Legislative Assembly of Ontario
Third Session, 37th Parliament

Official Report of Debates (Hansard)
Thursday 31 October 2002

Speaker
Honourable Gary Carr

Clerk
Claude L. DesRosiers
Hansard on the Internet
Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

http://www.ontla.on.ca/

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Copies of Hansard
Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.
The House met at 1000.
Prayers.

PRIVATE MEMBERS’ PUBLIC BUSINESS

SLOT MACHINES

Mr Monte Kwinter (York Centre): I move that, in the opinion of this House, the Eves government should hold a public inquiry into the granting of up to 800 slot machines to Picov Downs.

The Acting Speaker (Mr Michael A. Brown): The member has up to 10 minutes for his presentation.

Mr Kwinter: I come to this issue with some experience. In 1986, as Minister of Consumer and Commercial Relations, I initiated the racetrack assistance program. The reason for that was that racetracks were in big trouble. They were having difficulties because of lotteries, charity bingos and the aging population of their normal client base, and they found that it was getting more and more difficult to function. This race track assistance program allowed them to do some marketing and to upgrade their facilities so that in fact they could attract a new clientele. That was very, very successful, and as a result of that particular initiative, I have maintained a consistent relationship with the industry, because I felt that I had a stake in turning it around.

In 1998, the government decided to address a further problem that the racing industry was having. The problem was they were now competing with the mega-casinos in Niagara, Windsor and Rama. What was happening was that the racing industry, which used to be the only legalized gambling in Ontario, was now finding it was more and more difficult for them to compete. So the racetrack slots initiative was put into place in 1998. The rationale was quite simple: there was gambling already taking place there. It would not upset, if you want to call it, the gambling ecology of the area, in that you would not be injecting a new gambling facility; it would just be enhancing the gambling facility that was there. That was good for everybody: the municipality who got a share of the profits; the racetrack industry, because they got money that allowed them to enhance their purses and their physical facilities; and of course, the big winner was the provincial government, who got a great deal of revenue from that.

There was a program put in place, and the 16 racetracks in Ontario were all allotted slot machines based on their performance and the wagering that took place. It ranged from a high for Woodbine Entertainment, which did $569 million-plus in wagering last year, getting 1,700 slot machines, to the very smallest slot machine operators in the province, ones like Woodstock, Dresden, Clinton, Hanover, which each got 100. In between there were varying other amounts but that was the range: 100 to the smallest and 1,700 to the largest. That was the program and it continued until the year 2000.

At that point, there was a feeling that maybe the gambling had reaching the saturation point in Ontario, so Management Board issued a directive on a fact sheet. It says: “On April 19, 2000, this government announced our three-year plan for gaming in Ontario. As part of that plan, we announced a three-year pause in the expansion of new charity casinos, new commercial casinos, and charity casinos at racetracks in the province.” It went on to say that there was “a pause in implementation of slot machines at racetracks as of March 31, 2000, until the impact of this program can be thoroughly assessed,” and it also says that “16 racetracks met our requirements to host a slot machine facility. Nine facilities have already opened and the remaining seven to open at a later date.”

All of these facilities were opened without a referendum. They were all done by ministerial zoning orders, and I have no problem with that. I’m just saying that that was the way it worked and that is why Woodbine, which is in the city of Toronto, has slot machines even though the city of Toronto held a referendum that turned down gambling for Toronto. But because of the special nature of racetracks they were able to allot the slot machines based on these ministerial zoning orders. That is what has happened.

The interesting thing about it is that when that particular Management Board fact sheet and announcement was made, the Chair of Management Board was interviewed by Richard Brennan on Tuesday, June 20, 2000, and he said: “Management Board Chairman Chris Hodgson announced a three-year moratorium yesterday on all types of legalized gaming expansion, suggesting the province has nearly reached the saturation point.” The announcement “covers the period from July 1 this year to March 31, 2003....

“There are 8,812 slot machines in 16 racetracks, leaving two—one in Ajax and the other in Belleville—that will not be getting them for three years.

“Hodgson also said the province will not entertain any requests from racetracks until April, 2003, to become full-blown charity casinos....
“Ron Barbaro, chair and chief executive officer of the Ontario Lottery and Gaming Corporation, said research found 83% of adult Ontario residents have access to legal gaming.

“Barbaro said the research ... consultants showed the only spot left in the province where gaming is hard to find is in eastern Ontario.”

