but the job is not done. When you guys lose your elections, you can't go back and say, "I want my money." It's not there. It's the same thing as injured workers. They give you a job: "Oh yes, you can get a job anywhere in Ontario." You could be living up in Port Severn—

The Chair (Ms. Goldie Ghamari): Thank you. That's all the time we have for this round. At this point, I'd like to thank our presenters for joining us this afternoon. It's been very informative, and the committee has asked some great questions. At this point, you are released and you may stand down.

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ONTARIO HOME BUILDERS'
ASSOCIATION
RESIDENTIAL CONSTRUCTION
COUNCIL OF ONTARIO

The Chair (Ms. Goldie Ghamari): We'll now turn to our final group of presenters for the day. We have the Ontario Home Builders' Association. Please state your names for the record, and then you may begin. You will have seven minutes for your presentation.

Mr. Joe Vaccaro: Good afternoon, Chair and committee members. My name is Joe Vaccaro. I'm the CEO of the Ontario Home Builders' Association. I will be joined by my colleague Alex as part of our presentation today. Should we begin?

The Chair (Ms. Goldie Ghamari): Yes, you may.

Mr. Joe Vaccaro: Thank you. The Ontario Home Builders' Association is the voice of the residential construction, land development and professional renovation industry in Ontario, representing 4,000 member companies organized in a network of 27 local associations across

the province, from Windsor to Ottawa, Niagara Falls to Thunder Bay and across the GTA.

We are champions of housing supply and choice in communities so that home believers can achieve the great Canadian dream of ownership. OHBA members make home-believer dreams a reality for thousands of families each and every day. We collect, analyze and distribute information to our members, promote innovation and professionalism within the industry, and respond to provincial legislation, regulation and public policy that impacts the residential construction industry.

Our members have built more than one million homes since 2007 in communities across Ontario. With more than two million people joining Ontario over the next 10 years, we are going to need to build another million homes to support their home-believer dreams.

The residential construction industry employs more than 500,000 people across the province and contributes more than \$62 billion to Ontario's economy annually. We are a volunteer-driven association. Our volunteer members are not only home builders and professional renovators but suppliers and partners in business in the residential construction sector.

OHBA members are also tied to their communities. Whether organizing charitable efforts or driving the Zamboni at a local arena, OHBA members are deeply involved in our communities.

I would now invite my colleague Alex to continue with the deputation.

Mr. Alex Piccini: Thank you, Joe, for that introduction. Good afternoon, Chair and committee members. My name is Alex Piccini, and I am the manager of government relations for the Ontario Home Builders' Association.

As Joe has introduced OHBA, I will now speak to the legislation specifically before the committee today, Bill 238. This legislation would provide stability and predictability for employers from an unexpected and dramatic increase in Workplace Safety and Insurance Board—WSIB—premiums, while increasing the maximum earnings cap for worker benefits.

We are all well aware of the impact that COVID-19 has had on businesses across Ontario, from Niagara to Thunder Bay, from Windsor to Ottawa. What we are all equally aware of is that the required limits on retail, the service sector and hospitality have resulted in workers in those sectors either losing their jobs or potentially being shifted to government programs like CERB.

We are equally aware that construction has generally remained open, providing stable employment throughout the COVID-19 pandemic, to the benefit of those employers, those businesses and the government as a source of tax revenue to continue to support government priorities during this difficult time, such as health care, long-term care and education.

The residential construction sector is really an ecosystem of small businesses, from your one-person tile setter to a three-person framing crew to a five-person masonry team to a 15-person forming company to a 25-person home builder. This is the structure of residential

construction across Ontario, and these are the businesses that are members of our local communities.

From a WSIB perspective, understanding that the maximum earnings formula makes an adjustment based on the average industrial wage over this time period, we can understand how COVID-19 has skewed that calculation. What the government is presenting here is a means by which we can, practically, one time, respond to the skewed COVID-19 scenario. But what does this mean? This means the maximum cap for worker benefits will increase, but it also means the increase is in line with the practical business realities that all employers across all sectors, including those that are working and moving into recovery to rebuild their businesses, can understand and practically manage. That is an important point. This will help businesses, especially small businesses, that are moving into recovery with a practical and appropriate maximum earning cap they can effectively manage. This builds on the government's support and guidance for businesses across Ontario.

For the residential construction sector, specifically, health and safety has been the key priority throughout the COVID-19 pandemic. Ensuring that our employees, contractors, suppliers and clients are all safe and healthy has been the central focus for OHBA members, and one that members are continually building upon. Very early on in the pandemic, OHBA members worked closely with our partners, such as RESCON and IHSA, to put together proactive health and safety best practices for members to follow. We all want safe job sites, and we are all working to keep each other safe, and the support of the provincial government was needed and appreciated.

OHBA members have thousands of homes and renovations to deliver to awaiting families and home believers across Ontario. I think it's important to mention here that their future well-being is tied up in their new or newly renovated home that we are building.

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

Mr. Alex Piccini: Thank you, Chair.

