

## SEVEN GOVERNMENT BILLS BECOME LAW IN FALL SITTING OF LEGISLATURE

The 2014 fall legislative sitting ended this week with an additional 7 government bills becoming law since the Legislature resumed after the June provincial election. The bills included:

- [Bill 7, Better Business Climate Act](#)
- [Bill 8, Public Sector and MPP Accountability and Transparency Act](#)
- [Bill 10, Child Care Modernization Act](#)
- [Bill 15, Fighting Fraud and Reducing Automobile Insurance Rates Act](#)
- [Bill 18, Stronger Workplaces for a Stronger Economy Act](#)
- [Bill 21, Safeguarding Health Care Integrity Act](#)
- [Bill 35, Security for Courts, Electricity Generating Facilities and Nuclear Facilities Act](#)

## AUDITOR-GENERAL'S REPORT HIGHLIGHTS GOVERNMENT WASTE AND MISMANAGEMENT

In keeping with the tradition of Auditor-Generals throughout Canada, Ontario's Auditor-General, Bonnie Lysyk, found numerous examples of government mismanagement and waste. In that regard, this year's [report](#) is no different in detailing the mistakes of the government. But, what might be different this year is that Lysyk has questioned some of the principles underlining the Liberals' approach to governing. The most obvious example is her detailed review of the Liberals' private-public partnerships (P3s) for building large infrastructure projects. By Lysyk's calculations, P3s have added \$8 Billion to the costs of 74 different projects undertaken. In response to a question by NDP MPP Percy Hatfield (Windsor-Tecumseh), Economic Development, Employment and Infrastructure Minister Brad Duguid (Scarborough Centre) [said](#), "What I can say, though, is that it's incorrect to suggest, as the member is suggesting, that \$8 billion has somehow been lost in these projects. The fact of the matter is, you can't point to a cost without also including the benefit. The benefit, Mr. Speaker—and it's in the report—is \$14 billion in savings as a result of costs that have been shifted to the private sector, which means, when you analyze that with the costs, it's about \$6.6 billion in net savings to Ontarians as a result of the 74 AFP projects that we have presided over."

Lysyk also questioned the Liberals on their assumptions on the success of the installation of Smart Meters meant to reduce electrical demand during peak hours. As well, Lysyk noted that ratepayers will have paid an additional \$50 billion in extra charges to meet the Global Adjustment cost which includes high-priced renewables. Lysyk wrote, "Peak demand reduction targets set by the Ministry of Energy have not been met, ratepayers have had significant billing concerns, and ratepayers are also

paying significantly more to support the expansion of power-generating capacity while also covering the cost of the implementation of smart metering.”

When Smart Meters were initially installed, the Liberals had said the cost would be \$1 billion. With the new \$2 billion cost exposed by the Auditor-General, the opposition parties attacked the government with NDP Leader Andrea Horwath (Hamilton-Centre) saying, “For years, the Liberals have insisted that smart meters would reduce consumption, save people money and cost about a billion dollars. None of this is true, none of it. They haven’t reduced consumption, people are paying more, and the Liberals spent \$2 billion, not \$1 billion, on smart meters. This incompetence is obvious. It is incompetence, plain and simple, no matter how you cut it. Ontarians expect and deserve much better.” As the Liberals attempted to defend their spending, decorum in the Legislature degenerated with MPPs hurling insults back and forth. A number of MPPs were [particularly upset](#) as they felt Energy Minister Bob Chiarelli (Ottawa West – Nepean) challenged the Auditor-General’s understanding of the energy file, some accusing Chiarelli of being sexist.

Some of the other findings in Lysyk’s report were:

