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Standing Committee on Justice Policy

Comité permanent de la justice

Estimates

Ministry of Public and Business Service Delivery
and Procurement

Budget des dépenses

Ministère des Services au public et aux entreprises
et de l'Approvisionnement

1st Session
43rd Parliament

Wednesday 11 September 2024

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43^e législature

Mercredi 11 septembre 2024

Chair: Lorne Coe
Clerk: Thushitha Kobikrishna

Président : Lorne Coe
Greffière : Thushitha Kobikrishna

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
JUSTICE POLICY**

**COMITÉ PERMANENT
DE LA JUSTICE**

Wednesday 11 September 2024

Mercredi 11 septembre 2024

The committee met at 1400 in committee room 2.

ESTIMATES

MINISTRY OF PUBLIC AND BUSINESS
SERVICE DELIVERY AND PROCUREMENT

The Chair (Mr. Lorne Coe): Good afternoon, members of the committee. Good afternoon, members of the ministry before us, Minister, Deputy Minister and your associates with you. The committee is about to begin consideration of the 2024-25 estimates of the Ministry of Public and Business Service Delivery for a total of two hours. Are there any questions from the committee members before we begin?

I am now required to call vote 1801, which sets the review process in motion. We will begin with a statement of not more than 20 minutes from the Minister of Public and Business Service Delivery and Procurement. Minister McCarthy, the floor is yours, sir.

Hon. Todd J. McCarthy: Thank you, and good afternoon, Chair, and through you, to the members of the committee: It is a pleasure and a privilege to be here this afternoon to speak to and address the committee, specifically, to present the expenditure estimates for the Ministry of Public and Business Service Delivery and Procurement for 2024-25. I would like to begin by acknowledging the new addition of procurement to my ministry through Supply Ontario, effective June 6, 2024. While not a part of the ministry's estimates reporting for this particular year, we are proud to welcome the oversight of Supply Ontario back into our ministry.

Modernizing and centralizing the provincial supply chain will allow the province to seize opportunities, consolidate spending, increase bulk purchasing practices and find the best value for the people of Ontario. I look forward to updating you all in the near future about how my ministry is leveraging Supply Ontario to fulfill our government's commitments to the people of Ontario.

As our name suggests—note service and delivery are highlighted in our name—our ministry's purpose is to deliver vital programs, services and products in an efficient and effective manner to the citizens and residents of our province and, of course, to the businesses of Ontario.

Ontarians often interact with our ministry during the most monumental moments of their lives, from the joyful moments of buying your first home or welcoming a new child, to the more difficult moments of experiencing a loss

or being subjected to fraud. So we are the public face of government, supporting Ontarians when it matters most, and it is our privilege to strive for ways to deliver the best possible services for our fellow residents and citizens, and at the same time, managing costs.

So, to begin, I would like to discuss my ministry's work to strengthen and safeguard Ontario's cyber security use in the public sector. My ministry has the unique privilege of providing essential support to other ministries, provincial agencies and, indeed, the broader public sector. For instance, the Ministry of Public and Business Service Delivery and Procurement leads our partner ministries in the effective stewardship and safeguarding of data, protecting personal information in an increasingly digital world.

We also operate and continue to modernize Ontario's information technology assets and Ontario's resources in this regard, ensuring the security of our systems and data within the government and providing key resources related to cyber security to the broader public sector. That is why on May 13, 2024, this year, I was honoured to introduce for first reading in the House, Bill 194, aptly named the Strengthening Cyber Security and Building Trust in the Public Sector Act, 2024. And, on May 28 of this year, I commenced government lead-off for second reading debate with respect to Bill 194. The bill, having completed first reading but not yet second reading, will resume second reading when our Legislature returns, and that is expected October 21.

If passed, this bill would set the foundation to prevent and respond to cyber security threats and safeguard critical public services in our schools, our children's aid societies and our hospitals. This bill would also enhance privacy safeguards, modernize the role of the Information and Privacy Commissioner, set the foundation to strengthen protections for children's data and provide a strong framework for artificial intelligence governance.

This past year, our ministry also brought together the Artificial Intelligence Expert Working Group to provide advice and recommendations on the development of Ontario's trustworthy artificial intelligence framework and the responsible use of artificial intelligence within the public service.

In a world where online threats are increasingly apparent, we continue to monitor incidents, especially those of ransomware, to ensure that the data entrusted to us by

Ontarians is properly handled and that their privacy is protected.

To support the broader public sector and municipalities, our ministry provides advisory services including guidance and best practices, as well as educational awareness to help strengthen and build cyber resilience across the province.

I am proud to say that Ontario is one of the first jurisdictions in Canada to adopt an enterprise-wide and public sector-wide strategy regarding regulating privacy, cyber security and the use of artificial intelligence. The intersection of these three pieces is of critical importance in our modern digital economy. Through our government's work in this area, Ontario has clearly committed itself not only as a leader in the Canadian digital security space but as a global leader as well. The passage of this legislation would further drive our province's strong cyber security sector, fostering even more innovation and economic growth in this already booming industry.

I would next, Chair, like to address the advancements that my ministry has made to improve access to government services through ServiceOntario. Now, when Ontarians think of public and business service delivery, they likely think of ServiceOntario—the service window where Ontarians interact with their government the most. At ServiceOntario, we deliver services on behalf of government online; yes, still by telephone, rightly so; and, of course, in person. Digital first does not necessarily mean digital only, so we focus on providing the best customer experience possible so Ontarians can access centralized government support in the format of their choosing.

During last year's standing committee, we received an important question about what ServiceOntario is doing to address wait times, and I'm happy to confirm we have made significant improvements in just this past year. In 2023, individuals and businesses conducted 18.9 million transactions online through ServiceOntario. Online access empowers Ontarians to complete over 50—and I think it's exactly 55 at the moment—of our most in-demand services from the comfort of their homes and on the device of their choosing 24 hours a day, seven days a week.

This demonstrates that we cannot afford to be offline in an online age. ServiceOntario therefore is tirelessly working to expand the number of services online to give customers more choice and more convenience in accessing services. For example, those facing health barriers now have the benefit that ServiceOntario is proud to offer virtual health card renewal appointments. We also set out on a mission last year to expand our appointment-booking service within ServiceOntario centres, and I am proud to note that we accomplished that goal both on budget and ahead of schedule. The people of Ontario can now book appointments online at more than 196 ServiceOntario locations up to four weeks in advance. This greatly reduces wait times and lineups. Since launching the new system early last year, Ontarians have booked more than one million appointments using this online booking system.

But as I've said before, digital first does not mean digital only, so when there is a need or a preference, there must always be a reliable in-person option that the public can count on when they need it. And when a trip to a ServiceOntario centre is needed, Ontarians can rely on more than 275 in-person locations across our province of 15 million citizens and residents.

Earlier this year, we expanded our partnership with experienced and established retailers. In February 2024, ServiceOntario launched a partnership with Staples Canada, adding to three existing retail partnerships. This has provided a total of nine new ServiceOntario centres through Staples Canada stores in southern Ontario. These centres provide many benefits for customers such as ample parking, access to public transit routes, customer-friendly extended operating hours—some locations, Chair, are open as late as 9 p.m. on weeknights and, of course, all day on Saturdays, to 5 p.m.—

Hon. Graham McGregor: Oh, wow—

Hon. Todd J. McCarthy: And I appreciate the reaction, through you, Chair. Thank you.

These ServiceOntarios are helping us to more efficiently meet the needs of Ontarians, with simpler, faster and better ways to connect residents to the vital services they depend upon in prime locations with convenient hours.

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The Staples Canada partnership is anticipated to generate savings of approximately \$1 million over the duration of the three-year period, and we are just over six or seven months into that three-year pilot. This will give Ontarians more service for less taxpayer dollars, and I'm proud to submit that, Chair.

Partnerships with private service providers, of course, are not new. This is a century-old model which dates back to the latter years of World War I; 1917 was the first time that we entered into, as a government, alternative service delivery models other than government-run operations for ServiceOntario. And, of course, partnerships with major retail chains are also not new. They have been a long-standing practice since 2010—almost a decade and a half now. ServiceOntario already has partnerships, therefore, with retailers dating back to 2010 that include Canadian Tire, Home Hardware and IDA, showcasing this government's commitment to fostering mutually beneficial relationships with trusted organizations that will improve the lives of all Ontarians, because time is precious, and saving time and money for our fellow citizens is what we're about. We put the customer first, Mr. Chair.

ServiceOntario continues, therefore, to explore opportunities to pilot convenient service delivery models with different business and community partners—this includes municipalities, libraries, First Nations communities—and we are seeing tremendous results. Among our innovations this past year, ServiceOntario launched another great pilot project: a ServiceOntario mobile service centre that delivers in-person access to government services for residents in six northern Ontario communities.

Similarly, in July, the government made life simpler and more convenient for nearly eight million vehicle

owners because, effective July 1, 2024, our government introduced automatic licence plate renewals for passenger vehicles, light-duty trucks, motorcycles and mopeds. Therefore, since July 1, 2024, vehicles with valid insurance and no outstanding fines or tolls are automatically being renewed with no effort required by the driver. If a licence plate cannot be renewed automatically, the vehicle owner will, of course, be notified of what action they need to take to renew their plate.

ServiceOntario will continue to look for ways to deliver better, more convenient service to people and to businesses across our province. As we do, we'll continue to engage with partners who can help us deliver on this commitment. Make no mistake, Chair: We will leave no stone unturned when it comes to providing Ontarians with convenient and efficient access to vital government services.

Now I would like to address the protections my ministry has established for homeowners in Ontario. While our ministry may be best known for our public-facing entities like ServiceOntario, our ministry is proud to do much more. We are committed to protecting consumers from unfair business practices such as aggressive sales tactics and misleading claims.

We became aware that unethical operators were misusing notices of security interest, or NOSIs, against unsuspecting consumers. In many cases of misuse, bad actors deliberately targeted the most vulnerable citizens of our province. This included seniors and newcomers. They did so by registering NOSIs on the title to their properties without the knowledge of the owners. These unscrupulous individuals would then charge exorbitant fees to discharge those NOSIs.

We heard Ontarians' concerns about the misuse of NOSIs, we acted on those concerns, and today I'm proud to say that Ontario is a safer place because of Bill 200, the Homeowner Protection Act, 2024. Bill 200 received royal assent just over three months ago, Chair, on June 6, 2024. The bill, when it became law, deemed all NOSIs for consumer goods to be unenforceable, and the bill further banned the registration of future consumer NOSIs.

I'm proud to say that Bill 200 received unanimous support from all parties in the Legislative Assembly and passed in just 11 days after introduction, reinforcing the strength of this policy as a non-partisan solution to better protect Ontario homeowners. I thank my colleagues across government and in the House for their support of this bill and our shared dedication to protecting Ontarians from fraudulent schemes. Hard-working homeowners now will no longer be defrauded of their home equity by malicious actors weaponizing NOSIs.