We need to continue to serve them in a safe and orderly way. These remain unprecedented times, and the residential construction industry is committed to doing our part to keep people safe during Ontario's COVID-19 state of emergency.

On the financial side, the government has provided relief to businesses, such as the employer health tax changes. The personal protective equipment directory and the Ontario Made program have also helped members find the equipment and supplies they need to keep their job sites safe and healthy.

In closing, this legislation continues the practical and important steps that the provincial government has made to support businesses and to support safe job sites during the COVID-19 pandemic.

Thank you, Chair and the committee, for your time today. We look forward to hearing your questions.

The Chair (Ms. Goldie Ghamari): Thank you very much. We'll now turn to our next presenter: RESCON, Residential Construction Council of Ontario. Please state

your names for the record, and then you may begin. You will have seven minutes.

Ms. Amina Dibe: Good afternoon, Madam Chair and members of the Standing Committee on General Government. My name is Amina Dibe. I am the manager of government and stakeholder relations at the Residential Construction Council of Ontario, also known as RESCON. I am joined by my colleague Andrew Pariser, the vice-president of RESCON.

RESCON appreciates the opportunity to speak virtually in front of you today in favour of Bill 238, the Workplace Safety and Insurance Amendment Act.

RESCON, the Residential Construction Council of Ontario, represents over 200 residential builders of high-, mid- and low-rise buildings in the province, with a specific focus on the GTA. We are committed to providing leadership and fostering innovation in the industry through the following six core focuses: labour relations; building science and innovation, including digitization; building code reform and technical standards; training and apprenticeship, including improving pathways into the skilled trades for youth and women; government relations; and health and safety, including mental health and anti-racism.

I'll now turn it over to my colleague Andrew to provide specific comments related to the bill.

Mr. Andrew Pariser: Thank you, everyone, for having us today. And thank you to the OHBA, who we've been able to work very closely with in dealing with COVID-19.

This is a bill that was required because of COVID-19. Without repeating some of the fine points raised by OHBA—COVID-19 is a pandemic. I don't think anybody saw it coming. If we go back to last spring, it raised a lot of issues that were simply unintended consequences or issues that would only arise in what we would call a, hopefully, 100-year pandemic. So we wake up to a world, and what's our first priority? Our first priority is keeping people safe.

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As we go through it, we find out that COVID obviously impacted the entire province, but it didn't impact the entire province equally. When you look at it, there's no doubt that COVID has impacted lower-wage earners more severely. And so this legislation, in its barest form, essentially fixes a problem that only arose because we had a pandemic, and a very severe one. It limits the increase on the earnings ceiling to 2%, which is inflation, which we think is very reasonable.

The question is, why is it necessary? I think we have outlined that. As the OHBA has outlined, construction—specifically residential construction, which is where our members operate as well—we are a small business, and in a pandemic, even if you were lucky enough to stay open and be able to implement health and safety procedures to keep you open, COVID has been a struggle for everyone. Limiting the increases to inflation—I guess I'll get into this and why we support the bill—is prudent, it's practical, and it allows us to invest in health and safety and our workers.

If this legislation is passed, as I said, it will essentially protect employers in small businesses from unexpected cost increases, but it does so in a way in which it protects the rights and entitlements of workers. This bill did balance the interests of business and employers, quite simply by allowing the increases that workers would receive to stand.

We support this bill because we think it shows what matters to this government, and the first thing there is small businesses. As we said and as the OHBA said, residential construction is small businesses. As builders, we rely on subtrades. Those subtrades are often small and are often family-oriented. So health and safety is not just an employer and employee issue; it's a family issue, because we work with our family in the residential construction industry.

When you ask businesses what they need, they say that they need predictability and certainty. This gives builders and employers predictability and certainty. This legislation was responsive. This government has been able to respond very quickly to the needs of employers and respond to a pandemic.

When you look at the early days, as was mentioned by OHBA, the government was able to quickly act and was able to quickly bring in guidelines. If my memory serves me correctly, construction was the first sector. That's because government was able to work with groups like IHSA, through the Chief Prevention Officer, through the entire Ministry of Labour, with groups like OHBA, RESCON and other construction groups. We were able to create guidelines which, to my understanding, as of the fall, had been downloaded over a million times in this province. We were able to do it, and we created a template to not only keep construction workers safe, but to keep all workers in Ontario safe. And so this bill, to me, is about COVID.

Other things related to COVID that are very important were a focus on PPE and the supply chain, and a focus on getting masks, getting hand sanitizer, keeping people safe and keeping people able to work safely. When you look at this bill, I think about COVID and I think about the stuff that has been done around testing, and the number of people that can get tested in this province. There have also been new developments on rapid testing.

So I don't think anyone is resting on their laurels. I think construction has been a success story when it comes to COVID, and that's because we've been able to work with government—

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

Mr. Andrew Pariser: Thank you—we've been able to work with government, and we've been able to work with health and safety providers. Health and safety has always been our number one priority, but when you have a pandemic, there's a clarity that comes with that. This bill, while it's very specific and narrow, to me, enshrines that.