Subsequent to that Management Board directive there was a change. There was an amendment that was made—it was not announced, but it was made—that racetracks were reduced from a three-year moratorium to a two-year moratorium. The interesting thing about it is: why would it be necessary to change a moratorium on allocating slot machines to racetracks from three years to two years when the only two racetracks in Ontario that do not have slot machines were deemed to be unsuitable candidates by the Ontario Lottery and Gaming Corp?

That’s the first question: why was it done when the only possible beneficiary was this tiny, tiny racetrack? And when I tell you about “tiny,” I just want to give you an example. As part of this initiative there is money to come back into the racing commission for its operation, and this is done by monthly track fees. Woodbine Entertainment pays, on a monthly basis, $237,239 for their monthly track fees. Picov Downs, which barely is even a racetrack—what does it even have a full oval and it only does $281,136 a year—their monthly track fee is $117. There are people in Toronto and Ontario—we hear about it every day—whose hydro bills are more than that every month.

1010

Mr Dominic Agostino (Hamilton East): Every week.

Mr Kwinter: Every week. Here is a racetrack that is paying $117 a month in track fees. As I say, it’s a joke.

Why was the moratorium lifted? The Attorney General, in discussing the issue of the moratorium, said, “I’ve since been advised otherwise. Indeed, it was a two-year moratorium.... I would refer him in particular to a letter dated July 21, 2000, in which Jane Holmes clearly indicates that it is a two-year pause. That’s straight from the horse’s mouth.” That was on September 30.

On October 10, 10 days later, the Attorney General, referencing the same letter’s claim, “confirmed that the expansion of slot machines at racetracks was not covered by the three-year moratorium.” He went on to say, “That moratorium was not to apply to slot machines at racetracks.” It’s simply not true.

I’ve read you the directive from Management Board. I will tell you about other documents that have been put out. Nobody, other than the Attorney General, is questioning that it was a two-year moratorium. I would suggest that, when he says it comes “straight from the horse’s mouth,” his statement doesn’t come from the horse’s mouth but rather from the other end of the horse.

When we get into the situation of the end of this moratorium, which was in March, we had a letter sent to the operators of Picov Downs, and it spells out some very troubling procedural events that I will be talking about later. But there is no question in my mind that there are enough questions out there that absolutely must be addressed by a public inquiry, because without that we’re going to have a situation where the process is being perverted, where there are severe questions of ethics. I think it’s important we support this motion.

The Acting Speaker: Further debate. The Minister of Enterprise, Innovation and—

The Acting Speaker: I’m sorry. I always have trouble with that one, Minister.

Hon Jim Flaherty (Minister of Enterprise, Opportunity and Innovation): I have trouble with it from time to time. It’s the great new Ministry of Enterprise, Opportunity and Innovation.

I speak at this time of course in my primary duty as the representative of the people of Whitby-Ajax in the greater region of Durham, a region about which the member opposite quite clearly knows very little and cares very little.

He and his Liberal colleagues care very little about anything except their friends in the city of Toronto, in particular the member opposite who just spoke and his friends in the horse racing industry who have been his friends, he says, since 1986. Good friends and financial supporters they are of the member opposite.

He doesn’t care about Durham region and he doesn’t care about economic development in Durham region. No, he says all the other racetracks in Ontario should have slot machines, and 14 out of 16 do. He started that process and he’s proud of it. But not Durham region; no, not the 500,000 people of Durham region. They should go to his friends’ racetracks in Toronto. The people of Durham region should be denied by the Liberal Party, by the member opposite who just spoke, that sort of entertainment opportunity, he says.

Why does he say that? Is this about integrity or ethics? He says that. He knows that’s not so, even though he didn’t say this. He knows this matter was raised by me with the Integrity Commissioner of Ontario. He knows the Integrity Commissioner was satisfied with the way it was handled. He knows that, but he doesn’t say that.

It’s not about ethics or integrity—perhaps his ethics and his integrity, given his financial backers, and we have the list here. We know who’s been backing him financially in the horse racing industry since—what was it the member opposite said?—1986. We know that. So it’s not about ethics.

Is it about contributions to political candidates? No, it’s not about that. We have a system for that in Ontario. We have a disclosure system in leadership campaigns. That’s how the member opposite knows where the financial support came from, because all of us obeyed the law. We support the law. We disclosed who has given us financial support during the course of our various political campaigns in the province. So it’s not about that.

It’s not about ethics and it’s not about contributions to political candidates. Is it about the number of slot machines? No, it’s not about that either, because he knows that the decision, as the Attorney General has
explained in this place, was up to a certain number and that that decision will be made in the normal course, following the normal processes, by the normal commissions. He knows that too. So it’s not about that.