Now I wish to turn my attentions to consumer protections, Chair—perhaps a time check?

The Chair (Mr. Lorne Coe): Five minutes and 24 seconds left.

Hon. Todd J. McCarthy: Thank you.

Public and business service delivery and procurement's dedication to protecting consumers goes beyond home

ownership, it ensures Ontarians are safe across the free market.

I introduced Bill 142, aptly named the Better for Consumers, Better for Businesses Act, 2023, on October 23, 2023, and it received royal assent on December 6, 2023. That was following unanimous passage, again, with all-party support in the House, and I thank my colleagues on both sides of the aisle in that regard.

Bill 142 includes a new Consumer Protection Act for a digital age. Once in force, it would better protect Ontarians and help ensure customers and consumers can shop with confidence.

Bill 142 includes a variety of modern consumer protections and practices, and I will highlight just a few for you now. For instance, Bill 142 would establish a core set of contract rules so both businesses and consumers understand exactly what they are agreeing to. The bill would also clarify rules surrounding contract amendments, renewals, extensions and subscriptions by adopting a clear consent model for consumers entering long-term contracts. Similarly, Bill 142 also introduces buyout schedules for long-term lease items such as HVAC units, meaning that consumers would have better transparency into the remaining balance of their leased item.

Ontario has a robust and thriving marketplace, and there is no better place to do business in this province. The vast majority of businesses understand that good consumer protection is good business. My ministry is therefore taking every step necessary to ensure our marketplace remains fair, secure and in alignment with today's modern digital economy for both consumers and businesses.

Lastly, I would like to highlight some accomplishments my ministry had over the last year in regard to the management of our 12 administrative authorities. We place great emphasis on supporting, informing and safeguarding consumers while upholding the highest level of public safety, through the dedicated work of our Consumer Protection Ontario program. We furthered this work through our 12 administrative authorities to educate consumers and businesses about their rights and their responsibilities. With our oversight, AAs operate independently from government, under mandates to strengthen public safety and protect consumers.

Ontario One Call is one example of an administrative authority that is responsible for coordinating requests from excavators on the location of underground infrastructure such as buried gas lines; that also includes buried water lines and electrical lines. One Call aims to increase the efficiency, timeliness and coordination of digging activities by excavators while promoting safe digging practices to protect the public and the underground infrastructure, to keep our province powered and connected.

In alignment with the work of One Call, I introduced Bill 153, the Building Infrastructure Safely Act, 2024. It was tabled for first reading on November 22, 2023, and received royal assent after, again, unanimously being passed in the House, and I thank all colleagues for that. We prohibited underground infrastructure owners or operators from charging fees for locates, which previously

resulted in the spiralling of costs from delayed construction and increased expense. That was the result and is the result of Bill 153.

RECO, the Real Estate Council of Ontario, is another AA that enforces the Trust in Real Estate Services Act, known as TRESA. The second phase of TRESA came into effect on December 1, 2023, and is working well for both real estate agents and customers. We improved consumer protection for real estate transactions by allowing greater choice with designated representation.

I wish to say thank you for your kind attention, through you, Chair, to all members of the committee. We are doing great work, and it's due to my great ministry officials, their team effort and the leadership of my deputies. Thanks very much.

The Chair (Mr. Lorne Coe): Thank you, Minister, for your presentation.

Members, we will now begin questions and answers in rotations of 20 minutes for the official opposition of the committee, 10 minutes for the independent member of the committee and 20 minutes for the government members of the committee for the remainder of the allocated time.

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

For the deputy minister, assistant deputy ministers and staff: When you are called on to speak for the first time, please state your name and your title for Hansard.

Now I will start with the official opposition, and I have MPP Rakocevic, please, when you're ready, sir.

Mr. Tom Rakocevic: Hello, everyone. It's a pleasure to be here today. To the minister, I want to say that I know you've been busy—definitely, during this session, your ministry has been very busy. A number of your legislation has passed with unanimous consent across all members in the House.

I also want to thank him for listening to some of the things that we've been asking for. Notices of security interest: This is something that, in Bill 200—we saw now that they have been expired, and no further notices of security interest will be allowed in the province of Ontario. This is something that the official opposition NDP have fought for, put legislation down in the House, and the government picked it up and has passed it. All of us voted unanimously on this. Consumer protection certainly is the bread and butter of the NDP, and we all, I hope, will continue that commitment to improving consumer protection in the province.

That being said, with regard to consumer protection, I do believe that there is some stuff left on the table with regard to that, as well. We've noticed that in the operating and capital expenditures for consumer services, the line item for consumer services happens to be the lowest budget allocation of all programs in the ministry.

And so, for the most part, consumer service or consumer protection under the government is usually a reminder to call the consumer protection hotline, and what consumers get is information from the ministry, for the most part,

but ultimately are left to go to lawyers when they are being unfairly targeted, gouged or many other things that are happening that are very negative to them. As well, a lot of consumer protection is left up to the delegated authorities to police or regulate, and I'll get into that a little bit later.

So during the CPA, as well as other times, I've tabled legislation to call for a consumer watchdog, as an example, to help with enforcement, because the final thing I want to say is that during the pandemic—and this was before the minister was elected—the Premier encouraged people, in incidences of gouging, to call a hotline, which 30,000 people called. With research, we determined that not a single fine or charge was laid, with 30,000 complaints.

So as it stands, we've seen some changes in the law, but there's a lot more to go. I guess my question is, why is the ministry not willing to bring in programming to enforce bad actors across the different industries that we continue see, especially in an affordability crisis?

Hon. Todd J. McCarthy: Through you, Chair, if I may, to the member: I appreciate, of course, he and his party's support for three of our bills thus far. He rightly points out that a number of our legislative initiatives to date—in fact, all three to date—have received unanimous support in the House.

Let's be clear about that: The new Consumer Protection Act for a digital age, aptly named the Better for Consumers, Better for Businesses Act, was passed unanimously. It received royal assent December 6, 2023. It expressly outlaws price gouging, to be clear. It is currently the subject of ongoing review and input in terms of the regulations to be drafted and filed under that act, and so proclamation will await the completion of the regulations, and we welcome input from everyone on that. In the meantime, the original Consumer Protection Act, with its core principles, remains operational, and Consumer Protection Ontario, online or through our 1-800 number, is available for all citizens when facing consumer protection issues.

But the 12 administrative authorities are there for a reason. They all have their mandate to serve the public, whether it's TSSA with respect to elevator safety and amusement park device safety or whether it's HCRA, the Home Construction Regulatory Authority, which was an add-on. Our government, when it was elected for the first mandate in the 42nd Parliament, after 2018, maintained Tarion as a consumer protection administrative authority. If I may—

Mr. Tom Rakocevic: Minister, I appreciate that, and I am going to be getting into a lot of the—

The Chair (Mr. Lorne Coe): Excuse me. What I'd like to suggest in terms of questions put: I'd like to hear the answer, and I don't think the answer was completed.

Hon. Todd J. McCarthy: Thank you, Chair.

As I was saying, Tarion, as an AA, was continued with its mandate. The deposit protection was increased to \$100,000, the warranty protection was increased to \$400,000 and HCRA was added so that the regulation with respect to builders of homes—and look, the vast majority of home builders are getting it done for the people of

Ontario. There's a few bad actors, and they are the subject of enforcement and discipline and the rule of law. So that particular body is specifically assigned and was specifically assigned to crack down on illegal building and to redeploy the fines associated with that for the benefit of those affected by those misdeeds.

But, Chair, in answer to the member's question, you have to look at consumer protection and consumer safety in a holistic way. The Consumer Protection Act—the existing one and the one yet to be proclaimed when the regulations are complete—the Homeowner Protection Act, the Building Infrastructure Safety Act: These are all pieces of the puzzle that are all about different aspects of consumer protection—

The Chair (Mr. Lorne Coe): Excuse me, Minister. We're going to have to go back to the official opposition, please.

MPP Rakocevic, please, when you're ready, sir.

Mr. Tom Rakocevic: I'm hoping for a brief answer on this one: We've heard a lot in the response to the first question. Because of the low investment with regard to consumer services that we've seen with regard to the budgeting for the ministry, there are a number of groups—such as the Consumers Council of Canada, the Canadians for Properly Built Homes, Public Interest Advocacy Centre and more—that have been left to fill many gaps.

Again, I know that when people call a consumer protection hotline, they get some information, but they ultimately go to a lawyer. Many of these groups have taken up the charge and have gone very deep in terms of making suggestions to change policy. I think that we would be well served as a province if we looked to actually financially support many of these groups, who do incredibly important work, and a lot of that work leads to changes in law that benefit all Ontarians.

So I'm hoping for a brief answer: Will the minister consider reinstating funding to groups like this that are there for the consumer protection of all?

Hon. Todd J. McCarthy: Through you, Chair: I'm not certain I'm looking at the same figures as the member opposite, but what I can say is that we have made the investments, we have made the improvements. You have to look at consumer protection and consumer safety and the investments our ministry and our government have made in those areas from a holistic perspective. There are many different aspects to it; that's why a short answer really is impossible.

There are the 12 administrative authorities. They each have specific mandates in specific types of consumer protection and consumer safety. You have Consumer Protection Ontario, which is available for the people of Ontario free of charge, online or by way of a 1-800 number, to help facilitate the resolution of any misunderstandings or disputes between consumers and businesses.

Most businesses understand they want a happy customer. They live by way of reputation. So the vast majority of disputes are resolved simply and easily by way of putting the right people together. Of course, there is a director of enforcement. That exists under the act and will continue to

exist under the new act for a digital age as we deal with a digital economy. All of that is there.

So the rule of law applies here. The rule of law is enforced, the principles are enforced, but there are different types of resolutions of disputes. Not everything—in fact, only a small portion—goes to court or requires lawyers. Most can be dealt with simply, without lawyers, without litigation, by way of a dialogue—

The Chair (Mr. Lorne Coe): Thank you, sir, for that response.

Back to MPP Rakocevic, please.

Mr. Tom Rakocevic: I understand that the short answer is no.

We talked briefly about gouging, and gouging was mentioned in the CPA—which, again, received unanimous consent, and there were a number of amendments and other suggestions we made. To the credit of the ministry, they say things are coming in regulations, or, “We're going to continue to closely follow that.”

I haven't seen a lot of enforcement in terms of gouging when it comes to this government. What we've seen is a lot of mention in other matters that might be federal or of other nature, but we continue to see sky-high cellphone rates, some of the highest rates on planet earth. We continue to see some of the highest rates for auto insurance on planet earth here in Ontario. We continue to see escalating and massive price increases on the cost of groceries. We've seen that the Competition Bureau has ruled as well. Your ministry in Ontario has a powerful voice across this country.