I think the last thing I'll say is that when we do have money and we do have money in a health and safety place, we don't hesitate to invest it back into our workplaces, which, in turn, keeps members, workers and their families safe.

With that, I'll end my deputation, but I'm looking forward to discussing it further.

The Chair (Ms. Goldie Ghamari): Thank you. We'll now turn to our first round of questions. We have the official opposition for seven and a half minutes. Who would like to begin? MPP Gates.

Mr. Wayne Gates: Thank you very much, and thanks to the presenters. I'm going to start my first one with the Residential Construction Council of Ontario, Andrew and—I don't have the lady's name, so I apologize for that. A primary issue I have as both the skilled trades and workers' health and safety critic is ensuring workers in the province have a safe job site. Late last year, we saw six workers die on construction work sites in less than a month, and we know that the workplace deaths in construction have been particularly high since 2014.

With little evidence of any downward trend, do you believe these changes to WSIB will be helpful to construction workers who may be concerned about workplace injury or, in some cases, even death?

Mr. Andrew Pariser: First, my colleague's name is Amina Dibe, just for the record.

Second, it's good to see you again. I don't know if you remember; I used to be a mediator for the province of Ontario, and one of my first files was with you, with a car dealership down in St. Catharines. It's always good to see familiar faces.

In addition to sitting on WSIB committees, RESCON has a health and safety committee—and I personally sit on five committees. I don't actually think—sorry—it was six deaths; I think it was eight. I know this because I have sat through many meetings, because that is a huge focus.

One group I work very closely with is IHSA, and that is a group that brings together labour and management. We are talking about this, and we are trying to figure out ways to come together as a construction industry—both labour and management—to do better. One death is too many, and we need to do better. People need to come to work at the start of the day and they need to go home to their families. When there is a death in construction, we all need to take notice, we need to understand why it happened, and we need to know what we need to do to do better.

You don't have anything if you don't have health and safety. So I agree with a lot of what you've said.

Your question was, is this related to this bill? This bill is very narrowly focused, and so I don't think this bill is related to it.

There's a very robust health and safety network in this province, and I think that health and safety network is very much engaged in figuring out ways to keep workers safe.

I noticed what went on in December, and we are working on it. I'm one part of that.

Mr. Wayne Gates: Did we get it resolved—that mediation at the car dealership in St. Catharines?

Mr. Andrew Pariser: We did. I think at one point, I came back with some coffee and doughnuts, which I guess is a bit of an old trick. You get a little bit of sugar and a little bit of coffee, and I think—it was pretty close. I've

got to admit, I was pretty nervous that there wasn't going to be a deal, but there was. Maybe if there had been a strike, you would have remembered it.

Mr. Wayne Gates: That's how labour relations work—a little sugar, little salt.

One of the big issues we've seen here in construction is the looming crisis with the shortage of skilled trades workers. The Ministry of Labour estimates that we will need to hire 104,000 skilled trades workers over the next 10 years.

As we previously stated, there is a concern with safety on construction sites. Beyond on-site health and safety measures, do you believe that there is a role for the province and WSIB to play in creating confidence in those who may want to join the construction trades?

Mr. Andrew Pariser: I think health and safety is everybody's responsibility. To me, it has three pillars: employers, the government, and workers or unions. Everyone has a responsibility in that role. No one should ever be blamed.

Until we get down to zero fatalities, the answer has to be, yes, we can do more. There are things that we can do—like awareness. We can also do more health and safety training earlier. I know lots of people have talked over the years, in the health and safety network—when we're teaching skilled trades in the schools, yes, we focus on health and safety, but why don't we focus on it even more? There's nobody in this province who doesn't want to keep their kids safe. So increasing health and safety training in the school curriculum, I think, is one easy thing that could be done. I know it has been suggested, and I think the government is working on it.

Mr. Wayne Gates: I appreciate that answer. Obviously, we've got to do more training, more apprenticeships.

A little history of myself: I was in a four-year tech course where I took welding, auto body, learned how to do electrical stuff and lockout. Then I got hired by General Motors and I wasn't scared to be around machinery. I think that's what we should do with our young people as we try and get them into the skilled trades, because we all know there are good-paying jobs with—by the look of it, it's going to be a good, secure future, with the number of journeymen who are going to retire and go enjoy retirement.

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I'm going to ask you this question—and hopefully I'll get to the home builders as well: In talking to a lot of the trades, one of the things that has come up is that we seem to have a hidden crisis, not just in residential construction but in construction in general, with the opioid crisis. Are you aware of that, or have you dealt with any of that? I think that's something that we need to talk about in the trades around health and safety, and maybe some education around the crisis around opioids as well.

Mr. Andrew Pariser: Maybe I can start, and then I'll kick it over to my colleagues. At RESCON, we've been watching this for two years. We also sit on a joint trust fund with the residential union. Through that trust fund, we've taken very specific measures to try and help the members of that fund.

