QP BRIEFING

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1). THE FUNDING PORTAL – WEEK OF APRIL 17

By: Sabrina Nanji

Who got funding from the government this week?

Funding for the week of April 17, 2017 under Canadian federal and provincial grants and business incentive programs reached $972 million, up from $644.5 million during the previous week.

Top Sector. Community & Nonprofit is the top sector this week, attracting $845.5 million, 87 per cent of total incentives.

Top Region. Alberta is the top province this week, securing $580.5 million, accounting for 60 per cent of total national disbursements this week.

Top Recipients in Ontario.

Artscape Daniels Launchpad receives $5.25 million from Canadian Heritage and FedDev Ontario to become a multi-use arts hub that will function as an entrepreneur centre, incubator, and co-working facility for artists and cultural workers across a variety of disciplines.
The Childhood Obesity Foundation receives $3.1 million to lead the development and dissemination of Living Green and Healthy – A Mobile Program for Youth and their Families.
Six projects in the Temiskaming Shores region receive $1.5 million in funding to support business development and growth, economic diversification, youth, and community infrastructure.

Sectors

https://fundingportal.com/blog/wp-content/uploads/2017/04/image-15.png

Provinces

https://fundingportal.com/blog/wp-content/uploads/2017/04/image-14.png

2). Purchase: A 'get me through the night' housing policy

By: Bryne Purchase

In my last couple of columns, I noted that governments are typically very tardy in their efforts to take the punch bowl away from a party. They wait until it is a crisis, obvious to everyone - and most importantly beginning to threaten the government itself - before acting.

A corollary of this thesis is that governments place a very high discount rate on any impacts beyond the next election. It is a kind of "tyranny of the present" in the making of public policy.

Especially in a crisis, as the one now facing Premier Kathleen Wynne, governments care very little for the future because, for them, there is no future unless they win the next election.

So, their policy prescriptions have a distinct "get me through the night" quality. It's all about the government and its survival, and not so much about long term or wise public policy.

Which brings me to the Premier's "Fair Housing Plan." Just like her "Fair Hydro" policy, I think almost every thoughtful person would assess Wynne's housing plan as "good politics, but bad public policy."

The headline proposals, such as extending rent controls to all rental units and the "non-resident speculation tax" on foreign buyers, have more to do with positioning the Liberals relative to the NDP than addressing the underlying problem.

In my view, the reason Wynne's plan is bad public policy is not simply that rent controls will act to discourage rental supply and induce other debilitating social behaviour. Nor is it because the tax on new foreign buyers, as proposed, will have little material effect on the speculative demand for housing.

My fundamental objection is that the Wynne government's primary initiatives do not deal with the long-term issue – the supply of developable land. Unless we can engineer a vast increase in housing density, we are headed for continuous trouble on this front.

The fundamental problem has two main drivers. First is the increasing concentration of Ontario's population in a relatively small geographic area, centred on the Greater Golden Horseshoe.

Population growth is driven by immigration and immigrants congregate primarily in the Greater Golden Horseshoe, along with young adults migrating in from the hinterlands.

The second driver is that there is a high probability that interest rates will remain at historically low levels for quite some time yet. There is an excess of global financial capital available relative to low-risk, private business investment opportunities. The result is continuing low interest rates.

One important implication is that real estate, in a growing population centre, becomes an attractive investment for everyone.

Therefore, the fundamental long-run issue, as I see it, is the availability of land. It's not the price of labour or the materials that go into residential construction that is driving up costs so dramatically. Land is the constraining factor in the growth core of the province.

As long as housing demand keeps rising relative to this fixed geographic resource, land prices will keep rising and everyone in the market will be a speculator. People will earn more from the increasing value of their property, especially after tax, than they can from a lifetime of work.

Only by increasing housing density - building skyward - can we alleviate the problem. Somehow we have to increase housing density, especially if we want some green space left.

Yes, there will be cyclical booms and busts in housing. It's happened twice before in my adult lifetime. It could and probably will happen again. But the long-run forces driving rising land values will remain.

To be fair, the Wynne plan has a few throwaway initiatives aimed at housing supply. But far more thought is needed.

Queen's Park has to develop a long-term perspective on the implications for real estate, and therefore for the economy, and for social inequality, of a relentless increase in the value of land in a relatively small part of the province.

Moreover, politicians at Queen's Park will have to take the lead and will inevitably have to override municipal governments on this issue.

I'm not holding my breath until any of this happens of course. But if it does, it will be because a political party and a leader comes to power with the key ingredients of a long-term plan already developed.

3). Flynn teases ‘multi-pronged response’ to Changing Workplaces review ahead of mid-May release

By: Sabrina Nanji

Those eagerly awaiting the public release of a report intended to modernize Ontario’s employment laws won’t be kept in suspense much longer, the Labour Minister signalled Tuesday.

In mid-May, the province will get a peek at the recommendations for the two-year Changing Workplaces review, which landed on Minister Kevin Flynn’s desk weeks ago. The report is being translated and prepared to comply with accessibility laws, a step that can take several weeks.

“If the translation goes as it’s scheduled … and there’s no reason to believe that it wouldn’t, then Ontarians should expect to see this report around mid-May,” Flynn told reporters after question period.

Flynn also seemed poised to make changes based on recommendations from special advisers tapped to steer the review – labour lawyers C. Michael Mitchell and John C. Murray – but isn’t offering any hints on what they might be.

He only said people can expect a “multi-pronged response” from the government, and teased a smorgasbord of potential types of updates to the Employment Standards Act of 2000 and Labour Relations Act of 1995.

“You’re going to see very prompt action from the government. We’re already starting to get our minds around some of the things that we need to be working on; some of it will be policy-driven, some of it will be of a regulatory nature, and some of it will probably be in a legislative form as well,” he said.