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You mention that there's some legislation, in fact, to prohibit gouging. What has this ministry done to blow the whistle on the cost of groceries, the sky-high auto insurance rates, as well as on telecom? Even some of these things that are not within your purview—people across the country, other provinces and the federal government must listen when Ontario blows the whistle on this. What, in terms of fighting gouging, has this ministry done or this government done with regard to these issues?

Hon. Todd J. McCarthy: I can begin with a short answer, but there's more to it.

The short answer is price gouging is against the law; that's a fact. Now, we also know that when we speak to our fellow citizens and residents in our communities, the cost of living is a number one concern.

Mr. Brian Riddell: Point of order, Chair.

Hon. Todd J. McCarthy: That includes the price of groceries. That includes the price of groceries, the price of gas—

The Chair (Mr. Lorne Coe): Yes. I have MPP Riddell on a point of order, please.

Mr. Brian Riddell: This is beyond the scope of the minister's mandate. We're talking about federal issues, so—

The Chair (Mr. Lorne Coe): So my ruling on it is that the minister started his answer, so he will continue on that.

Mr. Brian Riddell: I respect your ruling.

The Chair (Mr. Lorne Coe): Thank you.

Minister, please continue.

Hon. Todd J. McCarthy: So the great concerns—not only price gouging but also just the cost of living, the cost of groceries, the cost of gas. That’s why our government has committed itself to continuing the gas tax cut, which saves money for our citizens and residents here in Ontario. That’s why we’ve never raised a tax. That’s why we’ve cut fees like the licence plate renewal fees. It’s why we’ve stood loud and clear against the carbon tax, because the carbon tax does nothing to fight climate change but raises the price of everything. It’s the number one reason why we’ve had inflation the way we’ve had it in the last number of years.

I’m delighted to see that the Bank of Canada has yet again listened to Premier Ford with respect to cutting interest rates and hopefully they’ll continue that trend because that factors into the high cost of living. So we’ve done many things as a government and tabled motions in the Legislature and have written and spoken out to end the carbon tax, to at least freeze the carbon tax—

Mr. Tom Rakocevic: Chair?

The Chair (Mr. Lorne Coe): Thank you, Minister. I need to go back to MPP Rakocevic, please—when you’re ready, sir.

Mr. Tom Rakocevic: You had mentioned the delegated authorities that exist. These delegated authorities are not under the watch of the Ombudsperson of Ontario; in many cases, they’re left to look after themselves, to police themselves. In addition to that, all of these delegated authorities transfer money, pay an oversight fee to the government. So in a sense, they’re paying an oversight fee to this government, to this ministry, and in turn, the oversight should come from them. And I would like to give an example where oversight would certainly be needed.

Let’s take the example of HCRA that was mentioned, a new regulatory body that was created in the last session of government. On their annual report, they listed a single complaint, but consumer protection groups have done FOIs and determined that there were certainly many, many more than that, and yet there it remains on their annual report. Furthermore, the building directory that they control continues to under-report on issues across many new subdivisions that have been built, where consumers have been harmed and have been fighting the warranty provider as well as the builder to get back money that their family needed.

So my question is: These delegated authorities exist. They’re not under the oversight of the Ombudsperson. Would the minister consider bringing in legislation to bring them under that oversight? Second of all, they pay oversight fees to this government. So what exactly is the nature of the oversight that this ministry provides to these delegated authorities when we continue to hear complaints like this, even on their annual reporting? Thank you.

Hon. Todd J. McCarthy: Through you to the member, Chair, if I may: The member misstates the name of these 12 authorities. They’re not delegated authorities; they’re called administrative authorities. So let’s be clear, for the

record: This ministry has 12 administrative authorities. They include the TSSA. They include HCRA, for example, and One Call. So I mentioned those already. There are 12 with specific mandates to carry out the important goal of consumer protection and consumer safety for our fellow citizens and residents.

Administrative authorities—that’s what they’re called—are responsible for delivering important programs and services to the people of Ontario. They facilitate the recruitment and retention of industry expertise and support ongoing partnerships with technical and other sector-specific experts through advisory councils.

Now, when it comes to oversight, let’s be clear: Administrative authorities are responsible for delivering programs and services. They include ensuring that some of Ontario’s consumer protection and public safety laws—I mention the rule of law; this is how we make sure that we are governed by laws. They ensure that public safety laws are applied and enforced. Administrative authorities are there for an important part of Ontario’s regulatory landscape, and the Office of the Auditor General of Ontario’s value-for-money audits of various administrative authorities have provided useful analysis and recommendations that are helping both the administrative authorities and the ministry to continuously improve when it comes to consumer protection and public safety—

The Chair (Mr. Lorne Coe): Minister, I need to interrupt you at this point and go back to MPP Rakocevic.

Hon. Todd J. McCarthy: Well, I am getting a question about oversight, if I may, Chair.

The Chair (Mr. Lorne Coe): Let me continue, please, sir.

MPP Rakocevic, please. Thank you.

Mr. Tom Rakocevic: Thank you very much, Chair.

You bring up the Auditor General, and we have seen year after year—and, of course, not just under this government, but public accounts received the reports, and many times, these administrative authorities—the reaction of committee is eye-popping. And so, suggestions are made, and it takes years upon years to see any change, and, of course, any change that comes through actual government changes—laws. These could take years and years and years.

So, again, these authorities are paying millions of dollars to the ministry for oversight. They are not subject to the Ombudsperson of Ontario, and we continue to hear—I certainly continue to hear—from different consumer protection groups, as well as what the Auditor General finds every time a report on these authorities is tabled: glaring issues. And it seems to take forever.

So what exactly is the nature of these administrative fees? If you could say, “Okay, this is how much”—give any authority in particular and say, “This is exactly what it goes to. We’ve hired five staff; this is what they look at. We’ve hired a particular, specific auditor.” Where exactly does that money go to? I understand it’s a very specific question to the minister. I know that you have people with you, if I’m digging a little too deep in the weeds there.

Hon. Todd J. McCarthy: Chair, the member did repeat the question of oversight in this context, so let me just continue, if I may.

The ministry takes its oversight role of the 12 administrative authorities very seriously and is in ongoing contact with our administrative authorities to ensure they're carrying out their respective public safety and consumer protection mandates. We know, of course, that there is always room for improvement, and we've listened to and have implemented many of the Auditor General's recommendations.

As part of oversight, the ministry has established a more consistent approach to the terms of its administrative agreements with all administrative authorities. This will better harmonize ministerial powers and increase transparency in terms of the statutes governing administrative authorities. So the changes gave the government more consistent and stronger tools to address issues such as governance and performance.

Now, we can note that the ministry has made significant progress in a number of the Auditor General's recommendations from each audit, and through my deputy minister, perhaps we can go to the ADM, who's present, to talk about those particular implemented recommendations.

The Chair (Mr. Lorne Coe): All right. Thank you, Minister—

Hon. Todd J. McCarthy: But I do have ministry officials who want to continue on that specific point, if I may, Chair.

The Chair (Mr. Lorne Coe): Oh, okay, fine. Thank you.

For the record, please, I need your name. Go ahead.

Ms. Barbara Duckitt: My name is Barbara Duckitt. I'm the assistant deputy minister for the policy, planning and oversight division in the ministry.

Through you, Chair, thank you to the member for the question.

The ministry provides a series of actions and supports to assist administrative authorities in ensuring that they're carrying out their responsibilities. As the minister mentioned, there were recently changes passed under a number of different statutes that allowed the ministry to develop new administrative agreements with those administrative authorities, which sets out very clear commitments that they're required to meet. They also set out provisions for performance measures, which the administrative authorities are obliged to report on back to the ministry. We have a series of meetings with the teams monthly with the different administrative authorities. They are obliged to provide us with an annual business plan as well as a report on their activities that set out their measurements that they're obliged to do.

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Individual administrative authorities may also have additional reporting requirements that are set out in their administrative agreement, and changes were made to the governance to ensure that the governance of those committees can only have approximately 34% membership on their committees from the industry, to ensure also that the

participants on the boards have a strong consumer protection perspective and some understanding and are proactive in their approach to promoting consumer protection.

Those measures, in addition to the valuable input that we received from the Auditor General, which we have been implementing—a number of the administrative authorities have made significant—

The Chair (Mr. Lorne Coe): Excuse me. I have to conclude your response.

It is now time to go to the government members, and I have MPP Riddell, please, sir, when you're ready.

Mr. Brian Riddell: First, I'd like to thank you for your presentation today, Minister. It was quite interesting. But I have a few questions for you.

In January of this year, the new ServiceOntario and Staples Canada pilot project began in three locations across the province. Since then, a total of seven of these pilot locations have been opened further, providing more choices for the people of Ontario when it comes to service delivery in this province. This project builds on the retail partnerships implemented by the previous Liberal government with the support of the NDP. The Staples Canada partnership allows for more access to the people of Ontario to do things such as renew their licence plates, health cards and birth documents.

Can the minister please tell us why this pilot project with ServiceOntario and Staples is important for the people of Ontario? And what is the reasoning for the alternative service delivery model with large-scale retail partners? How did the government determine which retailers would partner with ServiceOntario to take this project on?

Hon. Todd J. McCarthy: Through you, Chair, I want to thank my excellent parliamentary assistant for that question and also his incredible dedication to this committee and our ministry. So again, I thank him for the question.

As he has alluded to in his question, Chair, the concept and the model of retail partnership is not new in the province of Ontario. Of course, if you go way back to 1917, as I indicated in my opening remarks, alternative service delivery models for ServiceOntario are over a century old. They've been embraced by every party that has ever formed government at Queen's Park.

Speaking of that, because we've talk about the theme of all of the support across the aisle by all parties for three of our bills thus far in the last year, we also can say clearly that the retail partnership model has been embraced by all parties at Queen's Park—or at least the Liberals, the NDP and now our Progressive Conservative government. In 2010, we had the first three retail partners. That's Canadian Tire, IDA and Home Hardware. That model proved so successful with extended hours in convenient locations that we added to it with the Staples Canada partnership just this past year, and it has proven to be a great addition to the retail partnership model.

But it's not one size fits all. Retail partnerships are very appropriate and welcomed in the busy urban communities, because you can have the appointment booking online four

weeks in advance. You can have the central community shopping hub where the ServiceOntario is located at that retail partner. You've got the extended hours to 9 p.m. weeknights, all day Saturdays to 5 p.m. We're reducing wait times and lineups as a result. That's why we've embraced it. But it's not one size fits all. We've got the mobile service units in Indigenous communities and in northern Ontario, and I was very pleased to join MPP Mamakwa in his riding in Pickle Lake last November to reopen the ServiceOntario there in partnership with the local municipality. That model has been well received there, and I'm so glad that he joined me for that.

