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CONSTRUCTION EMPLOYMENT DECLINES IN NOVEMBER -STATISTICS CANADA'S LABOUR MARKET REPORT

Here are the country-wide highlights of Statistics Canada's November Labour Market Survey copied directly from the report:

- Employment was little changed (+10,000) in November, and the unemployment rate declined by 0.1 percentage points to 5.1%.
- Employment was up among women in the core working ages of 25 to 54, and declined among young men aged 15 to 24. It was little changed among the other main demographic groups. The employment rate among core-aged women reached a new record high of 81.6% in November.
- Employment rose in finance, insurance, real estate, rental and leasing; manufacturing; as well as in information, culture, and recreation. At the same time, it fell in several industries, including construction and wholesale and retail trade.
- While employment increased in Quebec, it declined in five provinces, including Alberta and British Columbia.
- Year-over-year growth in the average hourly wages of employees remained above 5% for a sixth consecutive month in November, up 5.6% (+\$1.71 to \$32.11) compared with November 2021 (not seasonally adjusted).
- After increasing 0.7% in October, total hours worked were little changed in November. Compared with 12 months earlier, total hours worked were up 1.8%.
- In November 2022, more than 1 in 10 (11.2%) workers were employed in the retail trade industry (not seasonally adjusted).
- One-third (33.5%) of workers aged 25 to 54 in Canada engaged in some form of training outside of the formal education system over the last 12 months, by participating in courses, seminars, conferences, or private lessons (not seasonally adjusted).

Digging into the Ontario data for we found the following:

- Total employment in Ontario in November stood at 7,702,000, up 0.3% from October
- Ontario's unemployment rate in November was 5.5%, down 0.4% from the previous month
- Total employment in the construction industry in November stood at 573,900 down from 575,400 in October
- Total employment in the construction industry in November 2022 was up 6.1% or 32,900 jobs versus November 2021

For the full report, click on the following link:

<https://www150.statcan.gc.ca/n1/daily-quotidien/221202/dq221202a-eng.htm>

GOVERNMENT SPENDS LESS THAN EXPECTED IN Q1 AND Q2

Here's the Executive Summary copied from the Financial Accountability Office of Ontario's analysis of Government of Ontario's 2022-23 Q1 and Q2 spending.

Highlights

This report provides information on spending by the Government of Ontario (the Province) through the first two quarters of the 2022-23 fiscal year (April 1, 2022 to September 30, 2022).

The information in this report is based on the FAO's analysis of transactions recorded in the Province's financial accounting system as of September 30, 2022. All figures are unaudited, as final audited figures are not available until the release of the Public Accounts of Ontario after the end of the fiscal year.

2022-23 Spending Plan

The Province's yearly spending plan represents the legal spending authority for ministries as granted by the Legislature through the process of supply. The Province started the 2022-23 fiscal year with a spending plan of \$193.0 billion.

Changes to the 2022-23 Spending Plan

The Province may change its spending plan throughout the year, either by requesting additional spending authority from the Legislature or by reallocating spending among different programs through Treasury Board Orders.

Overall, as of the end of the second quarter, there was no change to the Province's total 2022-23 spending plan. However, by sector, the education spending plan increased by \$371 million, followed by 'other programs' (\$13 million), justice (\$2 million) and children's and social services (\$1 million). This was offset by a \$14 million reduction in the health sector spending plan and a \$373 million transfer from the Contingency Fund.

- In the education sector, the \$371 million increase was for the Catch Up Payments program, which provides a one-time payment to parents of \$200 or \$250 per child enrolled in kindergarten to Grade 12.

First and Second Quarter Spending: Actual Unaudited Spending vs. Expected Spending

In order to manage and monitor its program spending during the fiscal year, the Province divides its spending plan into expected spending by quarter, which reflects historical spending patterns, seasonality and other factors. For 2022-23, the Province expects to spend \$40.7 billion in the first quarter, \$43.3 billion in the second quarter, \$45.0 billion in the third quarter, and \$64.1 billion in the fourth quarter.

Although the Province expected to spend \$40.7 billion and \$43.3 billion, respectively, in the first and second quarters of 2022-23, actual unaudited spending was \$39.9 billion and \$40.6 billion. In total, this was \$3.5 billion (4.1 per cent) less than expected.

- All sectors spent less than expected, led by 'other programs' (-\$1,748 million), health (-\$859 million), education (-\$413 million), children's and social services (-\$244 million), postsecondary education (-\$99 million), justice (-\$59 million) and interest on debt (\$28 million).
- Programs with the largest lower-than-expected spending include Metrolinx and municipal infrastructure projects (-\$887 million), electricity subsidy programs (-\$591 million), Metrolinx and municipal transit operating funding (-\$565 million), public health (-\$502 million), elementary and secondary education programs (-\$304 million) and Ministry of Infrastructure capital programs (\$304 million).

For information on spending by all of the Province's programs and ministries, visit the FAO's website at: <https://tinyurl.com/yc7rn4nz>.

First and Second Quarter Spending: 2022-23 Spending vs. 2021-22 Spending

This report also compares spending in the current fiscal year against spending in the previous fiscal year to provide context for provincial spending trends and to identify significant year-over-year spending changes.

Spending through the first half of 2022-23 was \$3.6 billion (4.7 per cent) higher than during the same period in 2021-22.

