



**ONTARIO
FEDERATION OF
LABOUR**

PATTY COATES, President

AHMAD GAIED, Secretary-Treasurer

JANICE FOLK-DAWSON, Executive Vice-President

November 28, 2022

SENT VIA EMAIL: Minister.fin@ontario.ca

Honourable Peter Bethlenfalvy
Minister of Finance
7 Queen's Park Crescent, 7th floor
Toronto, Ontario
M7A 1Y7

Dear Minister Bethlenfalvy,

The Ontario Federation of Labour (OFL), which represents fifty-four unions and more than one million unionized workers, is writing to express concern over Bill 36, the *Progress on the Plan to Build Act (Budget Measures)* – legislation that will enact measures from the government's fall economic update.

Schedules 2 and 3: Fuel Tax Act and Gasoline Tax Act

Schedules 2 and 3 are purported to extend the temporary tax cuts of 5.7 cents per litre (gas) and 5.3 cents per litre (diesel), initially planned for six months, to the end of 2023.

At a time when sector after sector is in crisis, this government is choosing to starve public services, forfeiting \$1.2 billion in revenue – on top of the \$645-million cost of the first six months of the program. This is in addition to the fact that the Ontario government is underestimating 2022-23 revenues by \$10 billion according to the Canadian Centre for Policy Alternatives. Moreover, rather than recording a predicted deficit, the province is on track to be in surplus territory by spring 2023. This type of accounting is embedded within decades of underfunding and underinvestment in Ontario's public services, causing communities across the province to suffer.

The Financial Accountability Office reports that Ontario spends the least per capita on program spending compared to all provinces – with our health care spending per person marking the lowest in Canada. Ultimately, the *Budget Measures Act* comes down to choices. Ontario's health care system is at a breaking point; food bank use is sky high; affordable housing is out of reach; educational supports are lagging; and income for workers are behind because of the restrictive impact of Bill 124 and high inflation.

Undoubtedly, Ontarians are facing a cost-of-living crisis, but gas cuts and license plate rebates are not the answer. Given that Ontario's budget remains healthy, now is the time to investment in the people and services that make this province run.

Schedule 7: Pension Benefits Act (PBA)

Section 1(2) of Schedule 7 proposes to amend section 10 of the *PBA*. Among other things, this provision continues to refer to the 'conversion' of benefits provided by multi-employer plans (MEPPs) into target benefits. Conversions would be required, under unproclaimed provisions of the *PBA*, even where the MEPP already provides target benefits.

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Continued reference to the 'conversion' of existing benefits provided by MEPPs into target benefits is misplaced. Most MEPPs already provide target benefits, which already meet the requirements of proposed section 81.0.2 of the *PBA*. Conversion under these circumstances makes no sense and would be confusing, time consuming, and costly for all concerned.

The OFL reiterates its position that it should not be necessary to convert target benefits that are provided by existing MEPPs into target benefits, and that, where an existing plan already satisfies the requirements for target benefits, the conversion process should not be required.

The fall economic statement provides an update to the people of Ontario on where the government's priorities lie. It is about choices, and it is clear that this government continues to head in the wrong direction. The OFL welcomes the opportunity to meaningfully consult with the government on how to best move the workers and their families forward, amid a staggering affordability crisis.

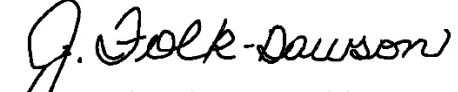
Sincerely,



PATTY COATES
President



AHMAD GAIED
Secretary-Treasurer



JANICE FOLK-DAWSON
Executive Vice-President

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