Again, there's so much of what our ministry does that is non-partisan; it's just the right thing for all Ontarians, and we're doing so in a very productive and effective way as we bring ServiceOntario models to different communities across our province of 15 million people.

The Chair (Mr. Lorne Coe): Thank you, Minister.

Supplementary, please.

Mr. Brian Riddell: My next question revolves around modernizing ServiceOntario online services. ServiceOntario provides essential government services for people all across the province of Ontario: those who need to renew their drivers' licences, health cards or any other essential documents. As the Minister of Public and Business Service Delivery and Procurement, we know that your ministry also oversees cyber security, safety in the ever-changing, expanding and online world.

You have spoken before about the need to make government services more accessible and easier for the citizens of this province to access. ServiceOntario has recently made several changes to make services easier to access and more accessible to Ontarians by making products more accessible.

Can the minister please explain these changes that have been made to online services within ServiceOntario and the benefits that will be provided to the people of Ontario?

Hon. Todd J. McCarthy: Again, through you, Chair, to the member from Cambridge and my parliamentary assistant: a very important question. My ministry officials have led the advancement of the use of technology in a very positive way to enhance the ServiceOntario experience. So we have 55 products and services through ServiceOntario, available seven days a week, 24 hours a day, online, and that is a fantastic track record. But there are services and there are preferences to go in person, so we offer 275 locations across the province—different models; 29% being government-run and 71% not government-run—and most of those are small business partnerships, and they are different types of partnerships: mobile service units, municipal partnerships, retail partnerships, but the important role of technology is a key aspect of this.

Not only did we introduce the automated licence plate renewal, effective July 1—and I believe over eight million plates have been renewed already in just over two and a half months, so that is a great achievement. That reduces, of course, the labour associated with it and the time associated with it, and it was a natural continuation or a

natural addition to the abolition of the licence plate renewal fees. So there's that.

Of course, the health card renewal: It's very important that that can be done digitally online now, for the convenience of those who can do so from the comfort of their own home, especially if they have accessibility issues and it might be difficult for them to get to a ServiceOntario in person. It's very important for them to have their health card renewed and it could be done online—another great use of technology by ministry officials, which I applaud them for.

Mr. Brian Riddell: I'd like to pass it over to MPP Rae.

The Chair (Mr. Lorne Coe): MPP Rae, please, when you're ready, sir.

Mr. Matthew Rae: Thank you to the minister and deputy minister and all your officials here today for your remarks earlier and answering our questions. Building on some of the remarks that you've had, recently, to MPP Riddell's questions around modernization, I know we have a marriage licence application pilot program, and as some of our colleagues know, I'm actually getting married in a week and a half.

Hon. Todd J. McCarthy: Congratulations.

Applause.

Mr. Matthew Rae: Thanks all. But I know we had to go in person. We're not part of the pilot program that's rolling out across Ontario. It's a very seamless process, Minister, and nothing wrong, as you mentioned already—we're still offering that in-person service but complementing it with online services.

So in the marriage licence application, for example, I know you've been leveraging technology to modernize government services, as you've mentioned, delivering them obviously in a safe and secure manner. Could you provide an update or an overview of this new program to the members of the committee, and an update on the status of the pilot, for example, on how many communities are currently participating in the pilot—in this initiative—and when we can expect this to go province-wide? I will not be able to take benefit of it, but maybe some of my colleagues will.

Hon. Todd J. McCarthy: Yes, thank you to the member, through you, Chair, for the question. He points out this pilot project. It's one of many. It just demonstrates the kind of innovations that my ministry officials have been pursuing.

Staples Canada's pilot project is not the only example of a pilot project. The marriage licence pilot project is an important one. We introduced the 5-in-1 Newborn Bundle for newborns so that young parents can access five different services, even a federal government service, through this five-in-one bundle, from the comfort of their own home, when a newborn arrives in a household.

But on this particular question of the pilot project for marriage certificates, perhaps I can ask the deputy to go one of our ADMs in that regard to update you on where we're at, how we got there and where we're going with it.

The Chair (Mr. Lorne Coe): You need to introduce yourself for Hansard, please.

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Ms. Beverley Thomas-Barnes: Good afternoon. My name is Beverley Thomas-Barnes, and I'm the assistant deputy minister of the business experience and registries division for the ministry.

Thank you for the question.

We are working very diligently on the Marriage Licence Modernization Program. This is a program, as you may know, that is intended to make things easier for Ontarians. This program is in the pilot phase, and we have a number of municipalities on board. We have 35 municipalities on board at this time. We've been working on a gradual onboarding as we do assessments with each municipality around their readiness, their technical capabilities, and continually work with them on a regular basis.

The Chair (Mr. Lorne Coe): Supplementary, please?

Mr. Matthew Rae: Thank you for that response, Minister and assistant deputy minister.

Changing gears a little bit, I was wondering, Minister, if you could expand upon your remarks around francophone communities. I know you mentioned visiting one of our colleagues in the north, ensuring services were provided there as well in Pickle Lake, and returning that service. I'm glad to see our government returning those services to our rural and northern communities. So I was just wondering if you could expand on what your ministry is doing to support francophone communities through ServiceOntario and some of the great services that we're expanding across Ontario.

Hon. Todd J. McCarthy: I thank the member—merci pour la question, if I may, Chair, to the member.

Of course, I'm very proud that ServiceOntario, consistent with delivering and having available French-language services and access throughout the Ontario government—that that is equally true with respect to ServiceOntario, both in person and online. There's also now, using technology that ministry officials have initiated, this idea of being able to serve Ontarians in many, many different languages other than Canada's two official languages of French and English. To detail some of that technology with respect to multiple other languages, but also to talk about what we offer in terms of French-language services online and in person at our ServiceOntario locations, again, I would ask my deputy to refer the matter to one of our ADMs.

The Chair (Mr. Lorne Coe): Sir, please identify yourself.

Mr. Nelson Loureiro: Thank you for the question, member.

My name is Nelson Loureiro. I'm the assistant deputy minister of customer care division at ServiceOntario.

I thank the minister for passing it over to me.

We are very proud of serving Ontarians in French-language services. The minister mentioned 275 locations; 111 of those are in 26 designated communities and are serving Franco-Ontarians in French.

In addition to that, we are very proud of our active offer in service centres that are not in designated communities.

With that active offer—the minister mentioned how we are supporting them through translation devices as well as video conferencing services. So if somebody were to walk into one of our centres and request to be served in French, we would support that service through those devices if the service centre was not in a designated community.

We also have active offer in our contact centres. ServiceOntario, as the minister mentioned, does serve Ontarians over the phone as well as online. Over the phone, we do an active offer right from the beginning of the interaction, with a “Hello, bonjour,” and ensure that we are serving Ontarians in the language that they wish to be served, if it is French.

In addition to that, I am very proud of the translation and other work we are doing to serve Ontarians in communities that are—presence with other languages, such as Ukrainian Canadians, or other languages of choice. Again, we do that through translation devices, and we offer that service at ServiceOntario.

Mr. Matthew Rae: Time check, Chair?

The Chair (Mr. Lorne Coe): You have six minutes and seven seconds left.

Mr. Matthew Rae: I defer the remaining time to my colleague down the way.

The Chair (Mr. Lorne Coe): MPP Riddell, please.

Mr. Brian Riddell: I understand that Ontario needs to adapt its authentication process for the official document services in light of Canada's ascension to the Hague Apostille Convention, what aims to facilitate the use of public documents internationally. Given the complexity of this issue, could you please provide further detail about this announcement? Additionally, could you elaborate on how Ontario is preparing for Canada's ascension to The Hague Convention in 2024?

Hon. Todd J. McCarthy: Thank you to the member, through you, Chair. Well, we're already there, I'm pleased to report. The Hague Apostille Convention—Canada became a signatory to it over a year ago—May 16, 2023, to be exact. Therefore, since that time, our province, our government, my ministry officials prepared to accept the new responsibility of authentication under this Hague Apostille Convention to better serve our citizens and residents.

An important service that Ontario provides through my ministry's official document services is authenticating public documents. These include birth certificates, corporate powers of attorney and diplomas for use outside of Canada. In 2022-23, the ministry authenticated nearly 67,000 documents and served more than 29,000 in-person customers. Then, after the federal government issued a statement on Canada's accession to the Apostille Convention on May 16, 2023, having joined at the convention as a nation, we recognized that Canadian citizens and businesses will now be able to submit Canadian public documents such as birth and marriage certificates and education, export and corporate records for an authenticity certificate called an apostille. This came into effect in January of this year—January 11, 2024, to be exact.

This certificate will allow the documents to be used in any of the 124 countries that are signatories to the convention without the need to further authenticate or legalize documents at the federal level. Therefore, this, once again, saves our citizens and residents time and money, but it also is shifting a lot, if not all, of the responsibility to Ontario and some other provinces. So not all other provinces are accepting the full responsibility for this as Ontario is. Ontario is one of a few, and we're proud to do it, and I thank my ministry officials for being prepared to implement it.

I want to particularly give recognition to Deputy Minister Renu Kulendran because she was with me at the official documents office when we demonstrated this and announced this. I want to say in particular she has been a great leader of our ministry for many years. She welcomed me just about a year ago, and she and the ministry officials and my team and I worked hand in glove effectively not only on this initiative but on the three bills that have received royal assent to date and the one that hopefully is on its way, Bill 194, on cyber security and AI.

In regard to the second part of the question: Ontario is on track, because Canada has acceded to The Hague Convention, and a significant increase in authentication volumes is expected for Ontario as the federal government now will no longer authenticate Ontario-issued public documents, because Canada has joined the convention, and this has effectively become Ontario's responsibility.

To support the anticipated increase—and we've seen a major increase in authentication volumes—my ministry has expanded authentication services to five additional locations across the province in partnership with ServiceOntario. These new locations are around various areas of the province. That's Thunder Bay, Sault Ste. Marie, Ottawa, Windsor and, of course, here in Toronto. Now, with these expanded services in place, Ontario is well positioned, I submit, to handle the increased volumes while providing optimal levels of customer service for Ontarians across the province.

At this time, I would like to hand it over to Deputy Minister Harrison, who might well go to Deputy Minister Kulendran. The two are in transition now, working together alongside me to do great work for our ministry and to serve the people of Ontario.

The Chair (Mr. Lorne Coe): Deputy?

Dr. Flolet Loney-Burnett: I am Dr. Flolet Loney-Burnett, assistant deputy minister, government services experience and strategy, ServiceOntario.