- The provincial debt will continue to increase. Lysyk estimates the province’s total debt will hit \$340 billion by 2017-18, even if the province balances its budget by 2017-18.
- There is little action being taken in response to “questionable applications” received through the Provincial Nominee Program for new immigrants.
- The government needs to strengthen its inspection process for licensed daycares.
- There is no policy framework for palliative care, leading to services varying across the province. Lysyk called for an integrated and coordinated system for palliative care delivery.
- The government’s \$216 million loan to MaRS Discovery District is deemed high risk and the lack of transparency around the policy objectives may have created the perception that the government is bailing out a private-sector developer.
- The province does not have the information required to monitor Ontario’s immunization program cost-effectively.
- The government has not put in place all of the recommendations of the Source Protection Committee which was established following the Walkerton water crisis. Fourteen years later, the government is still in the process of reviewing and approving the locally developed source water protection plans envisioned by the committee.
- The provinces defined-benefit pension plans do not currently have enough funds to pay full pensions to their 2.8 million members if they were wound up immediately. As of December 31, 2013, 92% of Ontario’s defined-benefit plans were underfunded compared to 74% as of December 31, 2005.
- To reduce public risk and lower the reoffend rate, the Ministry of Community and Safety needs to better monitor the work of its probation and parole officers to ensure policies and procedures are followed, and to focus its available supervisory resources, rehabilitation programs and services on higher-risk offenders.

- Ministry and agency staff need training to help them do their work more consistently and effectively. Particularly with the Provincial Nominee Program, the Child Care Program (Licensed Daycare), Adult Community Corrections and the Ontario Parole Board, and Residential Services for People with Developmental Disabilities.
- A finding of significant investment in computer applications where the expected accuracy, quality and usefulness of information have not yet been achieved, yet the costs spent on development have exceeded their initial budgets.
- Having timely, accurate and appropriate information is essential to making effective decisions and undertaking the right actions. Unfortunately, in the majority of audits this year, it was noted that many decisions were made without the benefit of complete and accurate information.

As expected, the Auditor-General's report left the Liberals vulnerable to continued charges of mismanagement and waste. With the history of E-Health, Ornge, and the gas plant relocations, the Liberals' reputation took another hit with these latest revelations. Whether they hurt the Liberals' future electoral prospects is unknown, particularly as this report has landed in the first year of their new four-year mandate. But, the Liberals need to be aware that, as they will have been in power for 15 consecutive years at the time of the next election, a reputation of fiscal mismanagement and waste will be a tough albatross to eliminate if the Auditor-General sees no improvements in the future.

### **BILL 8, PUBLIC SECTOR AND MPP ACCOUNTABILITY ACT BECOMES LAW**

After numerous attempts to pass an accountability bill for the public sector, the Liberals, with the support of the Progressive Conservatives, passed Bill 8, *Public Sector and MPP Accountability Act* by a vote of 77 – 17. The NDP voted against the bill. The Liberals say that the bill [will](#):

- Expand the Ontario Ombudsman's role to include municipalities, school boards and publicly-funded universities.
- Require cabinet ministers, parliamentary assistants, opposition leaders and their respective staff to post their expenses online, making Ontario a leader in expense reporting.
- Require the Speaker to post online MPP expense information for out-of-riding travel, hotel accommodation related to that travel, meals and hospitality.
- Allow the government to appoint a Patient Ombudsman to respond to complaints about public hospitals, long-term care homes, and community care access centres.
- Expand the Provincial Advocate for Children and Youth's mandate, providing oversight and new powers to investigate children's aid societies.
- Give the government greater oversight of air ambulance service providers, including the ability to appoint members to the board of directors as well as supervisors and special investigators and measures to protect whistleblowers.

- Modernize lobbyist registration by requiring businesses and organizations to register when their staff spend at least 50 hours per year lobbying government and provide the Ontario Integrity Commissioner as Lobbyist Registrar with investigative powers and the ability to impose penalties, including prohibiting individuals from lobbying for up to two years.

In explaining the NDP's opposition to the bill, NDP Finance Critic Catherine Fife (Kitchener-Waterloo) highlighted certain shortcomings in the bill. In her [speech](#), Fife cited the lack of a hard cap on public sector chief executive officer salaries in which NDP Leader Andrea Horwath (Hamilton Centre) had proposed a \$400,000 maximum salary. As well, Fife bemoaned the lack of powers given to the Provincial Advocate for Children and Youth. Fife also added that Ontario's Ombudsman should have been given additional powers of oversight over the healthcare sector. Instead, she says the Liberals have created a Patient Ombudsman who lacks the necessary power to act. As well, the Patient Ombudsman is appointed by the Cabinet rather than being an Officer of the Legislature, curtailing the position's independence.