I think what you say is very true. I think there is a need for more research on that to specifically understand how big the issue is. I think when you look at research from either the States or BC—we all know it's an issue in Ontario, and certainly, we need to do more.

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

Mr. Andrew Pariser: Maybe I'll pass it to my colleague Amina, because we've been able to organize conferences on mental health and other areas. I don't know if she wants to talk about that.

Mr. Wayne Gates: Okay, I'm going to do this question really quick, because I've only got a minute left. In my community in Niagara, we've seen the negative impact that COVID-19 has had on businesses. It has really taken a toll on our tourism and hospitality industry, which I'm sure you're aware of. However, we've seen some growth in the local residential real estate market. Housing prices in Niagara continue to rise month after month. How do you believe that the residential construction industry has done financially since the beginning of the pandemic?

Mr. Joe Vaccaro: I will do my best to answer that question. The reality is that the pressures of the GTA have led more and more people into Niagara, into neighbouring communities. Members are selling homes, they are renovating existing homes, and they are now under pressure to deliver for those homeowners—

The Chair (Ms. Goldie Ghamari): Thank you. That's all the time that we have for this round. We'll now turn to the independent member for four and a half minutes. MPP Schreiner, you may begin.

Mr. Mike Schreiner: Thanks to both presenters for coming in and providing such good information today. I think both of you—in particular, the home builders—mentioned that you felt this was a very balanced bill. One of the things I've been looking for is some balance here. We've had a number of groups that represent injured workers, in particular, talking about how out of balance the WSIB system is and the fact that they haven't received benefits that can provide a quality of life. In particular, the practice of deeming is pushing workers out of WSIB and on to ODSP and Ontario Works which, as most of you know, is a below-the-poverty-level benefit. These are good, hard-working people and very productive employees with families etc. So they're looking for some balance in the bill.

I'm just wondering if we could, in this bill, make amendments to address some of those concerns while still addressing the concerns that employers have, which you both have represented today. Do you think we could find some balance here that would work for both the businesses and the workers? Whichever one of you wants to start—how about you, Joe? Go ahead, Joe.

Mr. Joe Vaccaro: The bill is very focused, obviously, on the issue of the ceiling, ensuring that the maximum ceiling goes up for workers but also making sure that it's done in a practical way as we recover from COVID. The entire point of WSIB is to create a balanced environment, where people are contributing and workers that are injured

have a place to go to be properly compensated and supported.

Your question about searching for more balance: There's always effort and energy in terms of searching for more balance. I know from our side, going back to what my colleague Alex said, a lot of these companies work as small businesses. They're part of their community. They want to make sure that when workers are injured, they are supported and compensated. So that's part of the discussion. I'm not afraid of that conversation. I don't know what that means specifically to this bill. But I'm not afraid of that conversation, and it's an important principle that WSIB needs to continue to work on.

Andrew?

Mr. Andrew Pariser: Yes, maybe I'll pick it up there. I guess I really like this bill because it's simple: There was an issue, and the issue has been addressed. I hear you, though. WSIB is a very big organization, and I certainly wouldn't put up a flag and say that it's perfect. There was a review done of the WSIB. I can't remember exactly when it was done, and maybe two reviewers—it has slipped my mind. I think one was a professor from U of T and one was from the insurance company.

In my opinion, COVID has changed the world, and so I think it's on every organization and every government body to look at their governance structure and re-examine what COVID has done to them. I understand that deeming is a very big issue—

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

Mr. Andrew Pariser: Thank you—and I have every sympathy. I spent a lot of time working in health and safety, and there's nothing more heart-wrenching than someone who wants to go to work, wants to provide for a family, and gets injured on the job at no fault of their own. That person needs support. They need to be treated fairly, and I think if there are examples of where that isn't happening, we need to very deeply understand why and we all need to work together on the health and safety system to make sure it doesn't happen. And if it does, we need to figure out how to address it. It's hard to comment about specific examples, but I think that overarching approach is one that really needs to be taken.

My employers: Yes, they're workers, but they're more than that. Construction really is a family business. That's my response.

Mr. Mike Schreiner: Great. I appreciate that. I'm almost out of time, but I'll just say, families take care of each other, and maybe we can apply that to WSIB as well. Thank you.

The Chair (Ms. Goldie Ghamari): Thank you very much. We'll now turn to the government side for seven and a half minutes. Who would like to begin? MPP Sabawy, you may begin.

Mr. Sheref Sabawy: My question is for Joe and Alex from the Ontario Home Builders' Association. Actually, I'm really very fascinated with your presentation, talking about adding a million residential homes in the next period of time, which is—I think Ontario needs it. The people of

Ontario need that. That's in line with our vision as a government, in helping business to flourish and helping business to fulfill the need in the market, to maybe calm down the housing market, in which pricing is going high because of the demand.

As this industry grows up and many of the new trades are going to be employing them, this industry, covering all these needs from your side—can you tell me a little bit more about how you see the risks for your employees or your workers, other than different sectors of the different industries? What's extra? What could be the big risks in your industry making it different than any other trade industry?