As the minister mentioned, Ontario, as part of Canada's accession to the Hague—acceded on January 11, 2024, under the Hague Convention Abolishing the Requirement of Legalisation for Foreign Public Documents, which is a multilateral treaty across Hague members.

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So, for our service, we are now saving Ontarians time and money, as they no longer need to notarize and then legalize documents that they need to use in overseas countries. Being able to authenticate documents in one step rather than in a multi-step process, through the

issuance of an apostille, which is what we attach to the document, saves time and money. So the process is now more streamlined for—

The Chair (Mr. Lorne Coe): Excuse me; I need to interrupt you because the time is now completed for the first round of questions from the government.

I'll now turn to the official opposition. MPP Wong-Tam.

MPP Kristyn Wong-Tam: I will be splitting my time with MPP Mamakwa.

Minister, thank you for your attendance at this committee today, and thank you to the 19 individuals listed on the agenda who have accompanied you. I appreciate that we've got a lot of experts here.

I'm going to dive right back into the ServiceOntario discussion. Thank you for bringing that up in your opening remarks.

In the beginning of this year, as we will all recall, your ministry announced that nine ServiceOntario franchises would close and that those services would be relocated as kiosks in Staples stores. This was done as a bit of a surprise to most Ontarians, because we weren't necessarily given any announcement or any notice in advance, but that's probably not the only big question mark floating about in the public.

There are two things that really do, for me—I hope that you can answer. The first is regarding the procurement and sole-sourcing. During my time at Toronto city council, Mayor Ford and, at that point in time, Councillor Ford were pretty much on record to never sole-source even the tiniest little government contracts. As you can imagine, they wanted it to go through an open bid process. So it's a bit surprising to me, Minister, to have your government sole-source and outsource those contracts directly to an American company such as Staples. The second surprise was to hear that \$1.75 million was then given to them to do some leasehold improvements, to do the fixturing and to do the retrofit. It's surprising because we usually don't see governments subsidizing American corporations to outfit stores to provide any type of service. And yet, that was not the same courtesy or not the same lease obligation or term of agreement that was provided to the Canadian operators of those ServiceOntario retailers.

For the record, Minister, can you explain to us, how did your ministry decide to sole-source that contract out to Staples? And why did your ministry provide a \$1.75-million subsidy, a government giveaway, to Staples for their outfitting of those stores?

Hon. Todd J. McCarthy: Through you, Chair, to the member: Let me be very clear and repeat what has been said outside of this committee, in the House and elsewhere. The addition to the existing retail partnership model for ServiceOntario was a fair, transparent process designed by my excellent and dedicated ministry officials. Whether it is a market-sounding exercise and an outreach to multiple potential retail partners, as this was, or an RFP or an RFP, these are all consistent with the procurement directive. They all represent fair, transparent processes designed by my ministry officials. The idea is to make an

outreach to many. But not everybody is chosen under that fair, transparent process because not every potential partner meets the strict criteria, not only of the procurement directive but also the four principles that my ministry officials designed with respect to choosing a suitable retail partner.

The list is not closed; it has been added to. We already had Canadian Tire, IDA and Home Hardware since 2010, initiated by a Liberal government, supported by the NDP, continued by a Progressive Conservative government and now added to by a Progressive Conservative government through my ministry officials' designed process. And what we have is principles—

MPP Kristyn Wong-Tam: Minister, just because I'm going to run out of time. If you can get to the second half of the question—

Hon. Todd J. McCarthy: If I may, this is the important part, Chair. This is the important part.

The principles applied by my excellent and dedicated ministry officials were cost-effectiveness, community presence, customer service excellence and scalability, and so far—

MPP Kristyn Wong-Tam: Minister, I'm going to take back my time.

The Chair (Mr. Lorne Coe): Hold on. Minister, I'm going to stop you there right now so that the supplementary can be put, please. Thank you.

Hon. Graham McGregor: The answer was less time than the question.

The Chair (Mr. Lorne Coe): You're out of order.

MPP Kristyn Wong-Tam: Minister, I'm going to take back my time, just because I asked two simple questions. One was around sole-sourcing. The other one was, why the \$1.75-million Ontario taxpayer subsidy to an American company? Can you answer the second part of that question, please?

Hon. Todd J. McCarthy: Staples Canada is the fourth retail partnership, Chair, in this ServiceOntario delivery model. Staples Canada is here in Ontario; it has employees here in Ontario and they serve Ontarians. That is what is happening here, and they've done so by providing more service at less cost. There is, as I've said—and the business case was released months ago—more for less here, because there was a savings in this pilot project of almost a million dollars over the next three years. Now we're six or seven months into it, so the savings have begun. The service has been extended: longer hours, appointment-booking, all day Saturday until 5 p.m.

MPP Kristyn Wong-Tam: Chair, I'm going to take back my time again.

Hon. Todd J. McCarthy: We've reduced wait times and we've achieved success by building on the retail partnership model. If I may go to ADM Nelson Loureiro to fill us in further on the process—

The Chair (Mr. Lorne Coe): I'm going to take another question right now, Minister, please. Thank you.

Let's just stop for a moment. If you have a point of order, put your hand up and say, "Point of order." I'm not

going to have cross-debate when the minister is trying to reply. Understood? All right.

Put your question, please.

MPP Kristyn Wong-Tam: Thank you very much, Chair. I really appreciate that clarity that you've just provided our committee.

I don't think I have much time left. I want to make sure I get this next question in. This is about businesses that are licensed in Ontario. I'm not satisfied with the answers you provided about the nearly \$2 million of subsidies to an American company, but in the interest of time, I'm going to move on.

Businesses that are licensed in Ontario oftentimes are owned in the US—that's just the way that the global economy is working—and we're seeing digital labels now coming into retailers. These digital labels would be very similar to perhaps something that we are now seeing in the US grocery stores. Oftentimes, what we're now hearing are consumer concerns and complaints about the fact that groceries may be going into what they call surge pricing or dynamic pricing, very similar to airline tickets. Any time anyone has ever flown on an airline, taken a vacation during high season and peak travel time—your prices go up. So these grocery companies, these retailers that are coming in from the US are retrofitting their stores with digital labels. These digital labels are really left to the whim of whoever is behind the system of operation, so the price can go up as you pick up a dozen oranges because the labels are changing.

These are businesses located in Ontario. They have received a licence from Ontario to operate. They are being patroned by Ontarians. And so I'm very curious to know what the ministry is doing in advance of knowing that this onslaught is coming. How are you taking action—preventive action, proactive action—to ensure that consumers in Ontario are protected from this type of anti-competitive pricing?

Hon. Todd J. McCarthy: Again, through you, Chair, the member clearly shows her concern, which is our government's concern, which is Premier Ford's concern, with any improper practices that are unfair to consumers, whether it be price gouging, whether it be unfair business practices—those are clearly prohibited under the existing Consumer Protection Act and we've enhanced those protections under the new Better for Consumers, Better for Businesses Act, consumer protection for a digital age. We're working on the regulations and we welcome the input.

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Of course, the member's party supported it with our government because they saw that it was a great idea and it is a great idea because consumer protection comes first. But there are many factors that cause price increases, the carbon tax being one of them. I hope and believe that the member would call her federal NDP counterparts, who've now divorced themselves from the supply and confidence agreement with the federal Liberal government, and hopefully convince them to join us—

Interjection.

The Chair (Mr. Lorne Coe): Hold on, I've got a point of order.

Hon. Todd J. McCarthy: —in calling for the abolition of the carbon tax—

The Chair (Mr. Lorne Coe): Minister. Minister—

Hon. Todd J. McCarthy: Now, I do have an ADM here who can provide further details, but I believe—

The Chair (Mr. Lorne Coe): Minister?

Hon. Todd J. McCarthy: Yes, Chair?

The Chair (Mr. Lorne Coe): Please stop. I have a point of order. I need to take the point of order. It takes precedence over your response. Thank you.

MPP Kristyn Wong-Tam: Thank you very much, Chair.

I'm going to move on to a second question. It's specifically going back to the point of consumer services, consumer protection, which is why we're here at this committee today.

Consumer services continue to be the lowest budgetary allocation of the ministry. I recognize that the minister said that consumer protection is a priority for himself and this government, and yet we're not seeing proactive measures coming from this government to protect consumers—and these are not necessarily down the pipeline five or six years from now, it's happening on our doorstep.

So that's the type of information I'm looking for and I think Ontarians would look for that same type of proactive protection coming from the ministry.

Hon. Todd J. McCarthy: The member has voted in support of three bills that our government initiated towards consumer protection. Let me say them again for the record: The Better for Consumers, Better for Businesses Act, unanimously supported consumer protection for a digital age; the Building Infrastructure Safely Act received royal assent after unanimously passing in the House in the early spring or the late winter; and then, of course, perhaps our most important and decisive measure, the Homeowner Protection Act, outright abolishing the practice of misuse of notices of security interest against our seniors and our vulnerable citizens.

I'm very proud of that record, and I'm glad that we have the support of the NDP on that. We had it, and I would have criticized them if they hadn't supported it, but I'm glad they did because they did the right thing in supporting our government on this initiative.

If I may go—

The Chair (Mr. Lorne Coe): Thank you, Minister.

I'm going to go to MPP Mamakwa, please.

Mr. Sol Mamakwa: Meegwetch, Minister. I'm looking at the estimates briefing book. I looked at some pages, from 104 and also 109. It talks about ensuring that human remains found outside cemeteries, including those of Indigenous persons, are treated with respect and dignity. It also talks about how you administer burial sites, cemetery closures, abandonments and war grave provisions of the Funeral, Burial and Cremation Services Act, 2002. It talks about ensuring the effective management of respectful and positive relations with Indigenous communities around Indigenous burial sites, including unmarked burials asso-

ciated with the former Indian residential schools where the human remains are or might be Indigenous, and that the ministry consults with the affected communities. It's written in that report.

Can you point me to the funding as it relates to your work around unmarked burials associated with the former Indian residential schools?

Hon. Todd J. McCarthy: Thank you to the excellent member in our House for that question. I always enjoy working with him in common cause for important issues and solutions to those issues.

Our ministry, I can assure the member, through you, Chair, is committed to ensuring that all human remains are treated with respect and dignity. Now, in regard to supporting the Ministry of Indigenous Affairs and First Nations Economic Reconciliation, we are committed to supporting that effort, as they work closely with Indigenous communities in their development of a strategy to identify, investigate, protect and commemorate burial sites associated with residential schools.

Under the Funeral, Burial and Cremation Services Act, the ministry's registrar—there is a registrar of burial sites under the jurisdiction of our ministry, and it has a statutory obligation to undertake a burial site investigation, if they are of the opinion that the cost of the investigation would impose undue financial burden on a landowner.

