

### Bill 66, Restoring Ontario's Competitiveness Act, 2019 - City Impacts

**Date:** May 29, 2019  
**To:** Executive Committee  
**From:** City Manager  
**Wards:** All

#### SUMMARY

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At its meeting of January 30, 2019, City Council adopted [MM2.10 Protecting the City of Toronto against potential impacts of the Government of Ontario's Bill 66](#), and directed staff to report to City Council on the impacts on the City of Toronto following adoption of Bill 66, Restoring Ontario's Competitiveness Act, 2019. In its decision, City Council also expressed its opposition to Schedules 3, 5, 9, and 10 of the Bill, which was communicated to the Province.

Bill 66 received Royal Assent on April 3, 2019. Staff have reviewed the final legislation and identified the following schedules as having implications for the City:

- Schedule 2 - Repeal of the Pawnbrokers Act
- Schedule 3 - Amendments to the Child Care and Early Years Act and Education Act
- Schedule 5 - Repeal of the Toxics Reduction Act
- Schedule 8 - Long-Term Care Homes Act
- Schedule 9 - Amendments to the Labour Relations Act

At the time of the Bill's introduction, staff had also noted Schedule 10 – Amendments to the Planning Act as having potential implications for the City. However, this schedule was voted down by the standing committee of the legislature and the proposed amendments to the Planning Act were not included in the final version of Bill 66 that received Royal Assent.

This report provides an overview of those sections of Bill 66 where staff have identified implications, with the exception of Schedule 9, amendments to the Labour Relations Act. The impacts to the City of Schedule 9 are the subject of a separate report going forward to the June 6, 2019 Executive Committee meeting.

## **RECOMMENDATIONS**

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The City Manager recommends that:

1. City Council receive this report for information.

## **FINANCIAL IMPACT**

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There are no financial implications associated with this report.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

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On January 30, 2019, City Council adopted MM2.10 Protecting the City of Toronto against potential impacts of the Government of Ontario's Bill 66, which directed the City Manager to report back to City Council on the impacts of Bill 66 to the City.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.MM2.10>

## **COMMENTS**

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### **Overview of Bill 66**

Bill 66 was introduced on December 6, 2018, by the Honourable Todd Smith, Minister of Economic Development, Job Creation and Trade. Bill 66 was an omnibus "red tape reduction" bill that at the time of introduction amended seventeen different statutes. The Ministry has characterized Bill 66 as a key part of the Province's broader Ontario Open for Business Action Plan.

The Province posted the draft Bill for comment on the Regulatory Registry, and staff made a submission, provided to the Ministry of Economic Development, Job Creation and Trade on January 25, 2019 (see Attachment 1).

On March 20, 2019, during a clause by clause review of Bill 66 by the Standing Committee on General Government, Schedule 10 was voted down unanimously. Schedule 10 proposed amendments to the Planning Act.

Bill 66 received Royal Assent on April 3, 2019. Staff have reviewed Bill 66 and have identified that Schedules 2, 3, 5, 8 and 9 have impacts for the City as detailed below.

## **Schedule 2 - Pawnbrokers Act**

### *Overview of Amendments to the Pawnbrokers Act*

This schedule of Bill 66 provides for the repeal of the Pawnbrokers Act in its entirety. The repeal will be effective upon proclamation by the Lieutenant-Governor (i.e. the Provincial Cabinet will decide when it comes into force and issue an Order-in-Council with that date).

The rationale given by the Province for repeal of the Act is that it is archaic and obsolete. Specifically, the Province has noted the Act is:

- largely unchanged since it was introduced in 1907;
- paper-based and outdated;
- no longer reflective of current practices in the secondhand retail market; and
- duplicative of municipal licensing by-laws.

The focus of the Pawnbrokers Act is to regulate pawnbrokers with a view to preventing the sale of stolen goods and to protect pawnbrokers and their pledges. There is currently no provincial regulation of the secondhand goods industry and the Province does not exercise any regulatory or oversight function of businesses licensed under the Act.

