MINISTER DUGUID COMMENTS ON FEBRUARY JOB NUMBERS

March 10, 2017

Time / Location:

10:30 a.m. / Ontario Investment and Trade Centre, 35th Floor.

Speakers:

Minister Duguid

Media Attendance:

Print – 3 TV – 0 Radio – 0

Media Outlets:

Jones – CP; Benzie – Star; Smith Cross – QP Briefing;

Statement:

Well let me start off by saying that today's job numbers really demonstrate that Ontario is experiencing one of the most exciting periods of economic growth and job creation we've seen in a very long time. And as I always say when I start off these discussions, these numbers do fluctuate from month to month. So you can't take too much out of one of the month's job numbers. But (inaudible) when you do look at the trends, that's where it really gives you an opportunity to really provide some good analysis.

So last month Ontario added 4,600 new net jobs. Full-time jobs were up 53,200; part-time jobs went down 48,600. Ontario's unemployment rate decreased to two point – 6.2 per cent from 6.4 per cent. That means we haven't had a lower unemployment rate than today's unemployment rate in over ten years. In fact the last time the unemployment rate was lower than that was October 2007. Shouldn't say more than ten years; it should say closer to ten years. This is the seventh straight month in a row that we've added 111,000 – seven straight months in a row of employment growth. And we haven't seen that in close to 14 years, that consecutive period of employment growth in a row so – so when I talk about trends, that's the kind of trends I'm talking about, so that's very, very positive news. In fact, in the last seven months alone we've created 111,400 net new jobs, and in fact the unemployment rate is now (inaudible) lower than the Canadian average for 23 consecutive months.

On a longer-term basis, we've finally broken the 700,000 net-new-jobs-created threshold since the – since the recession. So we're now up 702,200 net new jobs since the global recession. Now I want to stress this because in this age of people throwing information around that sometimes not correct from the opposition side, we've seen that in the last few days. 95 per cent of those 700,000-plus jobs are full time. The majority are private sector, and the majority are paid above-average wage. The only reason I don't have those exact numbers right now is Stats Can's website is down today. I usually (inaudible). They're upwards of 75 to 80 per cent (inaudible).

Ontario's – as we've said before – is leading the G7 in growth for the first three quarters of this past year. RBC predicts our growth will continue into 2017, in and around two to 2.5 per cent range. We're leading Canada in foreign direct investment; in fact we've been the highest jurisdiction for foreign direct investment for two out of the last three years. All that being said, we need to continue our efforts to build our economy and to create jobs because we're looking at a fiercely-competitive global economy that's moving extremely fast, faster than ever before, and if we pause just for a second, our competition can overtake us. At the same time, there are regions in the province that still are not competing at the level that other regions are. So our focus remains on ensuring that all regions of the province experience that economic growth, and that our people in the province as well that may not be feeling that they're attached to this – this prosperity that this province has been experiencing over the last number of years. One of our priorities as a government is to ensure that every Ontarian benefits from this period of sustained economic growth.

One of the things that we've recently – measures we've recently taken that helps in that respect will be our Fair Hydro Plan where residents will see a 25 per cent of their hydro bill cut. That's the biggest electricity rate reduction, as you know, in Ontario history. It also applies to small businesses that consume less than 50 kilowatts per month, and farms. We're for businesses – and all businesses will see some relief – but for many of those medium-size manufacturing and food processing plants, they're now going to get access to the Industrial Conservation Initiative, where they'll have the ability to save close to a third of their energy costs from that. That's going to make them even more competitive than they already are, which is great news for those businesses.

We're still working hard to make Ontario the easiest place in the world in which to do business, and we're determined to continue to do that. We just – the Legislature just recently passed the Burden Reduction Act, and it's now just awaiting Royal Assent. That act makes 150 amendments to over 50 statutes that will save Ontario businesses about $30 million. In fact, we've saved Ontario businesses since 2011 $122 million and 5.4 million hours of time. So we're determined to continue to drive changes that will make Ontario the easiest place in the world in which to do business.

I want to touch on another program as well that's helping – that will help us continue to grow our – our start-up companies and scale-up companies during this period of high technological change. One of the challenges businesses sometimes have is penetrating government for their contracts and procurement. One of the things that – problems government sometimes has is being able to tap into next-generation and the newest-possible innovation that can help us serve the people of Ontario even better and more effectively. So we launched last week the Small Business Innovation Challenge. That challenge invests $28.8 million for businesses to create cutting-edge, made-in-Ontario solutions to help government address challenges that up to now we've had some difficulty addressing. And I'll give you two examples of that. One is digital identity, where there's a need to have a single login ability from any device for our residents. So that would include mobile phones and tablets to access government services including things like their own electronic health records. Currently some businesses have that kind of capability, but most governments don't. So we're asking our businesses – and we're putting out a request for proposals for smaller businesses – to present us with ideas as to how we can – we can change that and ensure that people can log in to government from any of those devices.

