
CFRB INTERVIEW WITH PREMIER KATHLEEN WYNNE

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CFRB: Ontario yesterday announcing it's going to raise the minimum wage to \$15 an hour by 2019, they're going to ensure equal pay for part time workers and increase the minimum vacation entitlement. All that is part of a major labor overhaul. To talk about it is Ontario Premier Kathleen Wynne. Madame Premier, welcome to the show.

PREMIER KATHLEEN WYNNE: Hey, Ryan, how are you?

CFRB: I'm very well, thank you. Let's start off with this plan. Why was this plan brought out with zero cost benefit analysis and how do you feel doing that is fair to business?

PREMIER WYNNE: Ryan, we asked for this report two years ago. We commissioned a report on the changing workplaces. There has been a lot of conversation, lots of studies done on the uncertainty of the workplace and how the nature of work has changed over the last 10 years, 15 years. And, you know that's got to do with technology; it's got to do with the global economy. We knew that we needed to update our laws, so we asked for this report. We've gotten 173 recommendations. We we're implementing many of them, and this is about fairness, Ryan.

CFRB: But have you done zero – have you done cost benefit analysis of this plan?

PREMIER WYNNE: Well, Ryan, I know that that's what the Ontario Chamber of Commerce and the opposition are asking for. What we know is that people are having trouble paying for their lives. People are having trouble making ends meet, and people are having trouble keeping their jobs because there's more part time work, there's more contract work. They're having trouble scheduling. So, you know, yes, we've done an investigation into that and we know that that means that people have less money to invest, to pay in their communities, they are less certain in their work and that's what we're trying to address.

CFRB: Then why not show the business community those numbers if you do in fact have the cost benefit analysis of this plan?

PREMIER WYNNE: What will work with the business community, I've said quite clearly, we'll work with the Ontario Chamber of Commerce. They've been they've been partners on many other things, and we'll work with them, and there'll be lots of data that we'll be able to glean. We're not ahead of the pack here. There are other jurisdictions that have moved in this direction, and as I say, there are studies that have been done that demonstrate all across the continuum.

CFRB: Madam Premier, I've got to say then that's a 'no' to doing cost benefit analysis of this plan, and that's a 'no' to releasing those numbers, yes?

PREMIER WYNNE: So the implications of these changes have been studied. We have looked at them, and we're quite confident that these changes will make for a more stable, more productive workforce.

CFRB: Do you have any concept of the devastation this 32 per cent hike is going to have on business?

PREMIER WYNNE: Ryan, there are already hundreds of businesses across this province, small and medium and large businesses, that have moved to these changes already. And so, I understand that there are businesses that are worried about this. It's why we're phasing in the increase of the minimum wage, for example. It's why, when we talk about scheduling, we're going to work with different sectors to see what will work best for them, and there will be differences from sector to sector so we're going to work very closely with the business community. But Ryan, this is about people who are not able to pay for their lives. They're not able to support their families on the minimum wage (inaudible).

CFRB: But you're saying you're now putting that onus on business as opposed to doing something in government to make it more affordable. Let's talk a little bit about –

PREMIER WYNNE: Let's talk about the things that we are doing in government because, Ryan, we are providing free tuition for young people this September over 200,000 people –

CFRB: Madame Premier, we have talked about those things in the past. With all due respect, we've had those conversations in the past. I want to talk about –

PREMIER WYNNE: But Ryan, sorry but those are things that we are doing that are going to help people immediately.

CFRB: Yeah, but at the same time it's going to have a cost down the road, but we'll get to that. Let's talk about one of the sectors.

PREMIER WYNNE: No, no. Ryan, sorry but helping young people go to university and college and giving them free tuition; first of all, that's something that government is directly funding and you are talking about government helping and 'we will pay down the road.' We will benefit down the road from young people having an education. So I just, you know, we just have to be honest here about what government is doing and how that's going to benefit people.

CFRB: Let's talk about the automotive sector then. I spoke to multiple business owners today, one in the automotive sector, hundreds of employees in this company. The last increase in minimum wage to \$11.60 cents cost their business close to a 5 per cent hit on their bottom line. They told me that this increase will further chase business to the United States. It will make automation a priority over people, that you will be the Premier that kills the auto sector in Ontario. Is that how you want to be known, the executioner of Ontario's auto sector?