The registrar typically undertakes the investigation by reimbursing the cost to the landowner or by procuring an archaeologist directly. So we're very sensitive to respect and dignity for all human remains, but in particular, when it comes to respect and dignity with respect to potential Indigenous findings or burial sites, and we, of course, have the ministry's mandate and jurisdiction, but we also have outreach to Indigenous affairs and Minister Rickford's team, as a result—

The Chair (Mr. Lorne Coe): Minister, I'm going to interrupt you now and go to the supplementary from MPP Mamakwa, please. Thank you. When you're ready, sir.

Mr. Sol Mamakwa: Percy Onabigon, from Long Lake #58 First Nation, was taken away to St. Joe's Indian Residential School in 1944. He was just six years old. Percy had epilepsy and was paralyzed on one side of his body.

Without the knowledge and the consent of his parents, he spent most of his childhood moving between hospitals, mental health institutions and including one that used to be called the Orillia "Asylum for Idiots."

Percy died when he was 27 years old, in 1966, from tuberculosis. He died over 1,200 kilometres away from Long Lake #58, his family, still not knowing where he was. Anishinabek Nation estimates that it will cost around \$45,000 to bring Percy home, in a process that treats him and his family with dignity and respect.

The federal government, the provincial government have both failed to live up to their stated goals of truth and reconciliation and violate the United Nations Declaration on the Rights of Indigenous Peoples, article 12, and the province has refused to repatriate Percy's remains.

Where in your briefing book, where in your budget line can you bring Percy home?

Hon. Todd J. McCarthy: Through you, Chair, I want to say, certainly, that it's important to hear personal stories, how events and policies have and can impact individuals and their families, and to keep those stories alive because we can learn from that, and that is how we can do better as we dedicate ourselves to truth and reconciliation.

Our Premier and our government and, indeed, our ministry within the government are committed to truth and reconciliation. Now, the specific implementation of policies in this regard with respect and dignity for all human remains and working with regard to respect and dignity for Indigenous burial sites or discovery of Indigenous remains and artifacts, that can be addressed by one of my ADMs, who is present right here, and I would ask that the matter be referred right now for answer through my deputy.

The Chair (Mr. Lorne Coe): Sir, could you identify yourself for the record? Thank you.

Mr. Teepu Khawja: My name is Teepu Khawja and I'm assistant deputy minister of the consumer services operations division.

Meegwetch for the question from the member and thank you for sharing the story as well. I can speak to, in terms of our division, as the minister has spoken, in my division, we do have a registrar that's responsible for burial sites. The member mentioned the statute, and under that statute, we do have certain responsibilities for burial sites, war graves and administration of closure and abandoned cemeteries, while the administrative authority, the Bereavement Authority of Ontario, has other responsibilities.

As it relates to us, just in terms of process for awareness for the committee, we get involved if human remains are found and they're not found in an established cemetery, so it's known as a burial site, and then law enforcement, the coroners' office are called in. If it's deemed to be remains not of foul play, that's when we play a role. If there was foul play determined, then we as the burials unit and our registrar have no involvement at all. So it really depends on the circumstances of the remains that are found and the role that we may or may not play.

1520

I can continue on with the process when we do have remains, if it suits the member.

The Chair (Mr. Lorne Coe): You've got 47 seconds left, MPP Wong-Tam, if you want to pose a question, but—

MPP Kristyn Wong-Tam: I will keep it super short: This is just regarding pre-condominium construction. We all recognize that the market is extremely volatile. We've seen projects now stalled. Cranes are sitting in the sky, and construction sites largely look like they've been abandoned. As you can imagine, Minister, there is a lot of concern out there, especially for homebuyers, as well as property buyers, about what type of protections are going to be in place, that will be actively enforced, proactively investigated to ensure that their consumer rights are

protected. How will your ministry protect those consumers?

Hon. Todd J. McCarthy: Chair, through you to the member: That's why our government acted swiftly in its first mandate to add to the protections provided by Taron—

The Chair (Mr. Lorne Coe): Minister, I need to excuse you, because the time for the official opposition has concluded.

We'll now move over to the government members. I have MPP Smith, please, sir, when you're ready.

Mr. Dave Smith: Minister, I want to talk a little bit about the streamlining of vehicle registrations. If you can bear with me for just a moment, I'm going to tell a little story, because I think it's indicative of a lot of the constituents that we have. My father is 82. He has purchased more cars than Heinz has pickles, to put it very bluntly. He owns a small business, a storage unit, that is right next door to a used car dealership, so he has been purchasing used cars from this gentleman on a very frequent basis. He typically flips cars.

He and I were talking about it this summer. He bought a GMC Sierra, and then three weeks later he turned that in and bought a Ford F-150. In that period of time, the process had changed. When he bought the GMC Sierra, the stack of paper that he had to have to take down to ServiceOntario to get it registered—they had actually made a mistake on it, and that delayed the whole process for him for a day.

And then when he got the F-150, they had had access to the digital method of doing it. He was floored at how much faster it was, because they didn't have to take a stack of paper down to the ServiceOntario location. They didn't have to fill out all of this stuff; they could just sit down at the computer and make it all happen. He didn't understand it, and I think, based on some of the feedback that I get in my office from others who have been purchasing cars for 60 or 70 years, they're struggling with it as well.

So I'm hoping that you could help us understand, then, the specific steps that your ministry took to streamline and modernize the vehicle registration experience for people in Ontario. And if you could provide an overview for us, please, of the initiatives in the digital transformation that you had already talked about today, with the Digital Dealership Registration Program and the introduction of the online renewals for commercial vehicle licence plates, and adding the high-volume transactions to the ServiceOntario website to make it easier for those individuals—because, as I said, my father, is 82. I love him to bits. He has purchased so many vehicles in his lifetime, and he's a little bit confused as to how we could go about doing this so quickly on the computer and they didn't have to take a stack of paper down the street to the ServiceOntario location. They didn't have to wait—he was actually able to buy the car after 6 o'clock one night—because the ServiceOntario location closes at 4:30. He just could not wrap his head around that.

I'd really appreciate it if you could elaborate on that process and how that has made things simpler and easier for the people of Ontario.

Hon. Todd J. McCarthy: I thank the excellent member for the question. I'm glad to hear that his father has embraced the new technology. This is another example of how technological advancements, properly deployed and implemented by my ministry officials, are making improvements in ServiceOntario products and services.

The Digital Dealership Registration Program, the DDR, has proven a great success. I've personally visited with a number of auto dealers in Vaughan, Milton and the Ottawa area, and they've embraced it. Their customers have embraced it, very much like the member's father. But I have an ADM, through the deputy to my right, who can assist us in the specifics of how we got here with the DDR, how it's going and what the details of it and moving it forward are.

The Chair (Mr. Lorne Coe): Thank you, Minister.

When you're ready, please, and for the record, I need your name. Thank you.

Ms. Joanne Anderson: Hello. My name is Joanne Anderson. I'm the assistant deputy minister for the public services experience division with ServiceOntario in the ministry.

Thank you so much for the question. Digital Dealership Registration has been a project for the government with our partner, the Ministry of Transportation, for a couple of years now. Prior to DDR, as you indicated, people would have to go in person to register new or used vehicles. We started in March 2022 by launching a minimum viable product that would allow dealers to use an online service to make that registration possible.

What this did for dealers is that it reduced the burden for them significantly. Previously, people would buy a car, dealerships would do the paperwork and then they'd have to go down to a ServiceOntario centre. They would have to present their paperwork, and then they'd have to leave—or they could wait, but many people chose to return and pick up their finalized paperwork, along with their licence plates and their permits.

What we did with Digital Dealership Registration is we enabled dealers to have stock in their premises: licence plates—whether they are blue and white, or green for electric vehicles—and also permits. And so, as you indicated, people can now buy a car and almost instantaneously drive off the lot with that vehicle. This was very important because this is 4.7 million transactions that we were able to move online.

We've been adding functionalities to Digital Dealership Registration for the past two years, and as I indicated, we started with the new vehicles. We then moved on to adding used vehicles. We also added trade-ins, so if you were trading in a vehicle at the same time as purchasing a new or a used vehicle, you could complete that transaction at the same time in one instance with the dealership.

We moved on to include used vehicle transactions in June 2023, and we've also been working on improving the service with the feedback from our dealership community.

We've been working very closely with the associations and the dealers who are on board to understand how the program is working for them, and with their feedback—because we always seek to co-design with our users, to ensure we have an excellent customer experience—we've deployed improvements around stock management for the dealerships, so they can do all their stock management online in a very simple process.

Following that, in March 2024, we added leased vehicles to the program—again, for new and also for used vehicles—and we've also allowed the process for joint registrants, so if you go in and purchase a vehicle with another individual, you can also benefit from the program at the same time.

In July 2024, just this past summer, we added light commercial vehicles. I call those the F-150s. These are the vehicles that are very popular in all parts of the province, and that has been met with quite a bit of thanks from the dealership community. As part of us working with our dealers to understand their needs, they had identified that those light-duty commercial vehicles were very important for them as a market segment, as well as those leased vehicles, so we've been working diligently to make sure that we're responding to their needs and making sure that we bring as many of those transactions online as possible.

We've also been working very closely with the Ministry of Transportation and also the Solicitor General throughout this entire process and have had the support of all the stakeholders involved in the project. I'm pleased to hear that the online is happening and people continue to purchase their vehicles in a fast and convenient way.

1530

You also mentioned a couple of other improvements to our vehicle transactions. For example, we launched the online renewal of our commercial plates in 2022, making it easier for any business that needs to register or renew their plate to do that online, whereas previously, they could only do that in person. So that's a big improvement.

As the minister mentioned earlier, again, working with the Ministry of Transportation and Solicitor General, we introduced the automatic validation of licence plates for over eight million vehicle owners, and that has been met with quite a bit of success as well. We've been able to save individuals over 900,000 hours of effort annually. Through the renewal of automatic validation of licence plates, we've seen a 90% success rate in terms of renewing licence plates 90 days before they become expired. This allows individuals to drive with confidence, knowing that if they are in compliance, meaning they have insurance and they have no outstanding fines or tolls, their licence plates will be automatically renewed for them, eliminating any burden that may exist. Through the introduction of that program on July 1, we have renewed over 2.3 million licence plates, and so more people are driving with confidence. For those individuals we are not able to renew online automatically, we send them notifications. We let them know that they are out of compliance, and we indicate that they need to either complete the transaction online or in person, or they can call our contact centre to

be able to address the issue, whether it be insurance, tolls or fines, to bring them into compliance so they can successfully renew their licence plate.

So lots of great news happening—and really looking to modernize vehicle transactions, on behalf of the province, for both businesses and also individuals.

The Chair (Mr. Lorne Coe): MPP Smith, do you have a supplementary?

Mr. Dave Smith: I do.

