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From: "Law, Sally (CAB)" <sally.law@ontario.ca>
To: "@CAB-QP Briefing" <cab-qpbriefing@msgov.gov.on.ca>
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QP BRIEFING

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Articles

1). Union Gas reviewing winter disconnection policy after St.

By: Jessica Smith Cross

A house in St. Thomas had its gas cut off overnight, leaving one tenant huddling under blankets and other tenants seeking emergency accommodation — and exposing a loophole in the province's legislation banning winter gas and electricity disconnections.

The incident prompted Union Gas to review its voluntary policy on winter disconnections.

Landlord Aurel Pauser told QP Briefing he's furious the gas to his property was cut off Monday over his failure to pay a $500 deposit owed to Union Gas.

“This is serious, this is not June, July,” he said.

There are five rental units in the large, two-storey residential home, which relies on natural gas for heating, hot water and cooking. When the gas was cut off, it left one tenant, an older woman with a disability, huddled under blankets, while other tenants, including a mother and baby, were forced to sleep elsewhere overnight, Pauser said.

He paid what he owed the following morning, and Union Gas confirmed that the gas has was

turned back on.

Pauser said he'd missed the deposit in the first place because a business partner had failed to alert him about the arrears notices that began arriving after he bought the property in September, so he wasn't aware he owed any money — but he was adamant that all he owed was the $500 deposit and $300 for the property's current bill.

Union Gas would not confirm details of the billing issue, citing privacy concerns.

In any case, no one disputes that the tenants were left in the cold — something that legislation the provincial government passed last year was intended to prevent.

The province passed the Protecting Vulnerable Energy Consumers Act in February 2017, giving the Ontario Energy Board the power to stop electricity and natural gas distributors from cutting small-volume customers — residential and commercial — in the wintertime.

The OEB has moved forward with its power to stop electricity companies from making winter disconnections, but did not take action on the natural gas side.

According to Union Gas spokeswoman Andrea Stass, the OEB order didn't extend to natural gas because the company already had voluntary policies against disconnecting residential customers in winter months, as does Enbridge.

However, the property in question was listed as commercial, and fell outside of the company's voluntary moratorium. Stass said property owners, or ownership companies, can register their properties as commercial even if they have residential tenants in them. Some multiresidential properties remain registered as commercial because that used to mean they would get a lower rate, even though the residential and small commercial rates are now the same.

"In talking with our customer service group, they're going to be reviewing that policy as it pertains to smaller, tenanted properties," Stass said. "It's prompted by this situation — and I believe it's the right thing to do, to take a look at that policy and make sure the spirit of the what the OEB was attempting to do is captured there."

Spokeswoman Alexandra Day said the OEB is consulting with consumers and others on customer service rules for both natural gas and electricity distributors, "to assess how effective the OEB's rules have been and whether they continue to serve the needs of consumers."

"Rules relating to disconnection for non-payment and related service charges are a key part of that review," Day said. "Any customer with concerns or issues about their natural gas service can contact the OEB's Public Information Centre at 1-877-632-2727."

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2). In Brief: Ms. Wynne goes to Washington, GTHA housing pri Doug Ford on women

By: Christopher Reynolds

The premier flew down to Washington, D.C., Wednesday to plead the case of the auto and construction industries, and the cause of free trade.

With visits and chats with 33 governors under her belt, Kathleen Wynne sat down with U.S. chief negotiator on NAFTA John Melle, along with senators and congressmen from Michigan, Wisconsin, Ohio New Jersey and New York, among other trade officials.

Top of mind is New York's "Buy American" provision — pared down from its original form but still protectionist — that is slated to take effect April 1. The law would restrict some companies from bidding on certain government infrastructure contracts. Wynne has vowed to table retaliatory legislation when the house resumes sitting Feb. 20 — setting the stage for a tit-for-tat trade war.

"I am pleased that New York State has modified its Buy American legislation to be less harmful to Ontario than earlier versions, but it's not enough," Wynne said in a statement. Stressing free trade as a gateway to widespread "opportunities for our people," Wynne said the law "will undermine the spirit of our partnership and give their workers an unfair edge.

"I have no choice but to respond by introducing legislation of our own. Our U.S. partners need to know that if they choose protectionism, they will pay a price."

Meanwhile, interim PC leader Vic Fedeli questioned Wynne's threat. "Initiating a trade war with the United States is a last-ditch election ploy ... to deflect the blame for her disastrous economic policies."