PREMIER WYNNE: We've been huge supporters of the auto sector as you know. Hundreds of millions of dollars have gone into the auto sector and, Ryan, we're in competition with jurisdictions like New York, like California, like Alberta that are already moving or have moved to a \$15 minimum wage. So, you know, I want to be competitive, and that's why we've made investments. We've made investments in the auto sector and in advanced manufacturing that

we've been criticized for but we know that we've got to attract the best talent here and keep it here.

CFRB: But Premier, there are a lot of jurisdictions in the United States that are very palatable that will roll out the red carpet. Alabama, for example, they will roll out the red carpet to automotive businesses, and they're left with no other choice but to take their companies and take them out of Ontario and bring them somewhere else. We're not rolling out the red carpet here. We're actually rolling it up.

PREMIER WYNNE: Well actually that's not true. We've got a highly competitive tax rate in Ontario. We've got the most highly educated workforce pretty much in the world. When I travel the world, the number one reason that people come and bring their businesses to Ontario is because of our highly skilled workforce. We've worked very closely with organizations like GE, like GM, manufacturing and auto sector companies. So I'm very confident that we're going to continue to be competitive in the auto sector, and quite frankly –

CFRB: That's not what the industries are telling me.

PREMIER WYNNE: Well you know what, quite frankly, many, many of those businesses have already moved to a wage that is that is higher than \$15 an hour, in any case. And you know what; we want to make sure that people can actually afford to buy cars, Ryan, because if people can't buy the products that are being produced by these companies, then the economy's not going to grow.

CFRB: As a part of this, you've also significantly lowered the threshold to unionize a private business, so why are you kissing up to the unions? Is it because we're one year away from an election?

PREMIER WYNNE: Ryan, the only sectors that we have – we're going to increase that flexibility is in the cleaning sector, so business services, and temporary workers, and personnel and community care. So we did not change those rules across all private business. You got that wrong.

CFRB: But you did cozy up to the unions in some industries and sectors as you just admitted.

PREMIER WYNNE: Well, I talked about vulnerable sectors, yeah. I believe that organized labor has contributed to the civility of our society, and so where we have particularly vulnerable sectors, most of which by the way are staffed by women who are not in the same position to have a voice as in other sectors, yeah. We're going to make sure that they have protection and that if they want to organize they're not going to be intimidated.

CFRB: Another part of this is that employers must pay equal pay for part timers even if they do the same job as full timers. How many part time jobs do you estimate will be phased out as a result of this?

PREMIER WYNNE: My hope is that not many, but the reality is, if you're working in a business and you're doing exactly the same work as the person standing beside you and you're being paid at a different rate just because you're part time, I think that is absolutely the contradiction of fairness. What this is about is about fair workplaces and better jobs. That's what we're aiming for.

CFRB: You talked about free tuition, you've talked about hydro relief in the past, and minimum wage, now Pharmacare. All of this sounds like great free stuff, but there are astronomical costs associated with it that we will have to pay after the election. Are you willing to admit that?

PREMIER WYNNE: Ryan, you know, we've worked very hard over the last four years. When I came into office, I was very clear that we were going to work to eliminate the deficit by 2017-18. We've done that. We've got the first balanced budget in almost a decade.

CFRB: Well hold on. The Financial Accountability Officer today –

PREMIER WYNNE: I know what the opposition is saying.

CFRB: No, the Financial Accountability Officer, not the opposition. They said today that, in fact, the budget isn't going to be balanced. The deficits will return in 2018 and continue for years. That's what the FAO said today.

PREMIER WYNNE: The Financial Accountability Office laid out two scenarios. He laid out the projections that we – and he agreed with the projections that we've got in place by the way, and then he laid out that the Auditor General has, you know, she has a different opinion about the pension asset. We brought in external experts and we've taken the advice of the external experts, and based on that, our budget is balanced and will stay in balance. So we've done that and we did that because we kept increases to public sector employees at net zero over the last number of years. We worked very, very hard across government to keep costs down, and now the budget is in balance, and we know we need to make investments in the people of this province because they're in a global economy that's very uncertain. That's why we're going to support them in their workplace.

CFRB: Premier Wynne, thank you for joining the show today.

PREMIER WYNNE: Thanks Ryan. Bye.

CFRB: That's Ontario Premier Kathleen Wynne.