The Chair (Mr. Lorne Coe): You've got nine minutes left.

Mr. Dave Smith: I'd like to pick up on that automatic licence renewal, again, using my father as the example. He has 21 vehicles; 16 of them are classic cars, so they do not qualify for the automatic renewal. I know that in December, when his birthday comes around, he's going to ask me questions about why he does not have to do the renewals on the other cars that aren't classic cars. Because he loves his classic cars, he's going to be very comfortable going into the ServiceOntario site and bragging about the fact that he has these and what they all are, and he'll tell all of the stories to the ServiceOntario staff there. But I know he's going to be somewhat confused on the automatic renewal, partly because he likes to renew for two years at a time. I've already had that question from others, since this has happened in July, of why can't they renew for two years; why does it have to be that it's renewed every year—because they pay their insurance.

So would you mind elaborating a little bit more on the automatic renewal and alleviate those fears that some of my constituents have, who've had to go through this process of manually doing it for multiple generations?

Hon. Todd J. McCarthy: Before I turn it over to my very excellent ministry official, who so ably answered initially, I may want to correct the record. I think I might have said eight million automatic licence plate renewals; it's millions, but it may not be as many as eight million thus far.

Ms. Joanne Anderson: Those are eight million eligible.

Hon. Todd J. McCarthy: There are eight million eligible. There's an explanation, so we've corrected the record appropriately. It's more like 2.3 million that I've heard have been automatically renewed thus far, and there are certain criteria for the renewals to take place.

With that clarification of the record, I'll turn it back to the assistant deputy minister.

Ms. Joanne Anderson: Thank you for the question. It's a great one.

We know that Ontarians are going through a change management process with this new automatic vehicle registration process, and so working with the Ministry of Transportation—they will be embarking on a communications opportunity to ensure that Ontarians understand the difference, because it is a change.

One of the improvements that was made is moving to an annual process to ensure that individuals are completely eligible to drive with their vehicle. The improvement this allows us to do is to check insurance annually, whereas previously we were only checking that insurance was valid

when people initiated the renewal. This ensures that we have greater safety on the roads. It's also important for individuals, to ensure that we're working with the enforcement community, I would say as well. This was something that was very important to the enforcement community: that we ensure that insurance was valid on a more regular basis. And with our partners at the Insurance Bureau of Canada—they've welcomed this improvement as well for the overall process.

The Chair (Mr. Lorne Coe): Further questions, please, from the government. You have five minutes. MPP Riddell, when you're ready, please, sir.

Mr. Brian Riddell: I'd like to speak about the rationale behind consumer protection reforms. A lot of people in my riding have expressed a little concern about what's contained in Bill 142, the Better for Consumers, Better for Businesses Act, 2024. It's not just timely, but it is truly overdue. It brings me great satisfaction to witness our government stepping up to implement such meaningful reforms. Therefore, I would like to ask the minister to provide some further insights into the rationale behind our government's decision to pursue these important changes at this particular moment. What are the key motivations driving this initiative, and how do we envision it enhancing the overall consumer landscape in Ontario?

Hon. Todd J. McCarthy: Bill 142, as presented in the House and passed unanimously late last year, was the product of many years of consultations and dedicated work by my ministry officials, most certainly. We're not yet at the finished product because, after passing unanimously through third reading in the House and being given royal assent December 6, the Better for Consumers, Better for Businesses Act, really addressing the new reality of consumer and consumer transactions in a digital age, is now in the regulation-making phase, and that will have to be completed before consideration can be given to it being proclaimed in force. In the meantime, the Consumer Protection Act from 2005 will remain in place and, of course, its core principles assist us under that existing legislation.

But to specifically answer the member's questions, if I may, Chair, I will turn it over to the deputy minister, who will, I believe, give us another assistant deputy minister.

The Chair (Mr. Lorne Coe): You have three minutes and 28 seconds for the response, please.

Ms. Barbara Duckitt: Thank you to the member for the question. The Consumer Protection Act had not been comprehensively reviewed for over 15 years, and it had been amended multiple times, which had made the statute complex for both businesses and consumers to navigate and didn't really reflect the changes that we were seeing in the marketplace. So this review was extremely important and timely to ensure that the legislation is keeping up with an increasingly digital marketplace and providing protections that actually relate to the harms that consumers are encountering as they're making their transactions in the marketplace.

In the context of that, we structured the legislation so that it would be easier for people to follow to find out what

the offences are, where the remedies are. The whole structure of the act has been simplified and streamlined. As the minister indicated, additional provisions will be provided in regulation.

While we were modernizing it, looking at the issue about NOSIs, we have also created a new purchase cost plus lease category of contract, which will build in protections to address some of the very specific harms that we see arising in the context of long-term HVAC and other household appliance contracts. So the act was both an attempt to modernize it but also to specifically address some of the harms that we're seeing in the marketplace with the evolving sectors and providers.

Mr. Brian Riddell: Thank you for your answer.

The Chair (Mr. Lorne Coe): Further questions? Yes, MPP McGregor, please. You've got one minute and 46 seconds.

Hon. Graham McGregor: Before I got into politics, I spent a little bit of time working at Mazda of Brampton, a dealership in my hometown, selling new and used vehicles. The car business, the auto business—not just on the sales side but the service side, the parts department—employs thousands, tens of thousands of people across Ontario. I know there's a lot of consternation around this idea of a cooling-off period on purchases, which I understand why people think sounds like a good idea, but when you're dealing with cars, which already have a defined margin, you've got to inspect the car when you first have it, you've got to inspect it again before it goes onto the lot and you've got to inspect it after purchase, whether that's new or used, and these are inspections that cost hundreds, sometimes a couple of thousand dollars, depending on the vehicle, depending whether it's new, used etc.

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Consumers will know, when you pay PDI, pre-delivery inspection, it's normally—on Mazdas, anyway, that was about 1,600 bucks. So the idea that a dealership would have to take this on or a business would have to take this on and then have that waived obviously is not very good for certainty of business. Again, it might sound like a good slogan; it would be a disaster, frankly, for dealers and a disaster for consumers, in just this one humble guy's opinion.

You made a statement earlier this year that we would not be considering implementing a cooling-off period for vehicles. My question, Minister, is fairly simple: Have you changed your mind, or does your statement stand?

The Chair (Mr. Lorne Coe): Minister, before you begin: You've got eight seconds now to respond.

Hon. Todd J. McCarthy: I have not changed my mind, Chair. Having consulted widely with respect to that particular issue, we are maintaining our position. We have some of the best consumer protections for auto dealers and consumers of vehicles, purchasers of vehicles, second to none in North America.

Hon. Graham McGregor: Thank you for your leadership.

The Chair (Mr. Lorne Coe): Thank you, sir, for that response. That concludes the time for the government members.

We'll now move to the official opposition. I have MPP Wong-Tam, please, when you're ready.

MPP Kristyn Wong-Tam: Minister, I'm going to go back to my question regarding protections for consumers, especially homebuyers. I was really trying to get at—we are seeing a dramatic fluctuation in the home market today. I think we all recognize how difficult it is to find a place in Ontario to live that's affordable, where it can meet the pocketbook of the working Ontarian. So I know that when it comes to homebuying, most people think long and hard before they put down a deposit, and many of them are purchasing new condominiums, they're buying new homes in subdivisions, and what we are seeing now is projects that are stalled, projects that are simply not going ahead and very little effective communication coming from the developer or the builder.

The Chair (Mr. Lorne Coe): MPP Riddell?

Mr. Brian Riddell: This is out of scope.

The Chair (Mr. Lorne Coe): Do you have a point of order?

Mr. Brian Riddell: This is out of scope for this ministry.

MPP Kristyn Wong-Tam: Tarion is out of scope for the ministry?

The Chair (Mr. Lorne Coe): No, we're not going to have cross-debate. If you have comments, they're through the Chair. I'm going to confirm with my Clerk, and I'll rule on this. Thank you.

So I'm just going to suggest that you continue to focus on the estimates, not the parameters of the estimates. That's my ruling.

Please proceed with your questions, and you will get your answer.

MPP Kristyn Wong-Tam: Thank you very much, Chair. Would you provide me the courtesy of giving me back the one minute?

The Chair (Mr. Lorne Coe): I'm not going to debate my ruling; the ruling has been made.

MPP Kristyn Wong-Tam: Sorry—

The Chair (Mr. Lorne Coe): No, we're going to continue with your question.

MPP Kristyn Wong-Tam: Two minutes have now gone by, but thank you.

So, Minister, coming back to—let's just talk about Tarion, because you did talk about Tarion, and I want to get to consumer protection especially for homebuyers, because we're all interested in protecting consumers and homebuyers in Ontario.

We have seen a number of developers not being able to complete their projects. We've seen a surge of applicants going into Tarion specifically looking for deposits because there is a minimal deposit recovery. So I'm very curious to know, with respect to the estimates that are here, how much money is being allocated to meet the needs of the homebuyers to make sure that they're protected, and are

there sufficient dollars to do this work in a fluctuating, volatile construction market?

Hon. Todd J. McCarthy: Again, Chair, as the voting pattern of the official opposition has demonstrated, they support our consumer protection and consumer safety initiatives, evidenced by their support for three of our bills thus far during my time as minister.

Now, we know one of the most important and significant purchases that our fellow citizens and residents ever make is the purchase of a new home, whether that's a condominium, and there's a million Ontarians now who call condominium communities home—and we have 15 million in the province. Homes do not come in one shape or size; they come in many shapes and sizes.

Freehold homes are purchased, and we do have the reality of pre-construction delays. We have the serious problem, among a minority of builders, of illegal building and illegal licensing. That's why our government more than doubled, first of all, the deposit protection through the Tarion administrative authority from \$40,000 in 2018 to \$100,000 today. That's important with rising costs, because new home buyers are not just putting down \$10,000 or \$25,000. They're putting down a significant amount of money, and they need that protection. It's there for them, and I'm proud that our government increased that protection.

The other aspect of it is the warranty. The new home warranty program through Tarion, again, is an important aspect of the protection for new home buyers, and that warranty program has been increased in terms of the amount available from \$300,000 to \$400,000.

And then we have HCRA, which cracks down on those few illegal builders that are acting improperly and not respecting consumer rights and protections and the dream of home ownership.

The Chair (Mr. Lorne Coe): I'm going to take another question now from MPP Wong-Tam. When you're ready, please.

MPP Kristyn Wong-Tam: I think it's important for the minister to recognize that the Tarion home warranty program is actually funded by the homebuyers themselves.

I was specifically asking about the money that is in the estimates book, to make sure that there is enough there to provide the protections that are needed, because we're seeing the tsunami effect of what happens when you have a real estate market that is collapsing, construction sites that are stalled. Is there enough on the books to ensure that the homebuyers will be protected?