His spokesperson said in an email later that the government is still determining its response to the recommendations. Flynn has previously said he will discuss the recommendations with stakeholders this summer and that new legislation could potentially come as early as the fall.

The government embarked on the Changing Workplaces review in 2015 to address the spike in part-time and temporary work, which has grown nearly twice as fast as standard employment in Ontario over the past two decades, according to the government.

Since then, the special advisers have consulted with the public, business and labour groups, and released a 300-page interim report that outlined several "options" for how to modernize labour laws, but fell short of actual recommendations. Again, the special advisers consulted with stakeholders to draft the final recommendations. The interim report was meant to prod businesses, mostly satisfied with the status quo, into providing more detailed input.

After this much work, Flynn said everyone should expect there are “some changes that need to be made to ensure Ontario keeps up.”

“I’m liking what I’m seeing,” he said of the recommendations.

“I believe the advisers, from what I’ve seen to date, have accepted the reality of those changes and know that there needs to be a government response … They’ve listened. I can tell very,

very clearly from the recommendations that are coming forward, that they've taken every viewpoint on this really important issue into account," the minister added.

What's clear is that the government's promise to address precarious employment will be something of a balancing act between organized labour and employers.

The Ontario Federation of Labour held a news conference at Queen's Park Tuesday morning calling for the speedy release of the report. OFL president Chris Buckley said he hopes the governing Liberals won't use Changing Workplaces as a 2018 "re-election tool." He urged the government to "take updating its employment and labour laws off the backburner" ahead of Thursday's budget.

The OFL was backed up in question period by NDP deputy leader Jagmeet Singh, who wanted to know, "Now [that] the Changing Workplaces review is in, what are you waiting for? Where's the action?" The NDP has previously charged the government with moving like molasses on the review, to which Flynn has responded the government is taking the time to do the review right, not just quickly.

Buckley, alongside other labour groups, reiterated what they want to come out of Changing Workplaces, including making it easier for workers to join a union, expanding the legal definition of employee to "stop misclassification" of workers as independent contractors, equal pay for equal work, and removing the 85-plus exemptions that exclude certain occupations, such as IT professionals, agricultural workers, janitors, pharmacists and residential care workers from basic employment standards, including statutory holiday and overtime pay.

Many of those exemptions are in industries where there are vulnerable workers in precarious jobs, according to the advisers' interim report.

On the other hand, businesses under the umbrella group Keep Ontario Working, headed by the Ontario Chamber of Commerce, say those exemptions should remain because they take into account "sectoral differences in the organization of work and its cost."

Keep Ontario Working also wants to maintain the secret-ballot vote required when certifying or decertifying a union, in order to uphold a worker's democratic rights. The group also said the challenge of unpredictable work that the government is targeting "can be solved by improving employer and employee awareness of workplace rights and subsequently enforcing, with greater regularity, violations of those rights."

The Canadian Federation of Independent Business said in March that it too was on "pins and needles" awaiting the final report's release, and expects the government to consult on any potential reforms.

4). Liberals move to calm for-profit fears ahead of community care takeover

By: Geoff Zochodne

A changing of the guard next month in Ontario's community health-care sector has the NDP and not-for-profit outfits concerned about more privatization seeping into the system.

The Liberal government's Patients First Act, passed late last year, allows the Grits to shift the responsibility for home and local care from the province's 14 community care access centres to its 14 local health integration networks. Health Minister Eric Hoskins said Tuesday that transition begins in earnest next month, and that the CCACs and their responsibilities should be completely absorbed by the LHINs come the end of June.

The decision was made to reduce bureaucracy and improve community care. But, as a result of the move, the LHINs will take on contracts already signed between the CCACs and some for-profit businesses, which provide services such as nursing and physiotherapy. This has the not-for-profit sector and the NDP sounding the privatization alarm.

"The Wynne government didn't have a mandate to privatize Hydro One and the Wynne government doesn't have a mandate to privatize our public health care system either," said NDP home-care critic Teresa Armstrong during Monday's question period.

In response, Hoskins said he had he had written a letter to the LHINs, asking for a "moratorium" on new contracts with service providers, as the health ministry is still in talks with the LHINs and other groups about how best to provide community care. Hoskins said the CCACs' contracting out for community care services was "roughly even" between non-profit and for-profit providers.

"I don't want to rock the boat," Hoskins told reporters Tuesday. "I want to maintain as much status quo as possible just to ensure that the patient care remains what it is."

Deborah Simon, CEO of the Ontario Community Support Association, said Hoskins' letter isn't strong enough.

"It's a pause, that's all it is right now," said Simon. "Our support of the Patients First Act was really very contingent on respect for not-for-profit community support service delivery and we wouldn't have supported that legislation without really strong assurances that regulations would be put in place, not letters to the LHINs or policy guidelines."

The OCSA, which represents more than 250 not-for-profit groups, such as Meals on Wheels, said it had pressed the government to close the "loophole" that puts the for-profit contracts on the books of the LHINs, which had been limited to contracting with not-for-profits only. The OCSA had sought a regulation to close the so-called loophole, "grand"-parenting the CCAC contracts but limiting LHINs to contracting with non-profits only.

"What we were looking for was real protection within the legislation itself," Simon said.

The government, however, is still consulting and keeping its options open. In the meantime, the LHINs will only be allowed to enter into new agreements with not-for-profits.

“The ministry recognizes that it is necessary to have additional stakeholder discussions about the provision of community support services,” said Hoskins’ letter. “In the interim, it is my expectation that LHINs will put a moratorium on and not enter into new contracts with service providers while the above discussions are taking place. However, LHINs may continue to enter into new accountability agreements with approved agencies.”