

JUNE 2018

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COCA Priorities and the New Government

Premier Ford ran a campaign that was void of a coherent platform. Not being Kathleen Wynne and the Liberals proved to be enough for Ford and the Tory team to win and win BIG. The Ford PC government earned 40% of the popular vote across the province and won 76 seats in Ontario's 124 seat Legislature. Congratulations to the PC team for a winning strategy and to Mr Ford on his election as our Premier.

COCA's very highest priorities for many years have been the modernization of the Construction Lien Act and the pursuit of prompt payment legislation. We got both in the last Ontario Parliament in the form of Bill 142 which created the Construction Act. Going forward, COCA will remind the new government that Bill 142 passed in the Ontario Legislature with the unanimous support of all parties and that it must be implemented as scheduled and with supporting policies that align with Bill 142's original intent.

For many years, stakeholders have been working with the WSIB on the development and implementation of an initiative that goes under the banner of Rate Framework Modernization. This initiative includes a new classification system, a new experience rating program and a new rate setting process. We would like to see this initiative to proceed as scheduled with implementation on January 1, 2010.

It is critically important for the new government to develop a long term plan for maintaining, modernizing and expanding the province's infrastructure and to make a long term commitment with planned annual investments in public infrastructure to support economic activity and our way of life.

Taking measures to improve the performance of Ontario's health and safety system has always been a high priority of COCA and we will work with the new government with the goal of making sure every worker goes home safe at the end of the day and eliminating

workplace illness, injuries and fatalities.

It has been predicted and ignored with scepticism for many but it has finally arrived, it's here and it's real. Of course I'm speaking of the shortage of skilled labour. The new government needs to develop a strategy to address the skills shortage. Roadblocks on the path to apprenticeship must be removed and it must be made simpler and easier for employers to take on apprentices.

The federal government recently made it clear that all construction projects in which it is investing must provide community benefits. The provincial governments will have the responsibility to determine what these community benefits will look like. COCA will be having conversations with officials in the Ontario government about the shape of community benefits in public construction procurements. Community benefits should be described and funded. Contractors cannot be expected to provide community benefits for free.

These will be some of our priorities as we work collaboratively with the province's new government under the leadership of Premier Doug Ford.

Ford Government Sworn In

On Thursday, June 28, 2018, Douglas Robert Ford was sworn in as Ontario's 26th Premier by the province's Lieutenant Governor, Elizabeth Dowdeswell. Ford's government was also sworn in. Here's what Ontario's Doug Ford cabinet looks like:

1. **Doug Ford**, Premier and Minister of Intergovernmental Affairs
2. **Christine Elliott**, Minister of Health and Long-Term Care and Deputy Premier
3. **Peter Bethlenfalvy**, President of the Treasury Board.
4. **Raymond Cho**, Minister of Seniors and Accessibility
5. **Steve Clark**, Minister of Municipal Affairs and Housing
6. **Vic Fedeli**, Minister of Finance and Chair of Cabinet
7. **Merrilee Fullerton**, Minister of Training, Colleges and Universities
8. **Ernie Hardeman**, Minister of Agriculture, Food and Rural Affairs
9. **Sylvia Jones**, Minister of Tourism, Culture and Sport
10. **Lisa MacLeod**, Minister of Children, Community and Social Services and Minister Responsible for Women's Issues

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11. Monte McNaughton, Minister of Infrastructure

12. Caroline Mulroney, Attorney-General and Minister Responsible for Francophone Affairs

13. Rod Phillips, Minister of the Environment, Conservation and Parks

14. Greg Rickford, Minister of Energy, Northern Development and Mines, and Minister of Indigenous Affairs

15. Laurie Scott, Minister of Labour

16. Todd Smith, Minister of Government and Consumer Services, and Government House Leader

17. Lisa Thompson, Minister of Education

18. Michael Tibollo, Minister of Community, Safety and Correctional Services

19. Jim Wilson, Minister of Economic Development, Job Creation and Trade

20. John Yakabuski, Minister of Transportation

21. Jeff Yurek, Minister of Natural Resources and Forestry

Interesting facts about the Ford cabinet:

- The cabinet at 21 members is smaller in numbers than former Premier Kathleen Wynne's last cabinet, which had 28 members.
- Twenty five of Ford's 76 member caucus are women. The cabinet includes 14 men and 7 women.
- It includes 7 members from the Greater GTHA, 4 members from south western Ontario, 3 members from central Ontario, 4 members from eastern Ontario and 3 members from northern Ontario.
- 14 members of Ford's new cabinet were members of the Tory caucus in the last provincial parliament.
- 3 members have previously held cabinet positions: Ernie Hardeman previously served as Agriculture Minister under Mike Harris. Jim Wilson held multiple portfolios under both Mike Harris and Ernie Eaves. Greg Rickford served at the federal level under Stephen Harper as Minister of State and Minister of Natural Resources.

Who Will Really Manage the New Ontario Government?

In Ontario's parliamentary system, governments tend to be highly centralized in the Office of the Premier. The direction taken by a government and its ministers is normally under the control of a handful of non-elected political aides in the Office of the Premier.