So what is this about today? Is it about finances? He says he has some experience in these matters. The window to the truth is that, I think when he says he has some experience, yes, he does. His experience was against Durham region. His experience was to give nothing to Durham region. Even today, what does he call our racetrack? He calls it “barely a racetrack.” That’s what the member opposite says. He demeans Durham region. He demeans our facility.

What’s wrong with Durham region participating in this entertainment business in Ontario? Why is the member opposite so keen on denying the people of Durham region this $5-million investment opportunity? Why is he against the council of the town of Ajax? Why is he, the member opposite from Wilson, against the regional municipality support? Why is he against the people of the town of Ajax, who in a referendum voted to support this? Why is he against all of those things?

If we look at the record, when he was a minister in government from 1985 to 1990, the Liberals ignored Durham region: no expansion of highways; no MRI machine; no university certainly, which we now will have in Durham region, the new University of Ontario Institute of Technology. Durham region matters to the Conservative government of Ontario, first led by Premier Harris, now led by Premier Eves.

Is it any wonder that every member from Durham region in this place is a Progressive Conservative? There’s not a Liberal elected there. The member opposite—I thank him for this—is ensuring there will not be a Liberal elected there for a long time, because he goes out of his way to advocate for his friends, his financial supporters, not looking at the interests of the province of Ontario, oh no, looking at the narrow interests of his supporters in his part of the racing industry in his region of Ontario.

The Liberals are against Durham region. They’ve ignored Durham region. They have not reached out to support a business enterprise, an entertainment location, that is supported unanimously across the region.

**Mr George Smitherman (Toronto Centre-Rosedale): Unanimously.**

**Hon Mr Flaherty:** It is unanimously when you have the town council, when you have the economic development people, when you have the people themselves voting in a referendum.

The member from Rosedale is against it too. Am I surprised? No. What does the member for Rosedale care about Durham region? He’s another Liberal who thinks the sun rises and sets on their ridings in the city of Toronto, like the member from Wilson. So we have two of them now this morning going against the people of Durham region.

It’ll be a long time before a Liberal gets elected in Durham region. I invite the member opposite from Wilson, if he doesn’t think so, to come on out to Durham region and talk about this. Come on out and meet with the people in Ajax. Come on out to Harwood Avenue and Westney Road. Come out and talk to the people and see if you maintain that view you seem to have that you know what’s good for economic development in Durham region better than the people of Durham region do.

As I say, this isn’t about conflict of interest. That’s been dealt with by the process we have, which the Liberals don’t have in Ottawa. We have a meaningful process here, but his friends in Ottawa don’t have that kind of meaningful process. We have an empowered Integrity Commissioner in Ontario who reports to this Legislature. It’s not about our system of disclosure of political contributions, which works and works well in the province and which is the right system to have. It’s not about the number of slot machines. What it is about, quite frankly, is a member of this House demeaning himself and demeaning this House by advocating for special interests in his particular region and ignoring the needs of others in this province, in particular, the people I’m proud to represent from Durham region.

This is a good project for Durham region. I know the member opposite is against it. I know the Liberals are against it. I’m for it. I’m going to continue to fight for it. It’s good for my people in Durham region. It’s good for our economy. We’re just as important as your special interests in Toronto.

**1020**

**The Acting Speaker:** Further debate?

**Mr Kwinter:** I have to refrain from laughing out loud at this minister’s protestations about what was going on.

Just to put the record straight, OHRIA, the Ontario Horse Racing Industry Association, is opposed to this. It’s not a Toronto-centred organization. It represents the 18 racetracks in Ontario. They have said that the allocation of up to 800 slot machines is inexcusable; it is grossly disproportionate. They have said that.

**Hon Mr Flaherty:** Who controls the racing days? Your friends. You know that.

**Mr Kwinter:** You appoint the racing commission. What are you talking about?

**Hon Mr Flaherty:** You’re just defending your friends. You should be ashamed of yourself.

**Mr Kwinter:** Let’s just talk about what is happening here. The member talks about this great support in Durham. He doesn’t say there was a referendum to bring a charity casino to Durham that was defeated. Another referendum was introduced to put in racetrack slot machines, and it was passed by 54%. This has absolutely nothing to do with the people of Durham. It has to do with the process; it has to do with what has happened.

The minister says this was approved by the Integrity Commissioner. He certainly must have that in writing; I can’t believe it was done orally. Would he please table that clearance right now? Would he show me the document that says the Integrity Commissioner heard you make an approach and say, “Somebody who’s got a matter before cabinet is planning to give me an $80,000
Hon Mr Flaherty: You should be ashamed of yourself.