The Pawnbrokers Act grants powers to municipalities to license pawnbroker businesses. The City of Toronto Act, 2006 grants powers to the City to license most businesses, including pawnbroker businesses. Currently, the City licences the following:

- Pawnbrokers: 47 licensees
- Secondhand Shops/Dealers: 394 licensees
- Precious Metal Sellers: 71 licensees

### *City Implications*

The Municipal Licensing and Standards Division will review the Pawnbrokers Act against the relevant by-law provisions in Toronto Municipal Code Chapter 545, Licensing and ensure that pawnbroker businesses continue to be licensed appropriately when the Pawnbrokers Act is repealed. This will be addressed in the context of other potential amendments being considered for the Licensing By-law with regard to regulation of this sector. Staff are currently conducting a comprehensive review of the City's Licensing By-law and will be reporting to committee in Q4 2019.

## **Schedule 3 - Child Care and Early Years Act, 2014 and Education Act**

### *Overview of Amendments to the Acts*

Schedule 3 outlines amendments to the Child Care and Early Years Act, 2014 and the Education Act that will come into force on July 1, 2019.

The amendments to the Child Care and Early Years Act will:

- Increase the number of children under two years of age that one home child care provider is permitted to care for from two to three;
- Increase the number of children that two child care providers are permitted to care for from four to six;
- Increase the number of children under two years of age that an unlicensed child care provider is permitted to care for in a group setting from two to three; and
- Lower the age restriction for children to be registered in an Authorized Recreational and skill building Program from six to four.

The amendments to the Education Act will:

- Remove the requirement that third party programs be led by an early childhood educator or other professional defined in regulation (child care programs will still need to abide by Child Care and Early Years Act staff qualification standards); and
- Re-enact / clarify the requirement that a board must ensure that third party programs are operated according to the Act.

### *City Implications - Amendments to Provider/Child Ratios*

The City's submission on Schedule 3 to the Province identified the City's concerns with the changes proposed to the provider/child ratios for young children. While Children's Services is supportive of the principle of expanding access to different child care options, City staff do not support the changes to the number of children under the age of two permitted in home child care.

Children under the age of two may not be walking or be able to follow instructions. In emergency situations where the need to evacuate is urgent, any adult would struggle to manage three very young children, plus up to three older children. The safety risk is partially, though not sufficiently, mitigated in licensed home child care settings because these are required to conduct emergency preparedness planning and document fire evacuation procedures. However, the risk is unacceptably higher in unlicensed settings. These homes have little to no oversight of any kind, no requirements for emergency planning, and no expectations of caregiver training. In Ontario, this lack of oversight contributes to the fact that most child care deaths already occur in the unlicensed sector. Allowing more very young children in these environments increases the risk to every child in these homes.

The impact of this change on parents could be significant. Parents are attuned to these risks and may not feel confident in using home child providers with more very young

children. As a result, parents will face a choice of either delaying or modifying return-to-work plans, finding a less-preferred option, or leaving their children in a potentially unsafe situation.

Toronto City Council previously endorsed recommendations opposing similar changes: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.CD3.12>.

### *City Implications - Lowering the age restriction for recreational and skill building programs*

Parks, Forestry and Recreation division are not opposed to lowering the age restriction for children to be registered in an Authorized Recreational and skill building Program from six to four as it allows much more flexibility to parents and supports any movement that recognizes Authorized Recreation as quality.

Although the legislative change comes into force on July 1, 2019, the Ministry of Education (MEDU) has not created or released the updated Guidelines. The Guidelines dictate what each Authorized Recreation organization will need to adhere to. Changes to the Guidelines could result in the City needing to make substantial changes to staffing and programs. The ability to respond to and or accommodate increased service pressures potentially resulting from these changes is not accommodated within the current budget and resources.

The City would need to do an assessment of each location to ensure safety and quality is in place for a program that serves children 4 to 12 years of age. Additionally, combining much younger children with older children at different developmental stages could lead to concern from parents (e.g. parents may be uneasy with the inclusion of a 4 year old with 12 year olds, as the younger child could be exposed to and learn inappropriate language or actions from older children). Additional rooms may be required so that the age and stages of children are taken into account.

Depending on the changes to the Guideline, the inclusion of younger children may require staff to have different educational background resulting in changes to job requirements. Lowering the staff to children ratio to accommodate for a younger age group may also be required. These changes could result in major implications to staffing needs.