Because we've also seen Auditor General reports repeatedly highlight the fact that there are failed policies at the provincial government to protect the thousands of homebuyers that they have seen file complaints in a system that largely favours developers. Even when the complaints are investigated by the Auditor General of Ontario, she's noted that those complaints are justified.

Because the market is changing, and we all recognize that. Everybody who is reading the business section of any newspaper in Canada can see that much is changing. So there is something coming down the pipeline, because

Tarion is also seeing a large record payout of deposits that have been lost. Is the government prepared for that particular problem—

The Chair (Mr. Lorne Coe): MPP Riddell—I have a point of order, please.

Mr. Brian Riddell: This is speculative. There's no way that the minister can come up with a number when we don't even know how many—

MPP Kristyn Wong-Tam: The minister must be able to plan for it.

Mr. Brian Riddell: Can I speak, please?

The Chair (Mr. Lorne Coe): Again, please, I've asked not to have cross-debate. Let me hear what the point of order is, please, and then I can rule on it. I can't do that if you're trying to interject. Please.

MPP Kristyn Wong-Tam: I'm trying—

The Chair (Mr. Lorne Coe): No. Please.

MPP Kristyn Wong-Tam: Yes, okay. Sorry, sir.

The Chair (Mr. Lorne Coe): Thank you.

Go ahead, please.

Mr. Brian Riddell: This is speculative, and there is no way that we can come up with a number that you can expect the minister to come up with to determine how many failures there are going to be from builders, especially when you're dealing with illegal builders.

The Chair (Mr. Lorne Coe): I'll confer with my Clerk, and I'll rule. Thank you.

In the Clerk's opinion, it's not a valid point of order.

Put your question.

MPP Kristyn Wong-Tam: Yes. Thank you very much, Chair.

Just so it's on the record here, what I'm saying is not speculative. It is happening right now in the current marketplace. Tarion itself has posted that they have now seen the largest claim event in the history of Tarion. So this is happening.

My question to the minister: Is the government prepared to meet the crisis that is on the doorstep of Ontario and, if so, where in the estimates can you point me to find that the numbers are there so that we are prepared to protect consumers when they lose their shirt?

1550

Hon. Todd J. McCarthy: Chair, through you, let's be clear on what Tarion is. It's an administrative authority, an independent, not-for-profit corporation that is primarily funded through home enrolment fees, and it does not receive ongoing operating government funding. That is why our government took steps to enhance the ability of administrative authorities to respond and protect consumers. That's why not only did our government maintain Tarion, increase the deposit protection and the warranty protection, but also added HCRA, the Home Construction Regulatory Authority, to the administrative authorities under our government.

Then, when our government was re-elected in 2022 on a mandate to build 1.5 million new homes, different types of homes, what followed that pledge was to be prepared. In fact, in 2023, the year after we were re-elected, the follow-up report of the Auditor General's 2019 audit of

Tarion—the Auditor General reported that cumulatively, Tarion and the Home Construction Regulatory Authority, in terms of recommendations, we've implemented 90% of those recommendations for the two administrative authorities. So in receiving the second mandate, in acting on the pledge to build 1.5 million homes for Ontarians, to be a partner in that process, we did prepare, and we've acted on those recommendations so that we are prepared.

Again, we applaud the vast majority of home builders who build properly and legally and know that the dream of home ownership depends on them respecting consumer protection. But at the same time, we have the ability to crack down on the illegal builders and to compensate homeowners who are adversely affected by that small minority of illegal and unscrupulous builders.

The Chair (Mr. Lorne Coe): I'm now going to take another question from MPP Wong-Tam. You have nine minutes left.

MPP Kristyn Wong-Tam: I just want to state for the record that Tarion's oversight is provided by the provincial government, so it does not operate independently on its own. I want to make sure that's very clear—that Tarion is supposed to be working with the Home Construction Regulatory Authority. Together, they're supposed to be protecting the homebuyer, and together with the provincial government, they're protecting Ontarian consumers.

I'm going to cede my time, Chair, to MPP Rakocevic.

The Chair (Mr. Lorne Coe): MPP Rakocevic, please.

Mr. Tom Rakocevic: Thank you, Chair. I hope you will continue to be vigilant in any actions to run the clock, and I ask humbly, if there are any points of order, to stop the clock so that we don't lose any more time.

I'd like to ask the minister: I'm sure he's aware that since we've brought in, unanimously, a move to end these notices of security interest, now and forever after—again, with our intercession as the official opposition, it happened before the recess and not after the recess. I think this is something we can all be proud of. But there are companies out there that continue to mislead and say that these liens are still there, and there are other forms of scams that some of these HVAC companies are considering. Are you aware of this, and are there any actions, maybe legislative or enforcement-wise, that this ministry is considering? I hope for a brief response on this one.

Hon. Todd J. McCarthy: The implementation of the bill that abolished notices of security interest was certainly fuelled by listening and learning from consumer advocacy groups, from seniors advocacy groups and law enforcement. In fact, when I made the announcement that we were tabling the bill in the spring—May 27, as I recall—we were with the heroic detective Adam Stover, who championed the cause of rooting out the fraud and the organized crime associated with NOSIs and really bringing it to the attention—Detective Stover had previously briefed both the members' caucus and our government caucus on this insidious practice. Some say knowledge is power. I prefer to say, education and learning from real-life experiences of our fellow citizens is the most important thing we can do.

Now that we've done what had to be done, and we did it together—and the member is right; we did it on a non-partisan basis. We expedited first reading, second reading, Committee of the Whole. As the Chair would know, because he's an expert on the rules of procedure of this committee and this House, Committee of the Whole is a very rare process, but we had it for Bill 200, and then we had third reading—all unanimously done for the good of the people of our province on a non-partisan basis.

But now that it's law, what we've been working hard to do, through Consumer Protection Ontario, through our ministry, even as local MPPs in our own communities, is to get the message out, to educate the public that they are no longer to be fearful of this organized, deceptive misuse of NOSIs. I'm very proud of those efforts.

The Chair (Mr. Lorne Coe): Minister, I need to interrupt you. We have one more question from the official opposition.

When you're ready, sir—we're stopping sharp at 4 o'clock.

Mr. Tom Rakocevic: Okay. So I've got five minutes, according to that clock up there.

The Chair (Mr. Lorne Coe): Well, I'm looking at my clock. That's what counts.

Carry on.

Mr. Tom Rakocevic: That's fine.

I'm going to put together a number of questions. In fear of the clock being run down, there are just a couple of things that I'd like the minister to consider.

Again, I would like this minister, this ministry and the government to really consider enforcement. As we've seen, there are bad actors that are just shifting chairs and finding other ways to abuse consumers. I know that we're trying to react and do everything we can, but they're going to continue to do that. And I humbly say to this government: Consider enforcement. Consider stronger punishments. It's not just about higher fines, but punishing those who abuse—especially our seniors. There are many who continue to call our offices saying this.

A couple of things that I just want to mention in the time we have left—and you could answer any or some of these. I understand that right now there is also a consideration regarding the Condominium Authority Tribunal. Something that the official opposition NDP continues to push for is to take more of the cases, when it comes to condominium disputes, outside of the courts and into the tribunal. We think that expanding this in a way that will provide quick, fair and affordable resolution of disputes is a good way to go. I know that there is a consultation being conducted as we speak, and I hope that the minister is very open-minded and looking to expand the tribunal and its role.

As well, with regard to the housing crisis and the fact that we continue to see warranty claims being made, anything that this ministry can be doing within the government to reach out to other ministries to say proactive inspections—the regulatory authority, HCRA, if they're able to intercede at the point of construction in the early end, can really save money for consumers and for the

government itself. Anything that could be done to expand proactive inspections at the point of construction, instead of having to fight warranties afterwards and large payouts—and it's just family-destroying in many cases—I urge the ministry and this government to really direct their attention.

The final point that I wanted to make was with regard to the administrative authorities. We have to look for board capture. Something that always comes up as a result of every single AG report is that the amount of consumer protection advocates or those who speak with the voice of consumer protection seems to be often lacking in a lot of these boards. If there's any thought to, from the minister's perspective, what a consumer advocate looks like on a board—and are they taking any further steps to increase consumer protection on these actual boards to ensure that these authorities are acting not on behalf of the industry that they're supposed to be policing, but to protect consumers themselves?

The Chair (Mr. Lorne Coe): Thank you for those questions.

Minister, you have a little over a minute to respond.

Hon. Todd J. McCarthy: Clearly, through you, Chair, the member's questions raise many aspects of consumer protection—which is what I've said from the beginning. We have 12 administrative authorities. There are multiple aspects to consumer protection. He mentioned, of course, one, with condominium authorities and the idea now that we've, by Bill 200, proposed the expansion of the dispute resolution process in our condo communities. Over a million Ontarians call those communities home. That's important, to keep these minor disputes out of court.

The rule of law has many facets to it. When somebody has been a victim of a crime or suspects they are, they must call law enforcement. When they have an issue about whether they're being treated unfairly, that's what Consumer Protection Ontario is for. When you apply the rule of law, you do need law enforcement, but you also can sometimes resolve it through a discussion between the business and the consumer, and consumer protection facilitates that. So there's not only one way to resolve

disputes and misunderstandings. That's the multi-faceted nature of consumer protection. I'm so proud of my ministry officials and Consumer Protection Ontario in that regard—to serve the people of this province in a productive and fruitful way.

The Chair (Mr. Lorne Coe): Thank you very much, Minister, and thank you to your staff who have spent time responding to questions today, and those who also prepared you for this afternoon. We are at 4 o'clock, and that concludes the committee's consideration of the estimates of the Ministry of Public and Business Service Delivery.

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

Shall vote 1801, ministry administration, carry? All those in favour? Opposed? Carried.

Shall vote 1809, privacy, archives, digital and data, carry? All those in favour? All those opposed? Carried.

Shall vote 1811, enterprise business and financial services, carry? All those in favour? Opposed? Carried.

Shall vote 1814, ServiceOntario program, carry? All those in favour? Opposed? Carried.

Shall vote 1816, consumer services, carry? All those in favour? Opposed? Carried.

Shall vote 1817, government services integration cluster, carry? All those in favour? Opposed? Carried.

Shall vote 1821, enterprise information technology services program, carry? All those in favour? Opposed? Carried.

Shall the 2024-25 estimates of the Ministry of Public and Business Service Delivery carry? All those in favour? Opposed? Carried.

Shall the Chair report the 2024-25 estimates of the Ministry of Public and Business Service Delivery to the House? Carried.

Thank you, members of committee and the ministry officials; Minister McCarthy, thank you. The committee is now adjourned until September 18, 2024, at 2 p.m. This meeting is concluded.

The committee adjourned at 1603.

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