In the case of our new Progressive Conservative government it's rumoured and/or reported that those people will be:

Principal Secretary – Jenni Byrne

- Trusted advisor to former Prime Minister Stephen Harper who eventually served as his deputy chief of staff
- Managed the federal PC's winning campaign in 2011 and losing campaign in 2015
- Served as director of field operations in the Ontario PC's May/June 2018 campaign that put Doug Ford in the Premier's office

Chief of Staff – Dean French

- Served as the Ontario PC's campaign chair
- Serving on the new government's transition team
- Long-time political ally and friend of Ford

Director of Policy – Mitch Davidson

- Served as director of policy under former PC Party leader Patrick Brown
- Has worked for the PCs at in various capacities Queen's Park for about 5 years
- Worked on Ford's campaign and helped shape the campaign platform

Director of Issues Management – Andrew Kimber

- Served as deputy director of issues management for the PCs during the time when Tim Hudak was leader
- Had a significant role in the PC campaign

Deputy Chief of Staff – Aman Massoudi

- Served on the staff of former Toronto Mayor Rob Ford
- Believed to be a trusted friend of the new premier

Deputy Chief of Staff - Simone Daniels

- Her Linked-In page says she's the director: sales, government relations & marketing at the Ford family's business, Deco Labels
- Served on the new government's transition team

- Earned a BA in sociology from York in 2010

First Actions of Ontario's New Government

We anticipate that among Premier Ford's first actions will be the following:

- Engage an outside third party consultant to conduct an audit of the province's finances. We anticipate that this review will confirm the already public opinion of the Auditor General of Ontario but none-the-less will allow the new premier to say that things are far worse than he had ever expected. This is a pretty standard script for a new government that allows them to walk back expensive spending promises made during the election campaign
- Fire the government appointed members of the Hydro One board of directors and appoint new ones to ensure the firing of the provincial transmission utility's CEO
- Extricate Ontario from the cap and trade emissions trading system with Quebec and California. This will prove to be very expensive as Ontario generates billions annually in revenue from the cap and trade auctions.
- The strike by contract faculty at York University has been resolved and those workers are back at work. However, two other bargaining units, research assistants and teaching assistants remain on strike. Ford could convene a brief session of the legislature during the summer months to introduce and pass back-to-work legislation if these labour disputes continue
- Initiate some kind of a review of the sex education curriculum to placate Ford's social conservative supporters
- Amend the provisions of the Bill 148 amendments to the Employment Standards Act that call for an increase of the minimum wage from \$14 per hour to \$15 per hour on January 1, 2019
- Draft a budget over the summer that lays out the government's plans for the first regular session of the 42nd Ontario Parliament and introduce it early in the fall 2018 session. The budget will have to undo proposed new spending announced by the former government in March 2018
- Fight the federal government's authority to impose a carbon tax on Ontario taxpayers all the way to the Supreme Court
- Freeze all government hiring, forbid hospitality spending, place strict limits on discretionary spending, travel only when absolutely necessary

Brain Drain in the Public Service

Whenever there is a new regime at Queen's Park, a number of experienced senior public service executives, usually close to retirement and who do not intend to stick around for

“the distance”, will choose to move on to pursue other opportunities. There are currently 29 Deputy Ministers in the Ontario government and we anticipate there may be a few who will depart for lure of new challenges and more money in the private sector.

WSIB Rate Framework Policies Approved

In August of 2017 the WSIB initiated consultations with stakeholders with regard to draft policies to support the Rate Framework Modernization initiative which is scheduled to be implemented on January 1, 2018. The policies addressed:

- Coverage Status
- The Classification Structure
- Single and Multiple Premium Rates
- Associated Employers
- Premium Rate Setting
- Employer Premium Adjustments

Employer representatives including COCA were highly critical of the vague and open-endedness of the first versions of the policies. The most controversial policies dealt with multiple rating and associated employers. Many meetings were convened to discuss and make improvements to the draft policies and there were several redrafts. The WSIB listened to employers and improvements were made including the following.

- An expanded list of ancillary activities
- The rules for multiple premium rates based on meeting one of two significant business tests
- An expanded associated employer test which will treat many companies as associated that are not currently so defined
- Expanding the premium adjustment time period for most retroactive premium adjustments from the current year plus 2 years (up to 3 years retro) to current year plus 3 years (up to 4 years retro)

These policies have been finalized and now appear on the WSIB's website. Click on the following link to read the policies:

http://www.wsib.on.ca/WSIBPortal/faces/WSIBDetailPage?cGUID=WSIB071228&rDef=WSIB_RD_ARTICLE&_afLoop=274218317212868&_afWindowMode=0&_afWindowId=9te94bsrj_51#%40%3FcGUID%3DWSIB071228%26_afWindowId%3D9te94bsrj_51%26_afLoop%3D274218317212868%26rDef%3DWSIB_RD_ARTICLE%26_afWindowMode%3D0%26_adf.ctrl-state%3D9te94bsrj_84