The second is an interesting one as well. If you see those HOT lanes where we have vehicles that have more than one person to sometimes two or three people in them, they can travel in those lanes during different times. There's a challenge determining how many people are actually in a car. And there's been people (inaudible) try to fool the system, so we do need a way to determine vehicle occupancy. We need a way to determine if the car has the minimum number of people in it using those HOT lanes. So we're looking to some of our tech firms here in the province for ideas as to how we can tackle that challenge, and I can tell you we've done some outreach to them already and there's incredible technology out there that will help us do this. So what we want to do is give those tech firms, those start-ups and scale-up firms a platform for them then to be able to take global once they help our province solve some of our challenges. So we're (inaudible) do about eight challenges overall, but we're starting with those first two, so to sum up, another great day. Now it's seven months in a row of watching or seeing our job numbers increase in the province. The lowest level for unemployment that we've seen since over a decade or close to a decade ago, which is great news for Ontarians. We will continue to stay focused on our efforts to keep growing the economy, keeping our economy more competitive, and keep reaching out to those Ontarians that are not yet feeling or relating to some of the economic growth that we're seeing. So I'm happy to take your questions now.

Media Questions:

Q. Jones: What have you been hearing from businesses who don't get the 25 per cent and also don't get the ICI, the ones who will only see a two to three per cent reduction? What are you hearing from them?	Well, remember, all businesses will see some level of reduction in the range of two to four per cent. They're still going to see some level of reduction. I think that – and we've had some discussions about this – we're going to continue to reach out to all businesses across this province and those

	that do not get the 25 per cent and many who (inaudible) now are able to get that Industrial Conservation Initiative to save up to a third of their – their costs, many – some of those businesses now are smaller than the larger businesses used to be and may not have the capacity within their businesses to understand those programs, or even know what's available to them. In fact, we've talked to businesses in recent days. Some actually (inaudible) significantly-size businesses that still don't – have not taken advantage of the Industrial Conservation Initiative. So we're going to partner with the Ontario Chamber of Commerce and they're going to do outreach to those medium-size businesses in particular, and smaller businesses, so they – to ensure that they can get access to a lot of the conservation initiatives that are already available through our Save-on programs, but in addition to those that qualify to the Industrial Conservation Initiative. For those other businesses, we're going to continue to ensure we have the lowest effective corporate tax rates in North America, which we've had for some time now. That gives them a competitive advantage. And we're going to continue to reduce the regulatory burden, where we've seen 80,000 regulatory burdens reduced since (inaudible) 2011. So we're going to continue to work with those businesses as well.
Q. Jones: Do you have any sort of ballpark idea of what percentage of Ontario businesses fall within that medium range, that only qualify for the two to four per cent?	That's a good question. I can give you the range in terms of the energy usage. Those that are consuming 50 kilowatts and under, and that be per month and that would be their peak usage, would be eligible for the 25 per cent off. Those that are over 500 kilowatts would be eligible for the Industrial Conservation Initiative. There are a lot of businesses that would be in between. There would – you would expect that most manufacturing companies and food processing companies, medium-size companies, would now qualify for the Industrial Conservation Initiative. But there may be some that may not use as much power as others, then they find themselves in that gap area.
Q. Benzie: Minister, you don't have any details on the – on the accord – Health Accord by chance?	You've already been told that, haven't you? No I don't. But we – it will be forthcoming very soon. I understand that a statement will be coming out. I think we're trying for 11 o'clock. I don't know. Staff: yeah, 11 o'clock (inaudible). Minister Duguid: Confirmed 11 o'clock. So there you go.
Q. Smith Cross: I noticed that when you talked about the – some of the good things in the economy, you also mention that not everybody is feeling that. (Inaudible) why do you take care to talk about that?	Because I think it's really important that – that we continue. I mean, we're a Liberal government. We're a Liberal government because we believe that – that we – and we care deeply about every single person in our society, whether it's person with a disability, whether it's our young people, who have an unemployment rate that's unacceptably high and continues to be at double the current unemployment rate. We're not going to rest – or whether it's,

	you know, newcomers, you know, we have to care about all Ontarians because if all Ontarians can participate in our economy, if all Ontarians can – can experience a great quality of life, that's going to help our economy grow even more. So as technology changes, as we see jobs for instance for young people in the retail sector, where most of us probably got our first jobs, changing, and those opportunities becoming a little less, we've got to continually look for ways as a government to creatively find opportunities for our young people to find work experience as they're going through high school and onto university. And Deb Matthews is all over this right now and I can tell you that our premier who was the author of the original jobs – Youth Jobs Strategy where we saw I believe it was well over 30,000 now young people that got access to job experiences, are continually looking at the ways that we can try to address youth unemployment. We see it as still a serious issue and something we want to continue to work on.
Q. Smith Cross: Is this about not seeming out of touch? Because often (inaudible) with the government and you're saying 'the economy is doing so well' and some people don't feel it. Does this kind of combat the (inaudible)?	It's about being in touch. It's about being in touch and being connected and – and caring about every single person in this province. It is great news that we're experiencing, you know, economic growth that we haven't seen in a decade. It's great news that our unemployment is at a rate that we haven't seen in close to ten years. That's – that's good for a lot of Ontarians, but our job as a government is to (inaudible) that all Ontarians benefit from – from that prosperity, and we're determined to find ways to do that.
N.B.: Comments captured are not verbatim quotes	

Prepared by:

Jonathan Colford, Senior Issues Analyst