QP BRIEFING

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1). SEEN: LIBERAL MPP MARIO SERGIO TO RETIRE AHEAD OF 2018 ELECTION

By: Sabrina Nanji

Veteran MPP Mario Sergio will not be running again in 2018, the Ontario Liberal Party said Monday, shortly before it announced his would-be replacement, Deanna Sgro.

Sgro is expected to be nominated to run for the Grits in the new riding of Black Creek—Humber River on July 24, the party said in a release. That's where Sergio, who represents York West, would have run under the newly mapped districts for the next election.

Sgro is the daughter of Liberal MP Judy Sgro, who represents the area federally. She is also a lawyer working as general counsel and vice-president corporate services at a North American-leading customer management firm, the release noted.

“I am excited and honoured to follow in my mother’s footsteps and enter public service,” Sgro said. “I share Premier Kathleen Wynne's vision of investing in our schools, health care and transit, and creating a fairer society."

Sergio was first elected to Queen's Park in 1995. Before that, he was a North York councillor for nearly two decades. The former minister responsible for seniors affairs stepped down from cabinet last spring, saying he wanted to make way for a new generation.

Sergio said in a tandem release his two decades as MPP "has been an amazing experience."

“It is an absolute profound honour to serve my constituents and the opportunity to serve in cabinet and witness the dedication and leadership of Premier Kathleen Wynne is something that means a great deal to me," he said. “I will cherish recollecting the many memorable events and the pleasure to have known thousands of beautiful people. I want to say a big ‘thank you’ to the hundreds of volunteers making every election a memorable one."

Sergio plans to dedicate more time to his wife and family when he retires, the release added.

2). Summer hearings for new labour law kicks off with focus on $15 minimum wage

By: Sabrina Nanji

The Liberal government's proposed $15 minimum wage was front and centre Monday during the first stop on a province-wide public-hearing tour that kicked off in Thunder Bay, Ont.

On the one hand, business groups upped resistance efforts and commissioned an economic impact analysis – while organized labour orchestrated "solidarity breakfasts" in celebration of the proposal that will gradually increase the base wage to $15 an hour by 2019, up from the current $11.40.

The change is included in Bill 148, the Liberal government's proposed Fair Workplaces, Better Jobs Act, which is being studied by an all-party legislative committee over the next two weeks. The bill is expected to pass, with possible amendments, before the end of the year.

It features a $15 minimum wage, which was not formally included in the mandate of two special advisers appointed to lead the two-year Changing Workplaces review, and therefore was not given the same level of scrutiny as other provisions under the current Labour Relations Act and Employment Standards Act in the 400-plus-page final report, which was informed by extensive public and stakeholder consultations and helped design the new law.

The committee's summer tour kick-off provided an opportunity for proponents and naysayers to relay and reiterate specific concerns.

The Thunder Bay Chamber of Commerce raised alarm bells over the speedy implementation of the new base wage, which would rise to $14 per hour Jan. 1, 2018, and increase to $15 by Jan. 1, 2019, after which it will be tied to inflation starting that October. Of the 900 some-odd employers the Thunder Bay chapter represents, at least three have said the increase in employee wages will force them to shutter, according to Jim Stadey, the local board president.

Stadey echoed much of what Keep Ontario Working — an umbrella organization for employer groups that formed in tandem with the Changing Workplaces review — did in an open letter penned to the premier. The letter, released Monday, outlined Keep Ontario Working's plan to commission its own economic impact analysis of a $15 minimum wage after months of pushing the government to do so without satisfaction. The report will be publicly released in August.

"Due to the Government of Ontario's unwillingness to appropriately test the economic impacts of your legislation, the Keep Ontario Working coalition has commissioned our own thorough and comprehensive assessment to fully evaluate the damage these changes will generate," said the letter signed by the Ontario Chamber of Commerce, Restaurants Canada, Canadian Franchise Association, Ontario Federation of Agriculture, Retail Council of Canada and others.