Mr. Joe Vaccaro: Thank you for that question. The government of Ontario puts out population forecasts, and those forecasts continue to reinforce the fact that Ontario is a great place to live. People want to come here. People are coming here. The population growth, I think, in the last five years, especially in areas outside of the 416 specifically, shows that we are attracting people, and the reality is we need to provide housing for them. We refer to those people as “home believers,” and we refer to the fact that, if we're going to add two million more people to the region, then we need a million more homes.

One of the challenges in all that is, first of all, a labour supply issue. As was mentioned, 100,000-plus people are retiring in the next 10 years, and we need to fill that next generation of skilled labour, skilled trades. Part of that is having a structure in place—and the provincial government, to their credit, have been doing a lot of work in this space—but also encouraging this as an employable option. I think that's one of the big challenges we have, because we need to provide the housing. We're welcoming people here, and then the challenge becomes, do we have people on the ground to turn those dreams into reality? That's one of the areas that our members are struggling in, in terms of bringing on that next generation of skilled tradespeople.

I'll stop there. Alex, is there anything you want to add?

1720

Mr. Alex Piccini: Thanks, Joe. Thank you, MPP Sabawy, for the question. I would just add, to underscore the point that Joe made on skilled trades and the need for skilled trades, OHBA knows that 41% of Ontario employers are looking for workers who have skilled trades training. We have 39% of Ontario employers having trouble finding the candidates with the right requirements and the right qualifications.

Certainly, the labour market overview is one in which we need these trades in order to deliver that housing supply over the next 10 years, in order to provide great-paying, fantastic jobs for the sector and expand opportunities for young people. Certainly, when I speak to young people, be it in my other job with the military or just in general with different groups and different organizations, having opportunities at that high school level, starting that education earlier, like Andrew mentioned, opens up so many opportunities not only for individuals to develop meaningful, rewarding careers, but also to deliver on that housing supply as well.

Mr. Sheref Sabawy: Thank you very much, Alex and Joe, for your informative answer. I would like to take a little bit closer lens to how this legislation will help you achieve that. And also, can you give us a touch about how COVID made you face new challenges and how this piece of legislation will help you, facing those challenges, to meet the requirements?

Mr. Joe Vaccaro: I'll just make one comment there in terms of the new challenges and COVID, and I'll ask my colleagues Andrew and Amina to speak here.

The new and necessary focus on enhanced protocols, sanitation and tracking, I think, has been an overall benefit to the industry. I think it's a benefit that we will continue to see at our job sites and will improve our job sites in terms of safety and even in terms of productivity, because people do feel safer on these job sites, and that's important.

I know Andrew has done lots of work in this space, so go ahead, Andrew.

Mr. Andrew Pariser: Yes, I guess all I can do is agree with you. Health and safety were always important, but there's nothing like a pandemic to focus our minds. In my job at RESCON, I had lots of issues. In the middle of March, I only had one issue to deal with, and it was COVID. OHBA would have had the same experience.

Every home builder, every builder in the province when this hit had one issue, and it was keeping workers safe. The focus that that brought and the teamwork and the collaboration—it was labour and management; it was employers and government; it was the IHSA and government bodies. Looking back, I think we need to do a debrief. We need to learn what worked and we really need to—as you said, we did some amazing things, especially in the spring, and we continued them forward. We have issues with COVID fatigue and different things like that, but what we did was incredible, especially in construction. We need to bottle it, not to be too cliché, and then we need to use it in other areas and use it to address other issues.

To be able to deal with COVID as an issue, all of a sudden—people used to say, “How come you can't do this? You landed somebody on the moon, right?” Well now, this is ours. This is our generation's: “Why can't you do this? You took care of COVID, right?”

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

Mr. Andrew Pariser: So I think we need to use this to inspire change, to inspire teamwork and to inspire connectivity. We need to come together to solve our problems.

Mr. Sheref Sabawy: My question for Andrew, Joe and Alex: How will this piece of legislation specifically help you achieve that goal you are putting to yourselves and to the industry?

Mr. Andrew Pariser: I guess the easy answer is, when government provides a stable and predictable environment, it gives businesses the confidence to innovate and take risks. That's what this does. It's a very narrow bill, but it's very powerful and the message is very clear: The government is here to promote stability and predictability, which gives us and businesses the confidence to grow and

essentially to lead this economic recovery, especially in construction.

I'll turn it over to Joe.

Mr. Joe Vaccaro: I agree with Andrew. This is about stability. This is about employers understanding—

The Chair (Ms. Goldie Ghamari): Thank you. That's all the time we have for this round. We'll now turn to the official opposition for seven and a half minutes, beginning with MPP Glover.

Mr. Chris Glover: Thank you, everybody, for the presentations. I think everybody in this room is on board with recognizing the need for more skilled trades workers in this province. It's something that needs to be addressed as quickly as possible because we're missing out on a lot of opportunities as a province and for our economy with that.

Pretty much everybody on here stated that they're deeply concerned about worker safety and that workers who are injured on the work site receive compensation, receive the WSIB they're entitled to.

