



October 13, 2016

Changing Workplaces Review, ELCPB  
400 University Ave., 12th Floor  
Toronto, Ontario M7A 1T7  
Attention: Special Advisors  
C. Michael Mitchell  
John C. Murray

*Submitted via Email*

Dear Messrs. Mitchell and Murray:

**Re: Electricity Distributors Association Response to the Interim Report of the Changing Workplaces Review**

The Electricity Distributors Association (EDA) is the voice of Ontario's local electricity distribution sector, which consists of municipally and privately owned local distribution companies (LDC). The distribution sector delivers electricity to 5 million residential, commercial, industrial and institutional customers throughout the province. The sector employs 10,000 people directly and holds \$19 billion in assets; it has \$1.9 billion in annual capital spending and \$1.6 billion in annual operational spending; and makes hundreds of millions in direct contributions to both municipal and provincial revenues.

The following comments reflect the input received from a significant pool of subject matter experts across Ontario who comprise EDA's councils and caucuses and are representative of the association's membership.

**Current Environment for Ontario's LDCs and their Customers**

The current political environment in Ontario is dominated by concerns over electricity costs for consumers. The government's own response to the issue has been to announce a number of rate mitigation efforts to bring relief to customers. The September 12 Throne Speech outlined major elements of the plan including an eight per cent rebate for the provincial portion of the HST on electricity bills. LDCs are currently working with government collaboratively to implement this and other efforts on rate relief.

**Electricity Distributors Association**

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Ontario's LDCs, who are incorporated businesses, are independently regulated by the Ontario Energy Board (OEB). During an LDC rate application process, utilities go through a comprehensive public process to justify all costs that will ultimately be passed along to their ratepayers. In recent years, the EDA has successfully advocated to increase the scope of utility activities to allow LDCs to enter into new business areas to have the potential to respond to evolving customer expectations. At the same time, LDCs themselves have individually and collectively established strong relationships with their labour partners to build a dynamic sector.

It is in this increasingly cost conscious environment that LDCs continue to operate safely and reliably while they find new and innovative ways to realize efficiencies in the distribution system for the benefit of ratepayers across the province. This is the context in which the EDA has reviewed the interim report of the Changing Workplaces Review.

### **General Comments**

The EDA encourages the government to consider the wide ramifications for all forms of businesses in Ontario when considering the changes suggested in the interim report and in the case of Ontario's LDCs, the implications that increasing costs for LDC business will have on electricity consumers. The EDA advocates that the government maintain the status quo of all provisions and regulations of the *Labour Relations Act* and *Employment Standards Act* at this time.

The EDA acknowledges that the original mandate of the Changing Workplaces Review is to protect workers while supporting businesses in the changing economy. However, after examination of the interim report the association is concerned that a mandate to enhance protection for what are deemed "vulnerable workers" has been broadened and expanded to include all workers in Ontario. The interim report defines vulnerable workers as those in precarious jobs in the context of employment standards and labour relations. There are no vulnerable workers in precarious positions in Ontario's LDC sector and the EDA encourages government to refocus its resources on enforcement of existing laws to assist these individuals.

Ontario's LDC sector actively invests in the development of its workforce and LDCs are often at the forefront of the agenda to increase skills, education and opportunity for current and potential workers. The sector offers competitive compensation across numerous categories and it maintains productive working relationships with labour due to having an approximately 60 per cent unionized workforce. The EDA maintains that any changes to the *Labour Relations Act* and *Employment Standards Act* must be viewed in the context of their implications for those employees and employers who will be needlessly burdened by their adoption.

The interim report and options identified will have immediate and severe increased costs associated with their implementation going forward. Therefore, the options go far beyond what

the EDA can support due to their impact on the LDC business and potential to create confusion between employees and employers about workplace standards and rights. The EDA also cannot support the adoption of any of these provisions due to their adding to an already increased cost burden on Ontario's electricity customers. To assist vulnerable workers, the EDA recommends the government innovate or invest in areas such as enforcement and compliance with existing legal requirements, thereby ensuring all workers including vulnerable workers are provided all of the rights afforded them under the current legislation.

## Conclusion

The *Labour Relations Act* and *Employment Standards Act* have served Ontario well over the last number of years. Their requirements and obligations on employers, including LDCs, are well understood and respected. The EDA does not accept the need for a complex overhaul of Ontario's workplace standards, nor does it agree with any of the individually identified options in the interim report. The EDA therefore recommends that the status quo be maintained under all requirements of the *Labour Relations Act* and *Employment Standards Act*.

If you have any questions about the EDA's submission, please contact Justin Rangooni, Vice President, Policy and Government Affairs at [jrangooni@eda-on.ca](mailto:jrangooni@eda-on.ca) or 905-265-5325.

Sincerely,



Teresa Sarkesian  
President and Chief Executive Officer  
:dn

c.c. Office of the Minister of Energy