"As the Mayor of North Bay, I successfully led the charge against Buy American policies with a mayor to mayor plea. But, the Premier using this as a political tool to cling to power is nothing short of reckless, especially during this critical time in the NAFTA negotiations," Fedeli said.

"The Ontario PCs will review and consider the legislation when it comes forward."

Housing values in the Greater Toronto Hamilton Area have more than doubled over the past decade, according to a Re/Max Integra report.

Home prices in the Toronto area leaped nearly 120 per cent to $823,000 between 2007 and 2017, pricing many out of the market. Hamilton saw a 110-per-cent jump to $576,000

The report found low interest rates, population growth, and "unprecedented equity gains" all fed the steep rise of Ontario's six largest housing markets: the GTA, greater Hamilton, Kitchener-Waterloo, greater London, Ottawa and Windsor, in descending order of average home value.

Of those, the slowest increase was in Ottawa, where the average price of a house, townhouse or condominium appreciated 44 per cent to $392,000 over 10 years.

"Lower borrowing costs helped to jump-start the province's real estate engine, creating one of the most dynamic housing markets in recent history," said Christopher Alexander, executive vice-president of Re/Max Integra for the Ontario-Atlantic region. "For existing homeowners, especially those who purchased early in the decade, the equity gains realized have exceeded all expectations."

Despite a strong economy, Alexander predicted the rapid ascent will not continue, citing more stringent lending criteria.

The PC Leadership candidate offered his thoughts to the Toronto Sun today on how he'll stack up in a leadership race against two likeable female candidates.

"I figure I'm the only politician in Ontario that has to deal with five women in their house every single day. So I can quite easily handle Christine and Caroline," he said, in an interview with Sun Editor-In-Chief Adrienne Batra, who happens to be his brother's former press secretary.

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3). Chamber of Commerce issues warning about lack of confide

By: David Hains

The Ontario Chamber of Commerce warns that business owners throughout the province are losing confidence in the economy.

In a Wednesday morning presser at Queen's Park, the OCC's new president, former PC MPP candidate Rocco Rossi, delivered the message from the organization's 2018 economic report. "Industry in Ontario are feeling the impact of the rising minimum wage, significant labour reforms, increasing global and U.S. competition, NAFTA renegotiations, consistent overregulation, rising input costs, and challenges to accessing talent," he stated.

The report says 26 per cent of Ontario small businesses that took the chamber's survey project declining revenue in 2018. The number of businesses that are confident in Ontario's

economic outlook declined by one percentage point over the 2017 report, while the number of businesses that lack confidence increased by seven percentage points. Nearly two-thirds of businesses that lack confidence cited input costs, such as hydro and the minimum wage, as the reason for their outlook.

"Confidence is the canary in the coal mine," Rossi warned. "It is the thing that determines what businesses are going to do in terms of their own investment decisions."

The negative perspective is at odds with the message from the government. In recent months the Liberals have touted record job numbers, an unemployment rate at 15 year lows, the Fair Hydro Plan that has lowered energy costs 25 per cent, and a small business tax cut that accompanied the minimum wage hike.

A statement from Economic Development Minister Steven Del Duca sought to push back against the OCC report.

"Ontario's real GDP growth has exceeded that of Canada and all other G7 nations for the past three years, we've created more than 800,000 net new jobs, unemployment is at its lowest rate in 17 years, corporate profits are high and — as the report points out — business prosperity is at a 20-year high," he stated, going on to outline particular Ontario cities and how many jobs they've added.

But the OCC issued a caution about the job numbers, too, with Rossi arguing that they come amid a decline in the labour participation rate, and should thus be viewed with more skepticism (some economists dispute that this is a significant factor in the unemployment rate).

"We don't want to be doom and gloom, but we want people to be aware of the full story," said Rossi when asked if Ontario's strong job growth numbers are a reason for optimism.

The OCC report also cautioned that, while the Business Prosperity Index – which measures resources retained by businesses — improved by 2.5 percentage points over last year, companies often sat on the additional cash or reinvested it in financial instruments, which doesn't bring the same benefits to the broader economy.

PC finance Critic Lisa MacLeod noted that recent U.S tax cuts may also have an impact on the Ontario economy, especially to border cities.

"There is no question in my mind that organizations like the Ontario Chamber of Commerce have been warning this Liberal government that their economic plan is dangerous for the future of the province," she told reporters.

The OCC report also outlined the organization's priorities for the coming year, including housing affordability, transportation and infrastructure, and health care.

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