Would you be supportive of amending the current bill by adding in Wayne Gates's Bill 191, which would presume that—if a worker gets COVID-19, it's presumed to have been contracted on the work site? Two thousand workers have developed COVID-19 and been denied WSIB.

Joe, do you want to start?

Mr. Joe Vaccaro: I'd have to give that some more consideration. That's not the approach that has been taken to this point. The approach has been about using the tracking to determine where the source of the transmission is and to ensure that the ill worker has supports.

Mr. Chris Glover: Andrew, do you want to respond?

Mr. Andrew Pariser: This bill solves a very specific problem, and so I kind of like it the way it is.

The issue that you raise is obviously very important, as well. I think the important thing is that if a worker contracts COVID-19 from the workplace, they should receive benefits. That's what WSIB is for. That's what it's there to do, and that's what it should do.

Specific to construction, there have been very few cases, I think mainly because of the guidelines and the protections that we've been able to put into place. There has been a lot of community spread, and what I mean there is where COVID-19 is coming to the construction site from the community.

Nothing is ever as easy as it sounds. I think this is a complicated issue, and I think it deserves its own bill and its own debate.

That's probably the easiest and simplest answer I can give you.

Mr. Chris Glover: I'll pass it over to MPP Bourgouin.

Mr. Guy Bourgouin: Thanks for the presentation.

My question is to either of you who wants to answer. I'd like to hear you on modular skill sets. Will this improve safety or rather endanger the health and safety of workers and apprentices in the workplace?

Mr. Andrew Pariser: I can start, and then I'll give it to Joe.

I think the answer is easy, and I'm not too picky about what you start with. Whatever is being done, whatever is being proposed—I think we always need to start, in this province, from health and safety. Whether you want to call it modular, whatever it is—whatever program, training or anything that goes into that—it doesn't matter. You make a decision in this province—and one thing that every worker has the right to is to return home after a day's work. So anything we consider, anything we do, needs to start there, in my opinion.

I'll turn it over to Joe.

Mr. Joe Vaccaro: Thank you. I think there needs to be an understanding that before any construction workers go onto a job site, they are required to take health and safety training, regardless of whatever training arrangement it is—whether it's an apprenticeship or whether it's employment straight out of high school onto a job site. That is the requirement.

I'll go back to what was said earlier: A lot of these are small business operators, part of the community. They will invest and they will take the time to ensure safety is being dealt with—addressed and trained.

On unionized sites, there's another level of engagement there in terms of how safety is dealt with.

I think that's important to understand: Regardless of how you compartmentalize the training, health and safety is always a cornerstone of that.

As everyone said here, everyone wants to go home at night. And as an employer, you want everyone to go home at night.

I think that's probably the best answer I can give you.

Mr. Guy Bourgouin: I'll pass it on to Wayne.

The Chair (Ms. Goldie Ghamari): MPP Gates.

Mr. Wayne Gates: We know that the underground economy in construction and skilled trades is a real concern for the province, representing billions in economic activity. We also know that these workers are not covered by WSIB, and their employers are most likely not paying the premiums.

What more could this government be doing to address this underground economy and avoid the loss of the premiums from unregistered employees, but just as important, the taxes that pay for our education, health care and infrastructure?

1730

Mr. Joe Vaccaro: This is a great question and an issue that we deal with all the time at OHBA. We have been firmly on the side of fighting the underground economy for decades now.

Some items we brought to the table are renovation tax credits. When it was brought in through the federal government, we saw [*inaudible*] through an announcement. It captured \$4 billion of economic activity that it didn't expect to because homeowners, with a tax credit, demanded contracts and demanded invoices. In order to qualify for a tax credit, it meant that you had to provide a business number and invoice as part of your tax filings. So that become a way where consumers were engaged, because with that tax credit, they felt, "There's no point in me

trying to avoid the tax for a deal. I will pay the tax, I will get my warranty, I will get my consumer protection and I will get my rebate.” So that’s one of those tools that can be used.

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

Mr. Joe Vaccaro: Another tool that we always look to is municipalities have their own abilities to acquire contractor numbers in their municipalities. It’s important that they’re going to do that and reinforce that, during the building permit process, they actually ask for a contract number and ensure that they get one. So that’s another way of ensuring that when you get into permitting at the municipal level, they can help us combat that underground economy.

I hope that helps. Alex, is there anything you want to add?

Mr. Wayne Gates: I’m going to have to jump in; I’ve only got 30 seconds left. I just want to say that I think any bill that comes to the house should be fair and balanced. This is certainly fair for the business community; it’s not fair for workers.

We need to get a deeming bill into this province as quick as we can with presumptive language. When nurses are being denied WSIB—they’re our heroes, they’re saving lives every day, yet when they catch COVID or are exposed to COVID, they’re not getting WSIB. I think that’s what we’re talking about with balances. Thank you very much for your presentation.

The Chair (Ms. Goldie Ghamari): Thank you. That’s all the time we have for this round. We’ll now turn to the independent Green Party member for four and a half minutes. MPP Schreiner, you may begin.