- All sectors spent more in the first half of 2022-23 compared to the first half of 2021-22. The largest year-over-year spending increase was in health (\$1,014 million), followed by education (\$879 million), other programs (\$590 million), interest on debt (\$518 million), children's and social services (\$415 million), postsecondary education (\$150 million) and justice (\$18 million).
- Programs with the largest year-over-year spending increases include child care (\$542 million), payments to physicians (\$408 million), drug programs (\$341 million), the operation of hospitals (\$323 million), the operation of long-term care homes (\$252 million), and the autism program (\$167 million).

Unallocated Funds

Unallocated funds are used to address spending pressures or fund program changes during the fiscal year. Unallocated funds cannot be spent directly by the Province but must be transferred to government programs through Treasury Board Orders.

The Province started the 2022-23 fiscal year with a total of \$4.6 billion in unallocated funds in the Contingency Fund. In the second quarter, the Province transferred \$373 million from the Contingency Fund to the Ministry of Education (\$371 million) and Cabinet Office (\$1 million). This results in a remaining balance in the Contingency Fund, as of September 30, of \$4.2 billion.[4]

The full report is available at the following link:

<https://fao-on.org/en/Blog/Publications/2022-23-expenditure-monitor-q2>

STATUS OF GOVERNMENT BILLS

With only four sitting days remaining on the calendar before the legislature rises for its winter break on December 8th, the Government has five Bills on the docket at various stages of the law making process.

- Bill 26, Strengthening Post-secondary Institutions and Students Act, 2022 is at the Third Reading debate stage.
<https://www.ola.org/en/legislative-business/bills/parliament-43/session-1/bill-26>
- Bill 36, Progress on the Plan to Build Act (Budget Measures), 2022 has been ordered for Third Reading.
<https://www.ola.org/en/legislative-business/bills/parliament-43/session-1/bill-36>
- Bill 39, Better Municipal Governance Act, 2022 has passed Second Reading and is at the Committee stage being reviewed by the Standing Committee on Heritage infrastructure Cultural Policy.
<https://www.ola.org/en/legislative-business/bills/parliament-43/session-1/bill-39>
- Bill 46, Less Red Tape, Stronger Ontario Act, 2022 has also passed Second Reading and is being reviewed by the Standing Committee on Finance and Economic Affairs
<https://www.ola.org/en/legislative-business/bills/parliament-43/session-1/bill-46>
- Bill 51, Legislative Assembly Amendment Act, 2022 has passed First Reading and is awaiting Second Reading
<https://www.ola.org/en/legislative-business/bills/parliament-43/session-1/bill-51>

Some of this Government business will no doubt have to be carried over to the spring session. The legislature will resume sitting on February 21, 2023

ONTARIO AND FEDS INK NEW DEAL ON IMMIGRATION

The federal government is responsible for immigration into Canada. Each province has its own unique agreement with the federal government with respect to immigration to their jurisdiction that's designed to meet their specific needs and requirements.

Ontario's agreement with the federal government expired on November 24, 2022

From discussions with Ontario's Minister of Labour Immigration Training and Skills Development, Monte McNaughton, we are aware that he and officials from his Ministry have been engaged with officials in the federal government with a view to changing the deal in a way that would give the Province more control and increase the number of immigrants into Ontario and significantly increase the number of immigrants allowed by the federal government under Ontario's Immigrant Nominee Program

The Immigrant Nominee Program allows Ontario to identify or select an agreed upon number of immigrants with specific qualifications or skills. Under the expired agreement Ontario was allowed to identify 9,700 immigrants per year, increased from 9,000 earlier this year

Because it can take six years or more to recruit and train an apprentice, immigration of workers with construction skills into Ontario is the only near-term solution to our industry's severe skilled trades shortage.

On November 24th, Minister McNaughton and federal Minister of Immigration, Sean Fraser, signed a one-year extension of the current agreement, which could contain an increase in the number of immigrant nominees in 2023, and a letter of intent which is expected to give Ontario more control over immigration into the province down the road. Terms are expected to be made public in the coming weeks.

This is remarkable work by Minister McNaughton and his team and good news for the construction industry.

BILL 46 PROPOSES AMENDMENTS TO WORKPLACE HEALTH AND SAFETY ACT

Bill 46, Less Red Tape, Stronger Ontario Act, 2022 passed Second Reading and was referred to the Standing Committee on Finance and Economic Affairs for review. If passed, it will amend nine statutes:

- ANIMAL HEALTH ACT, 2009
- COURTS OF JUSTICE ACT
- JURIES ACT
- MINISTRY OF AGRICULTURE, FOOD AND RURAL AFFAIRS ACT
- OIL, GAS AND SALT RESOURCES ACT
- ONTARIO ENERGY BOARD ACT, 1998
- ONTARIO SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS CORPORATION ACT, 2022
- PROVINCIAL OFFENCES ACT
- WORKPLACE SAFETY AND INSURANCE ACT, 1997

Schedule 9 of the Act proposes to amend the Workplace Health and Safety Act in the following ways:

1. The definition of “health care practitioner” is amended to remove a reference to drugless practitioners.
2. Section 53 of the Act is amended to include rules governing how the Board is to determine the average earnings of a worker who is an apprentice.
3. Section 159 of the Act is amended to provide that the requirement that the Board obtain the Lieutenant Governor in Council’s approval to acquire or dispose of real property does not apply to real property acquired or disposed of by lease.
4. Section 162 of the Act is amended to provide that the board of directors of the Board must meet at least four times annually.
5. Section 166 of the Act is amended to require the Board and the Minister to be parties to a memorandum of understanding and to review the memorandum of understanding periodically. The requirement that the Board provide the Minister with a strategic plan is repealed.