The After School Recreation Care program is currently budgeted to serve 1,600 children. The inclusion of 4 and 5 year old children could increase service pressures and displace children ages 6 to 12. At its peak, this program has a waitlist of 300 participants. Expanding the program to include children 4 and 5 years of age would likely increase demand and the number of children on the waitlist.

At this time, there is no set date for the release of the MEDU Guidelines. Community Recreation and Children's Services staff will continue working closely with Parks and Recreation Ontario to monitor the release of the Guidelines. The Community Recreation Branch within Parks, Forestry and Recreation will continue to offer after

school programs to children 6 to 12 years of age and make a decision on whether to expand once the Guidelines are released.

## **Schedule 5 – Repeal of the Toxics Reduction Act**

### *Overview of Amendments to the Toxics Reduction Act*

Schedule 5 of Bill 66 repeals the Toxics Reduction Act (TRA) and revokes associated regulations as of December 31, 2021.

The purpose of the TRA was to protect the health of Ontarians and the environment by encouraging all facilities to reduce the use, manufacture and release of toxic chemicals. The Province has indicated that it is repealing the TRA because it duplicates requirements that facilities are subject to by the federal Chemical Management Plan (CMP), and because the TRA has not achieved "meaningful reductions" in toxic substances used, created and released in Ontario.

### *City Implications*

The City's submission on Schedule 5 to the Province identified the City's concerns with the repeal of the TRA. Toronto Public Health has reviewed Schedule 5 and report that the TRA is of value and there are implications associated with its repeal.

Under the TRA, the Province of Ontario publicly disclosed information that Ontario facilities were required to report each year about their use, creation and release of 324 toxic chemicals. The TRA also required facilities to develop pollution prevention plans and tracked their implementation. Some information previously collected by the TRA will continue to be available through sources such as the National Pollutant Release Inventory. However, data about use, creation and content in product will no longer be collected or disclosed. Typical applications for such information include community right-to-know, research, and policy development related to air toxics, human health and the environment. In addition, facilities will no longer be required to develop pollution prevention plans, which outline approaches to prevent and minimize the creation of pollutants and waste.

## **Schedule 8 – Amendments to the Long-Term Care Homes Act, 2007**

Schedule 8 includes amendments to the Long-Term Care Homes Act that will provide Directors of Long-Term Care Homes with greater discretion regarding to whom Long-Term Care licensees would be required to give notice when they withhold approval of admission, as well as the need for public consultations on licensing transactions. The amendments will also provide Directors with additional flexibility to issue temporary emergency licences and short-term authorizations for a longer period of time. The Province's stated intention is to modernize and streamline administrative requirements to reduce the regulatory burden in the long term care sector.

These amendments come into force on a day to be named by proclamation of the Lieutenant-Governor (i.e. the Provincial Cabinet will decide and issue an Order-in-Council with the effective date).

The Seniors Services & Long Term Care Division has reviewed the amendments and has no concerns.

## **Schedule 9 – Amendments to the Labour Relations Act**

Schedule 9 includes an amendment to section 127(1) of the Labour Relations Act, 1995 that would explicitly deem public bodies, including municipalities, school boards, hospitals, colleges and universities as "non-construction employers". Local boards within the meaning of the Municipal Act, 2001 and the City of Toronto Act, 2006 are also included. The legislation provides public bodies, including municipalities and their local boards, with the ability to opt-out of these provisions by notifying the Minister of Labour in writing within three months of the Act receiving Royal Assent (i.e. by July 3, 2019). The decision whether or not to opt out has significant implications for the City, and is the subject of a separate report to City Council.

## **CONCLUSION**

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Bill 66 was introduced on December 6, 2018. Toronto City Council adopted [MM2.10 Protecting the City of Toronto against potential impacts of the Government of Ontario's Bill 66](#) on January 30, 2019, and City staff comments on the Bill were conveyed to the Province on January 25, 2019. Staff will continue to monitor the Province's implementation of Bill 66, and will report back to City Council on any additional implications as required.

## **CONTACT**

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## **SIGNATURE**

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Chris Murray  
City Manager

## **ATTACHMENTS**

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Attachment 1: City of Toronto Staff Comments on Bill 66, Restoring Ontario's  
Competitiveness Act, 2018