Mr. Mike Schreiner: I think I’ll direct this first question to one of the home builders, either Alex or Joe. MPP Gates talked about the underground economy. I wanted to ask you about the underground economy and WSIB, so you kind of answered it.

I’m going to take another step and say that one of the things we learned during COVID was how important our homes are, how expensive they can be when it comes to energy, how we need better ventilation when we think of the virus, and things like that. I’m just wondering, with a provincial budget coming up here in a couple of weeks, how important it would be to have a home renovation tax credit or some sort of home renovation grant program that could help owners improve the energy performance of their home, which would also have the added benefit of reducing climate pollution; maybe some HVAC upgrades to improve indoor air quality; or upgrades so you could age at home with a growing population. How important do you think that would be in addressing the underground economy and the WSIB issue, but also just maybe improving people’s lives and the economy, and creating jobs all at the same time anyway?

Mr. Joe Vaccaro: Thank you for that question. I think what we’ve all learned is that people are rediscovering their homes. That’s why you’re seeing renovation really pick up, because people are coming to realize they never

got around to what they wanted to add to their home and what they need to make improvements.

So, full credit to the provincial government for their seniors’ tax credit. They have that in place, and we’re very supportive of that as a good first step. A general renovation tax credit would be good for everyone, in our minds, to fight the underground economy, but also because people could make those investments in things like better windows and better HVAC systems. We think that’s a good approach.

The last thing we would say is for homeowners, on their energy bills, there are lots of programs in place on the utility that they can take advantage of. I think a little more time and energy spent on promoting those programs and making them simpler for people to take advantage of would be helpful.

Mr. Mike Schreiner: Yes, I appreciate that. Unless you have something to add, Alex, I wanted to ask RESCON a quick question on that one as well.

I’m a homeowner so I appreciate some of these programs really helping homeowners, but sometimes tenants get forgotten. Because you guys focus on low-rise and high-rise, how can we design some of these energy-efficient, energy-performance programs designed to benefit tenants better?

Mr. Andrew Pariser: I think that’s a great question. I can’t believe we’ve even gotten this far and I haven’t said it.

Based on what MPP Gates said, I just want to go on the record thanking all the front-line health care workers and all the front-line workers, the essential workers. I think it’s important. To me, this is a bill about COVID-19, and so I think that needs to go on the record. I’m sure everybody else would want to thank them, as well.

As far as tenants—our members build new-build construction. When you work with builders in the planning stage and you identify priorities—I’m always very, very impressed with the creative solutions and innovation that they can build into the process. When government articulates goals and there’s a group and proper resources dedicated to it—

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

Mr. Andrew Pariser: —I think solutions flow very quick, and they’re very real.

I’m not an engineer, I’m not in building sciences, so I can’t get any more granular than that. I’ll take it back over to Joe or someone else [*inaudible*]. I’m for labour relations and health and safety, so that’s the best I can do.

Mr. Joe Vaccaro: I think the challenge on the tenants’ piece is that the landlords need to have programming they can invest in to bring in better energy efficiency. And then the question becomes, how do you cover the capital costs of those improvements? They’re not cheap. That becomes part of the conversation. Are there individual things that tenants can do in their own units to see a lowering of their individual costs? Again, I don’t have that expertise, unfortunately. But I do understand the question.

Mr. Mike Schreiner: How much time do I have?

The Chair (Ms. Goldie Ghamari): You're actually out of time, MPP Schreiner.

Mr. Mike Schreiner: Thanks to both groups for coming in today. I appreciate it.

The Chair (Ms. Goldie Ghamari): We'll now turn to the government for the last round of questions. MPP McKenna.

Ms. Jane McKenna: I want to, first of all, thank everybody on the panel here today. It has been riveting and exciting to hear all the thoughts that you've said today.

I'm a real advocate for skilled trades. As everyone knows, I preach about it all the time. I've got four girls who all went to university and a son who basically told me—it was a hard no and he jumped in the car; he was going to go up to Georgian College and become a welder. I say this all the time. It's a stigma from a parent, as well—because I only have one son, and I wanted him to go to university. I wasn't keen on him going to college and becoming a welder. Anyway, he's 23 years old and he has his own business up north—I've said this a thousand times—called Mac Barging. I've never been so proud. So I really want to say that there are jobs out there that are wonderful-paying jobs for everybody in those positions.

I want to ask you a quick question. If we let premiums increase by 7.8% this year, would you anticipate these costs being passed on to homebuyers?

Mr. Joe Vaccaro: Quick answer: Yes. It's part of the business model, and we'll have to find a way to cover those costs, as we do with all the other costs. That's just reality.

As somebody who grew up in a carpentry family and at 15 years old was put in a pickup truck, skilled trades gave me all the tools I use today.

Andrew?

Mr. Andrew Pariser: I'm not going to disagree. The truth is, the supply chain and how things get built in residential construction is not straightforward; it's not like you can say a cost here shows up there. But someone has to pay. You're either seeing a loss of business revenue from the builder or one of the subs, or it's coming out of the homebuyer's pocket. At the end of the day, it has to come from somewhere. So, yes, it's real money. I don't think you have to tell anyone today that real money matters, especially during a pandemic.