In the meantime, Ontario's Ombudsman, Andre Morin, [said](#) the new legislation was an historic expansion of his mandate that will double the agencies his office oversees by adding 548 bodies (443 municipalities, 22 universities, 83 school boards). Marin added that the bill brings Ontario closer in line with the rest of Canada, where all other provincial and territorial ombudsmen have had jurisdiction in the "MUSH" (Municipalities, Universities, Schools and Hospitals) sectors.

Meanwhile, the Provincial Advocate for Children and Youth [said](#) that the bill did not give him sufficient powers to conduct his work. In his annual report, the Advocate pleaded for more authority. His request was denied by the Liberals.

### **LIBERALS INTRODUCE ONTARIO RETIREMENT PENSION PLAN ACT**

After featuring their commitment to enhancing retirement pensions during June's election, the Liberals brought forth their long-awaited [retirement pension legislation](#).

First, Associate Finance Minister Mitzie Hunter (Scarborough—Guildwood) introduced [Bill 56, Ontario Retirement Pension Plan Act](#).

Hunter plans to release a consultation paper soon followed by a formal process beginning in early 2015. As part of the proposed pension plan, individuals in comparable plans will not be part of the new ORPP. OSSTF/FEESO members who are part of the Ontario Teachers' Pension Plan (OTPP), the Ontario Municipal Employees Retirement System (OMERS), or another workplace pension plan will not be eligible for the ORPP.

Finance Minister Charles Sousa (Mississauga South) followed by introducing [Bill 57, the Pooled Registered Pension Plans Act](#).

This bill provides the legal framework for the establishment and administration of pooled registered pension plans (PRPPs) in Ontario. The Liberals say that PRPPs would offer Ontario employees and the self-employed a voluntary, low-cost, tax-assisted option to increase retirement savings.

## **LIBERALS MAKE CHANGES TO ONTARIO STUDENT ASSISTANCE PROGRAM (OSAP)**

The Ministry of Training, Colleges and Universities has made [changes](#) to the Ontario Student Assistance Program (OSAP). Beginning in the 2015-16 school year, OSAP will be indexed to inflation. The Liberals say that by increasing the Ontario student loan limit with inflation each year, a student starting a four-year university degree in 2014-15 would be eligible to receive about \$1,000 more in financial aid over the four years. As well, the Liberals will launch the Ontario Student Loan Rehabilitation Program, which will allow past borrowers, who defaulted on the Ontario portion of their student loan, to bring their loan back into good standing.

## **FUNDING TO RAISE AWARENESS OF ABUSED WOMEN**

The Ontario government has earmarked \$836,500 to support a [public education campaign](#) that would help immigrants learn the signs of woman abuse. The campaign entitled Neighbours, Friends and Families - Immigrant and Refugee Communities Campaign” will reach out to diverse communities including Francophone, Aboriginal, immigrant, and refugee communities. Part of the campaign includes working with students to create a photo-based novel that helps students identify the signs of woman abuse and what actions they can take to help.

## **LEGISLATURE STRIKES A SELECT COMMITTEE ON SEXUAL VIOLENCE AND HARASSMENT**

After weeks of discussion on the composition of an all-party select committee, the Legislature passed a motion establishing a Select Committee on Sexual Violence and Harassment. The NDP and the PCs had wanted equal representation of each political party on the committee. The Liberals had insisted that they wanted the committee to reflect the current composition of Legislative committees, which would have given them a majority. In the end, the opposition parties relented and the Liberals retained their majority. The committee will now travel the province to speak with victims of sexual violence, including people from the Aboriginal community and LGBTQ youth. The committee will present an interim report in June 2015 and a final report in December 2015.

## **NEW WORKPLACE SAFETY MEASURES FOR WORKING AT HEIGHTS**

The Ministry of Labour [announced](#) new mandatory training for those that work at heights beginning April 1, 2015. The new Working at Heights Training Program Standard will aim to ensure that workers using fall protection systems are consistently trained and protected on the job. The training standard will include the rights and responsibilities related to working at heights, hazard identification, ladder safety and the proper usage of personal protective equipment. In 2013, the Ministry reported that of the 21 workers who died in incidents on construction projects, almost half were as a result of falls in 2013.

