

JULY 2018

In This Issue

- 1 Prompt Payment Update
- 2 COCA's Priorities
- 2 Summer Session Could Last Three More Weeks
- 3 New Government's Top Priorities Passed Into Law
- 4 Bill Introduced to Cancel Ontario's Participation in Cap and Trade
- 4 Our New Provincial Government's Priorities
- 5 Sex Ed Curriculum

Prompt Payment Update

We have been in contact with officials in the Ministry of the Attorney General (MAG) and here's what we think is likely to happen:

- Briefing materials are being developed by MAG staff that will be provided to the Attorney General (AG) and her political staff for their review
- Ministry staff will brief the AG and her political staff with regard to provisions of the Construction Act that are scheduled to come into force in October 2019, namely the payment regime and adjudication scheme; they will brief her on the work that remains to be done which includes policy development, the creation of the Authorized Nominating Authority (ANA), the development of a construction disputes adjudication training program by the ANA, the creation of a roster of adjudicators by the ANA
- The Attorney General and her political staff will consider the briefing information before giving ministry staff the green light to proceed

Every member of the PC caucus in the last parliament supported *Bill 142 Construction Lien Amendment Act* when it passed through the Legislature and they were all re-elected on June 7th. So thankfully the new Construction Act was not on the chopping block after our new government took office. The provisions of the Construction Act that modernize the Construction Lien Act came into force as scheduled on July 1, 2018, after the general election.

Because the new Construction Act is not believed to be among MAG's highest priorities, it may be a while before ministry staff has the opportunity to brief the Attorney General and get the process moving forward.

COCA's Priorities

Going forward, COCA's priorities are as follows:

- Ensure that the new Construction Act is fully implemented as intended
- Work with our members and the government to address the shortage of skilled labour in the construction industry; modernize the apprenticeship system and make it easier for contractors to take on apprentices
- Work with our members and the Workplace Safety and Insurance Board (WSIB) to ensure Ontario's compensation scheme is highly efficient and serves the needs of the workers and employers effectively, gets injured workers back to health and back to work in a timely way, offers competitive premium rates and provides best in class service excellence
- Work with our members and the government in the development of a long-term infrastructure plan with annual investments to ensure Ontario's public infrastructure supports our economy and our way of life
- Work with our members and the government to ensure that community benefits clauses in public procurements are fair and reasonable for contractors
- Work with our members and the government to make improvements to the province's workplace health and safety system with the goal of reducing workplace fatalities, injuries and illnesses

We have already begun to arrange meetings with officials in the new government to look for ways to advance our mutual interests.

Summer Session Could Last Three More Weeks

At the beginning of the speedily called summer session of the Ontario Legislature, our new government announced that its immediate priorities were:

1. Extricating Ontario from the cap and trade emissions trading system
2. Removing and replacing the Hydro One board of directors and getting rid of its CEO
3. Ending the strike at York University
4. Cancelling the White Pines wind energy contract to construct a wind farm in Prince Edward County

Give the new government full credit for getting to work quickly. With the passage of *Bill 2*, priorities numbers 2, 3 and four above have been checked off. Priority 1, getting Ontario out of the cap and trade system, is now underway with the introduction of *Bill 4*

JULY 2018 - GOVERNMENT RELATIONS UPDATE

Cap and Trade Cancellation Act. We understand that Premier Ford has stated that the summer session could last two or three more weeks, perhaps until mid-August. This would provide time for *Bill 4* to pass through the legislative process and become law before the summer session is adjourned.

New Government's Top Priorities Passed Into Law

Bill 2, Urgent Priorities Act was introduced on July 16th, passed second reading, third reading and received Royal Assent on July 25th. As its title would suggest, the Bill addressed three of our new government's top priorities. It:

1. Enacts the Hydro One Accountability Act, which:

- requires the incoming board of Hydro One to establish a new compensation framework for itself and for the utility's CEO
- gives cabinet veto power over this compensation framework and any future changes to it
- requires Hydro One to publish a record of the total annual compensation paid to executives
- requires the Ontario Energy Board to exclude any compensation paid to the board and its CEO from ratepayers' bills.

2. Enacts the White Pines Wind Project Termination Act, which:

- Terminates the contract with wpd Canada to build a wind farm in Prince Edward County, retroactive to July 10, 2018
- Provides for government funds to pay out wpd Canada for expenses incurred
- Bars wpd Canada from suing the Province or the IESO.