Businesses are not totally opposed to a higher minimum wage, but say it is being rolled out at too quick a pace.

"There is no way to absorb and adjust to a 32 per cent hit in less than 18 months, the bulk of which is an even more unmanageable 23 per cent increase a mere seven months out," they said.

Keep Ontario Working's missive comes two weeks after one from more than 50 economic experts lauding the $15 minimum wage. That letter – signed by economists Lars Osberg and Craig Riddell among others – said raising the base wage "makes good economic sense," pointing to higher productivity, low turnover and better on-the-job training.

Such support was mirrored in submissions from organized labour and worker and poverty reduction advocates, including Poverty Free Thunder Bay, Norwest Community Health Centres, Lakehead Social Planning Council, Thunder Bay & District Labour Council, and the local United Food and Commercial Workers union at committee.

Angie Lynch, a social worker at the Anishinabek Employment and Training Services, told MPPs a higher wage floor will help some of the most vulnerable people break from the "cycle" of low income.

She cited a homeless man the agency helped find a job that paid $15 an hour. Before finding the job, the man had to access a food bank and was living in a shelter, but after gaining "meaningful employment" he was able to afford rent and a stable home for his family and enroll in an engineering program at the local college.

Without a stable income he wouldn't be in the position he is now, Lynch said.

Labour Minister Kevin Flynn said the wage hike will increase the standard of living for about one quarter of Ontario's work force.

"While some choose to put the bottom line ahead of people working hard to provide for their family, our government believes in protecting all citizens, creating better opportunities for all workers, and giving families hope and confidence about the future," the minister said in a statement.

"With these changes, living standards will rise and reliance on benefits will fall as businesses pay more fairly. Higher wages also lead to greater job satisfaction and productivity, less turnover and more spending power for lower income earners," Flynn said.

Concerns were also raised about the number of occupations that remain exempt from basic employment standards, which the government committed to reviewing separately later this year.

In particular, the Ontario English Catholic Teachers' Association wants to see liquor servers earn the general $15 minimum wage, rather than having a special, lower wage that is often justified because it may be offset by tips.

Meanwhile, the Ontario Federation of Labour is hosting "solidarity breakfasts…to celebrate the province-wide effort to improve the lives of working people" and to rally support for advocates making submissions at committee this month.

"It is essential that workers make themselves heard at hearings on Bill 148, to ensure that it goes far enough in supporting decent work across this province. Ontario workers need laws that will raise the floor for all workers, and make it easier to join and keep a union," OFL President Chris Buckley said in a release.

The finance and economic affairs committee will hold hearings in North Bay, Ottawa, Kingston, Windsor, Kitchener, Niagara Falls, Hamilton and Toronto. The deadline for written submissions is July 21.

Bill 148 includes several other provisions for updating Ontario's employment laws, including expanded vacation and emergency leave, equal pay for equal work regardless of whether someone is employed part-time or full-time, and an easier path to a union.

3). Seen: Ontario sending firefighters to besieged British Columbia

By: Geoff Zochodne

The Ontario government said Monday that the province will send more than 100 firefighters out west to help British Columbia combat numerous blazes that are tearing through its forests.

A statement from Ontario Natural Resources and Forestry Minister Kathryn McGarry said the province "is stepping up" to help B.C. in its time of need.

"Firefighting personnel and equipment will be leaving for B.C. this week," said McGarry. "At this time, support includes over 100 frontline firefighters. While the exact locations are still being determined, firefighters will [be] deployed from across Ontario."

B.C. declared a provincial state of emergency last week after dozens of wildfires broke out across the province.

McGarry said her ministry has determined Ontario still has the resources it needs to fight any forest fires back home "should we start to experience an escalating situation here."

"Across this country, our forests play an incredibly important role in the health and biodiversity of our communities and in the climate change mitigation of our planet," added the minister. "Our thoughts are with the people of British Columbia and with the emergency responders who are working tirelessly day and night."