## **PC MPP PROPOSES NEW LABOUR LAW**

PC MPP Jim McDonnell (Stormont—Dundas—South Glengarry) introduced [Bill 62, \*Fairness in Labour Relations Act\*](#) (Bargaining Units and Certification of Trade Unions).

In proposing the legislation, directed at the construction industry, McDonnell says he wants to prohibit the Ontario Labour Relations Board from certifying a trade union as a bargaining agent of the employees in a bargaining unit unless a representation vote is held amongst the employees. He [added](#), “At present, if a complaint alleges an employer or employers’ organization has contravened the act with respect to employment practices, the burden of proof at the inquiry by the board into compliance lies with the employer or the employers’ organization. The bill transfers the burden of proof to the complainant.” McDonnell stated that current legislation says that a party affected by a decision of the Board has no right of appeal. He says that his bill will provide a right of appeal to the Divisional Court.

With the Liberals holding a majority, the likelihood of McDonnell’s private member’s bill passing is nil. However, McDonnell’s bill does seem to counter to his party’s recent comments that they want to bury the hatchet with Labour. Maybe McDonnell didn’t get the memo. Or maybe he is more representative of his party’s views on labour. The party’s true position will end up being revealed in the future.

### **SUDBURY BY-ELECTION LIKELY TO BE HELD IN FEBRUARY**

With the sudden resignation of Sudbury NDP MPP Joe Cimino, it appears that a by-election will be called sooner than later. Indications are that Premier Kathleen Wynne (DonValley West) will call the by-election in early January so that the new MPP can take his/her seat in time for the resumption of the Legislature on February 17. If Wynne decides to call the election on Wednesday , January 7, the vote will take place on Thursday February 5. But, a more likely scenario is a call on Wednesday, January 14 for a Thursday, February 12 vote.

All three parties are either actively recruiting or have decided on their candidates. 2014 General Election Progressive Conservative candidate Paula Peroni is expected to be nominated on December 15 to once again carry her party’s banner. The Liberals are expected to have a nomination early in the new year with their 2014 candidate Andrew Olivier seeking the nomination again. It would not be surprising if a new candidate was nominated for the Liberals. As for the NDP, 2011 candidate Paul Loewenberg has said he wants to be the candidate again. But, it is expected that there will be challengers to his bid.

As for the likelihood of the NDP holding the seat, the popular Canadian election website, [Three hundred and eight](#), believes that the Liberals have the best shot at winning the seat. It contends that the Liberal majority government may entice enough Sudbury voters to want to be part of the government instead of the opposition, especially since the next general election won’t be until 2018.

### **PROGRESSIVE CONSERVATIVE LEADERSHIP RACE HEATS UP**

The five aspirants for the Leadership of the Ontario Progressive Conservative Party have been actively recruiting memberships and MPP support during the fall session of the Legislature.

Christine Elliott (Whitby-Oshawa) is the acknowledged frontrunner and has amassed the support of nine MPPs including Ted Arnott, Michael Harris, Lisa Thompson, Norm Miller, Jeff Yurek, Laurie Scott, Sylva Jones, Todd Smith and Bill Walker. Lisa MacLeod (Nepean-Carleton) is next with four

MPPs supporting her including Steve Clark, Garfield Dunlop and Jim McDonell. Monte McNaughton (Lambton-Kent-Middlesex) has the neighbouring MPP Bob Bailey and Vic Fedeli (North Bay) is still without any MPP support. Federal MP Patrick Brown (Barrie) has the support of MPP Rick Nicholls. There are nine MPPs who have yet to declare support including Toby Barrett, Ernie Hardeman, Randy Hillier, Tim Hudak, Jack MacLaren, Gila Martow, Randy Pettapiece, Jim Wilson and John Yakabuski.

Presently, many PC members believe that a female leader gives their party the best opportunity to win the next election. If that is the case, Christine Elliott and Lisa MacLeod stand the best chance to win. The Leadership vote results will be announced on May 9 in Toronto.

**WITH THE ADJOURNMENT OF THE ONTARIO LEGISLATURE UNTIL FEBRUARY 17, 2015,  
OSSTF/FEESO'S QUEEN'S PARK NOTES WILL BE ON HIATUS UNTIL THEN.**