3. Enacts the Back to Call Act (York University), which:

- Terminates the strike at York University
- Authorizes York and the union to jointly appoint a mediator-arbitrator to provide a final chance for the parties to reach a collective agreement.

Bill Introduced to Cancel Ontario's Participation in Cap and Trade

Bill 4, Cap and Trade Cancellation Act, 2018 was introduced in the Ontario Legislature by the Minister of the Environment, Rod Phillips, on July 25th. If passed the Bill:

- repeals the Climate Change Mitigation and Low Carbon Economy Act and removes Ontario from the cap and trade system with Quebec and California
- provides very limited compensation for very limited companies that have purchased carbon credits
- bars companies from suing the government on grounds relating to this legislation
- requires the Minister of the Environment to establish targets for reducing greenhouse gas emissions and to prepare a climate change plan and to prepare progress reports in respect of the plan

We anticipate Bill 4 will pass third reading and receive Royal Assent before the Legislature adjourns until the fall.

Our New Provincial Government's Priorities

Our new government's priorities were listed in the Speech from the Throne that opened the hastily called emergency 42nd Parliament of Ontario on July 12, 2018. Those priorities are for the government to:

- Take action to reduce gas prices.
- Lower hydro bills
- Provide meaningful, necessary tax relief to parents, small businesses and the working poor
- Scrap the cap-and-trade carbon tax here in Ontario, and oppose other carbon tax schemes in all of their forms
- Work cooperatively with the federal government to stand up to tariffs and make sure Ontario's best interests are reflected in the NAFTA negotiations
- Continue the operation of the Pickering Nuclear Generating Station
- Reduce the regulatory burden for entrepreneurs
- Call a Commission of Inquiry into the financial practices of government to identify ways to restore accountability and trust in Ontario's public finances
- Conduct a thorough, line-by-line audit of all government spending that will identify and eliminate duplication and waste
- Restore public confidence in Ontario's electricity system — starting with Hydro

JULY 2018 - GOVERNMENT RELATIONS UPDATE

One.

- Return Ontario to a balanced budget on a timetable that is responsible, modest and pragmatic
- Work collaboratively with doctors, nurses and other healthcare practitioners to ensure we have a system that treats everyone fairly while putting the interests of patients first.
- Add 15,000 new long-term care beds over the next five years and \$3.8B in mental health and addictions, including supportive housing
- Scrap the experimental 'Discovery Math' curriculum and focusing on the fundamentals that allow our children to succeed
- Replacing the current sex-education curriculum with a new age-appropriate one that is based on real consultation with parents
- Increase supports for parents of children with autism
- Respect municipal partners, including respecting the wishes of rural municipalities by putting an end to green energy contracts that have been imposed on them over local objections
- Honour Canadian heroes of the war in Afghanistan by building a new monument
- Free Ontario's police services from onerous restrictions that treat those in uniform as subjects of suspicion and scorn
- Ensure police have the tools, support and resources they need to enforce the law and protect innocent families from the menace of drug, gun and gang-related violence
- Expand the sale of beer and wine to convenience stores, grocery stores and big-box stores

Sex Ed Curriculum

With regard to the health and physical education curriculum that's supposed to be taught in Ontario schools in the 2018-19 school year, we are not exactly certain what's going to happen.

The Minister of Education, Lisa Thompson, has made contradictory statements. She has directed schools to abandon the curriculum that was introduced in schools in 2015 and to revert to the one first taught twenty years ago in 1998. But when questioned about keeping students safe in today's environment, she has stated that some elements of the newer curriculum should be retained.

I'm sure at this point school boards, schools and teachers are confused. However, at the

JULY 2018 - GOVERNMENT RELATIONS UPDATE

end of the day, the reality is it's classroom teachers that control what gets taught in their classrooms. Hopefully, they will hold student uppermost.

The government is expected to launch a widely engaging review of the health and physical education curriculum very soon. This was a promise made to their social conservative supporters during the election campaign and they will deliver on this promise. Promises made, promises kept.

The biggest concern of our new government does not seem to be about the content of the newer curriculum but that not enough parents were consulted in its development. It's believed that in the development of the 2015 course of study more than 4,000 parents, on average one from every school in the province, as well as hundreds of teachers and students, participated in the consultation process. That's a pretty big consultation.

Our new government has promised the biggest consultation ever in the province's history. We expect it to be launched in the near future and that it will be dominated by social conservative interests.