Also, thank you for all of your work as a parliamentary assistant with the Ministry of Labour, Training and Skills Development, working on the skilled trades file. We're really impressed with what has been done—and obviously, big expectations for what's to come. It's good to see you.

Ms. Jane McKenna: Thank you. It's good to see everybody, too.

I'm going to pass it over MPP Crawford.

The Chair (Ms. Goldie Ghamari): MPP Crawford.

Mr. Stephen Crawford: Thank you to the presenters.

It's quite clear that Bill 238 is going to have a positive effect on businesses in the construction industry, just from your testimony.

We had previous witnesses on today who were pretty adamant that the only beneficiary here is big business. Small business is not benefiting from this because of the—I believe the average industrial wage is tied to—the WSIB is tied to that, 175%, which I believe is around \$97,000. The argument is that not many people in small businesses make that income. So my question is this—and by the way, there's nothing wrong with big business. Big business drives a lot of our economy and employs millions of Canadians. But we certainly also want to help small business. My question is, will small business benefit from Bill 238?

1740

Mr. Andrew Pariser: Yes, and I'd love to jump in. I'll leave some time for you, Joe. I'm guessing those stakeholders didn't work in the construction industry. The construction industry is small business, and to pick up on parliamentary assistant McKenna's points, skilled trades are great jobs, and they're high paying, whether unionized or not.

A lot of my members are unionized. The collective agreements are very competitive; you could even say generous. There is really good money to be made in the skilled trades, and construction is small business, so I'm guessing the stakeholders that said that aren't in the construction industry.

I'll leave some time for Joe.

Mr. Joe Vaccaro: I want to agree with what Andrew said. We are seeing small businesses, yes, but they are well-paid jobs, and so it does matter to them. It does matter to our members. It will impact small businesses in a positive way. It gives them certainty, and I would take it the other way around: Those businesses—obviously not residential, but for some of our suppliers, we're now working out of the recovery stage. Having this gives them what they need to prepare their business decisions for the next year, and so many can manage [*inaudible*]. It's good news for small business.

Mr. Stephen Crawford: Well, that's good to hear, because that certainly wasn't the picture that was being presented by some people.

In terms of the workers themselves, which I think everybody here wants to protect, will Bill 238 have any negative effect on any of the workers at all? Would it be neutral or positive or negative? There's certainly been a perception that in some ways it might be negative, that there's less money going into WSIB and therefore there's going to be less funds available for future injured workers. Maybe you could both address that.

Mr. Andrew Pariser: Maybe I can start. I think it's good news. One, the bill has a thin scope in what it does. It solves a very specific issue. The good news is this bill signals big things. I think everybody knows how important the skilled trades are. If you didn't, you really know now because of how important the skilled trades have obviously been during the pandemic. This gives us the business environment we need in construction and in the skilled trades to lead the recovery. That is good news for workers.

It's good news for businesses. It's good news for government revenue pieces. It's good news all the way around. What this bill signals is just as important, if not more important, than what it actually does.

I'll leave some time for Joe.

Mr. Joe Vaccaro: What this does is it gives the employer group a practical approach to deal with the ceiling. What it also does is it gives the workers an increase. In that way, both get something of value out of it. In general, if there's certainty, people can make their business decisions, and hopefully it helps in our recovery.

Mr. Stephen Crawford: Well, that's great. That's obviously paramount as well. Obviously, going through COVID, economic recovery is key on our government's agenda—

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

Mr. Stephen Crawford: —as we get through this and look to the post-COVID world. So anything that we can do—and there's a lot we can do—to create that environment I think is important.

With that, I have no further questions, so I'll pass it back to the Chair. I'm not sure if there are any other questions in the limited time we have, but thank you again for presenting.

Ms. Jane McKenna: I think Andrew wants to say something.

The Chair (Ms. Goldie Ghamari): Yes, Andrew?

Mr. Andrew Pariser: I know the question wasn't asked, but we could use some more vaccines, if we're being honest. I know that's not a provincial issue; it's a federal issue. But getting the workforce vaccinated, getting front-line workers, including construction workers, vaccinated I think would be very meaningful. I know this government is doing what they can there, and I know you can only work as fast as you get the supply from the federal government, but we wouldn't say no to more vaccines, I guess is what I'm saying.

The Chair (Ms. Goldie Ghamari): Thank you very much. That concludes our final round of questions. At this point, I'd like to thank our presenters for taking the time to be here with us this afternoon. You may now step down.

That concludes our business for today. As a reminder, the deadline to send in a written submission will be 7 p.m. tomorrow, March 10, 2021, and the deadline for filing amendments to the bill is 5 p.m. on Friday, March 12, 2021.

The committee is now adjourned until 9 a.m. on Tuesday, March 16, 2021. Thank you, everyone, and be safe.

The committee adjourned at 1745.

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