4). PCs promise to give greenhouse growers a carbon tax break

By: Geoff Zochodne

Progressive Conservative Leader Patrick Brown still supports putting a price on carbon emissions as a way to combat climate change. What's more, the Tory chief now says his party would give Ontario's greenhouse industry a break on its carbon taxes.

"The next election will be about change for the better versus the status quo," Brown said Monday in a release. The release bore a dateline from Kingsville, a southwestern Ontario town. The region is the hub of the province's fast-growing greenhouse sector.

"We will scrap Wynne's Cap-and-Trade Scheme and give the greenhouse industry relief," added Brown. "Life will be better under our government for the greenhouse industry."

Brown is on the record supporting a revenue-neutral or revenue-negative carbon tax on greenhouse gas emissions, rather than the Liberal government's cap-and-trade system, which the PC leader has vowed to do away with. Cap and trade began in Ontario in January, and two auctions of carbon-emitting permits have been held since, increasing fuel costs for consumers and businesses.

But the Tories pointed out that other provinces, namely Alberta and British Columbia, cut their greenhouse farmers some slack. In B.C., the industry gets a grant covering 80 per cent of the carbon tax they pay on natural gas and propane used to heat greenhouses and produce carbon dioxide. The gas is consumed by the plants and turned into oxygen (also known as photosynthesis).

Ontario's cap-and-trade costs apply to natural gas distributors, who pass the cost on to their customers via their bills. The PCs are suggesting that a Tory government would give greenhouse growers a discount on the province's carbon price, as is being done out west.

"Since greenhouses use the carbon dioxide they produce, there is a business case to exempt them from carbon pricing," said the Tory press release. "In addition, our greenhouse industry competes against jurisdictions without carbon taxes and therefore they should not pay carbon taxes on products they export."

Brown tweeted out a video Monday afternoon of him strolling through a greenhouse and vowing to scrap the Liberals' cap-and-trade system and help growers. "If I become premier, the only way taxes will go is down," he says in the clip.

Greenhouse farmers had already been voicing concerns about the Liberal government's policies, particularly the plan to increase the province's minimum wage from its current $11.40 to $15 by 2019. "For a sector still recovering from an onslaught of regulatory burden and government-imposed costs, such as cap and trade, paying an additional $3.60/hour for each worker is an insurmountable hurdle," said the Ontario Greenhouse Vegetable Growers in a June 1 release.

And the province's greenhouse industry is on the upswing. The OGVG said in a fact sheet that their industry employs approximately 13,000 people. The farm gate value of their crop in 2015 was also around $820 million, most of which is exported to the United States.

But Brown's embrace of carbon pricing has caused him some trouble among diehard anti-taxers. As one example, former Tory Jack MacLaren said he opposed such a thing, a stance he is now free to take as an ex-PC MPP and current member of the Trillium Party.

UPDATE: Environment Minister Glen Murray's office responds:

"Ontario needs a realistic approach that balances action with affordability to fight climate change. Patrick Brown’s carbon tax scheme – which he carefully avoided mentioning today – accomplishes neither. His scheme would cost families and businesses four times more without guaranteeing any reductions. It would also scrap the investments we are making to help businesses reduce costs, including up to $115 million over four years for agricultural businesses like greenhouses.

The harm Patrick Brown would cause to the sector doesn’t end there. His opposition to the Fair Hydro Plan means greenhouses using under 500 kW would no longer be eligible for the 25 percent reduction on their bills. Should he choose to scrap the Industrial Conservation Initiative, larger greenhouses would lose the chance to save as much as one third off their bills too. Our recently announced $19 million Greenhouse Competitiveness and Innovation Initiative, intended to help the industry lower production costs, increase productivity and improve quality, could also be at risk.

The reality is that despite opposition claims, Ontario’s greenhouse industry is growing. The independent Ontario Greenhouse Vegetable Growers expects the industry to keep growing by about 150 acres a year. Producers like NatureFresh and Greenhill Produce have also recently announced expansions totally over $100 million that will create hundreds of new jobs, building on the 81,000 jobs already here.

In this environment, Ontario needs a balanced plan to fight climate change. And with the federal government moving forward with a plan that will soon see all of Canada covered by a carbon price, we need a solution that makes sense for Ontario. That’s why our plan, which includes a cap on the pollution businesses can release into the air, is best. It guarantees emission reductions at the cheapest price for people and the economy while also reinvesting every dollar to help keep costs for business low. Patrick Brown’s inefficient, ineffective and unaffordable carbon tax scheme doesn’t even come close."

5). Consumer services minister open to further clamp-downs on travel ad tricks

By: Christopher Reynolds

In the wake of new rules prohibiting hidden fees on travel package ads, Consumer Services Minister Tracy MacCharles said she's open to even tougher measures to crack down on fraud, misleading promos and deceptive deal-hawkers abroad in the travel industry.

"We're very open to strengthening laws if that's in the interest of consumers," MacCharles said Monday.

"Travelling is one of your biggest purchases, right next to buying a house or a car … So I think it's very important to me that consumers are protected by strong legislation."

The minister's remarks came partway through a review of the Travel Industry Act, last updated in 2002 – just when direct online booking and websites like Expedia.ca began to bypass traditional agents, many of whom still met with customers in person and routinely took cash payments.

New measures making it illegal to advertise travel packages without displaying the total cost up front – including all fees and taxes – kicked in Jan. 1, 2017. But concerns linger around law enforcement in a market whose roots now spread across the globe.

"It's a global industry that we're working in today. And there are limitations on what we can do with companies that are outside the province," said Richard Smart, president and CEO of the Travel Industry Council of Ontario (TICO).

Smart remained vague on how fresh legislation could ensnare certain vendors, such as hotels or out-of-province tour operators. He said he was optimistic following conversations with stakeholders and in-person consultations with the public.

"Everything is on the table right now and there's been a lot of good ideas floated by both consumers and industry," Smart said at a press conference Monday morning at the Union-Pearson Express terminal in downtown Toronto.

"A great majority of these travel purchases are done by credit card. We all know that credit card fraud is a significant issue for the industry," he added.

Per current legislation, the roughly 2,500 travel agencies and wholesalers across the province must be registered with TICO, which administers and enforces the Travel Industry Act. Individuals vending travel deals, however, are not registered.

"Although they need to be accredited to do such services today, they're not registered and they're not monitored the same way as agencies. So we've heard from consumers that that's an area that needs to be strengthened," Smart said.

Administrative monetary penalties are one enforcement tool under consideration for cases "where revoking registration is not warranted," according to a legislative review from earlier this year.

Agencies must run out of a “permanent place of business within the province,” according to current regulations. Travel-booking companies are hoping that that added overhead will fall by the regulatory wayside, given the rise of agencies that deal with consumers online and over the phone.

Clearer language around travel insurance, a “Travellers’ Bill of Rights,” mandatory registration for home-sharing sites like Airbnb, and looser audit requirements for agencies are all options under discussion, according to the review.

Last year, nearly 80 per cent of travel bookings were made online, according to the Ministry of Government and Consumer Services. While the number of travel agencies and wholesalers declined nearly 20 per cent between 2000 and 2015 due to closures and consolidations, those left standing saw collective revenue climb to $16 billion in 2016, more than 1.5 times their gross income a decade earlier.

MacCharles called on consumers and businesses to give feedback on possible changes at ontario.ca/TravelActReview before July 24.

The legislative review comes as the province looks to toughen rules around unscrupulous real estate agents.

In 2012, Ottawa rolled out new rules requiring airlines to include a ticket’s bottom-line price — no fees or taxes excepted — in their ads.