Mr Kwinter: You should be ashamed of yourself. Where is the document that says—

Hon Mr Flaherty: I’m not listening to this. You should be ashamed of yourself, Monte. You’re a better man than that.

The Acting Speaker: Order, Minister. The member for York Centre has the floor, and only the member for York Centre. The member for York Centre will speak through the Speaker.

Mr Kwinter: Again I challenge the member: if he has a clearance from the Integrity Commissioner—I don’t deny it—I’ll have him show it to me. Let him show me in writing that he has that clearance.

Now, the Attorney General consistently says that everything is done by the book. The facts are that the letter that was sent on April 10 by Tim Hudak to Norm Picov was unique. Of the 16 tracks that received slot machines, not one received the letter from the minister; they received the letter from the chairman and chief executive officer of the Ontario Lottery and Gaming Corporation. Under the process—and the Attorney General keeps insisting regularly: “This is an arm’s-length process; it has nothing to do with us. You will deal with the Ontario Lottery and Gaming Corporation. They will make the recommendation. They will make all the arrangements.”

So what happens? The minister says, “I am writing to advise you that the OLGC”—the Ontario Lottery and Gaming Corporation—“has been directed to begin discussions with you for the establishment of a slot machine facility, with up to 800 slot machines, at Picov Downs.” There goes the arm’s-length, independent gaming corporation. They have been directed by cabinet to do it.

What as the result of that? Ron Barbaro, the chairman, refused to send the letter. The deputy minister refused to sign off. So what do we have in the dying moments of the former government? The day before the power shifted to Ernie Eves, we have the minister, a strong supporter of Mr Flaherty, putting together a proposal, sending it out and saying, “You’re going to get 800 slot machines.”

Hon Mr Flaherty: You should be ashamed of yourself. You should put a bag over your head.

The Acting Speaker: The minister will withdraw that. And if he continues, he will be named.

Hon Mr Flaherty: I withdraw.

Mr Kwinter: I have a question. If there is a possibility—and I can tell you the Attorney General has said on four separate occasions, “We may not give them any. They may not get any.” When you talk about doing a disservice to the people of Durham, their member stood up at a press conference and said, “This has been approved. We’re going to get up to 800 slot machines.”

The council was delighted. Everybody was happy. This was a great day for Durham. Now the Attorney General stands up and says on a regular basis, “We may not give them any. We may not give them any slot machines.”

Interjection.

Mr Kwinter: Talk about how you can go back to Durham—I’d be happy to go back to Durham and defend my position. But if they’re going to get no slot machines, you’re going to have a problem going back to Durham. They’ve already been dancing in the streets; they’ve been told they’re going to get them.

Why do we have this situation with the Attorney General saying they may get one, they may get two, they may get four or they may get 10? It doesn’t make any sense. If you can’t give them 100—

Hon Mr Flaherty: OHRIA says 200.

Mr Kwinter: I’m saying the number is between zero—

Hon Mr Flaherty: Your friends say 200.

Mr Kwinter: You give them none or you give them between 100 and 800. I have no quarrel with that. But don’t muddy the waters by saying, “We may give them none, we may give them two, we may give them four, we may give them six.” You can’t give them six slot machines. What are they going to do with them? Mr Picov will set them up in his living room and invite his friends to come in and play the slot machines. You can’t do that. You’ve got to give them a minimum—

Hon Mr Flaherty: You just get right down there. Why don’t you get down on all fours? What a low-life.

Mr Kwinter: Mr Speaker, that’s out of order.

I just want to give you some comments. I want to quote Mr Picov.

Interjection.

Mr Kwinter: One has nothing to do with the other, and you know it.

Mr Picov stated, when asked about giving the $80,000 to Mr Flaherty, “One has nothing to do with the other. I am not political. We’re not political at all. My sole motivation is that I would like to see a Premier from the Durham region.” If you say that, why, after he gave Mr Flaherty’s campaign an $80,000 non-tax-receipted contribution, did he then give $10,000 to Ernie Eves? If he was really planning to make sure that Mr Flaherty became the first Premier from Durham region, why did he give Mr Eves $10,000? It doesn’t make any sense.

I want to quote from an article in the Toronto Sun, not exactly a supporter of the Liberal Party and basically the house organ of the Conservative Party. Here is a quote from Hartley Steward: “Only a fool would believe our politicians don’t understand their part of the deal when they take a $100,000 donation from someone running a business in their jurisdiction. That donor, some day, is going to show up on your doorstep with a favour to ask.”

That’s from Hartley Steward of the Toronto Sun.

When we talk about problems, here’s an article that appeared in the Globe and Mail on September 28, 2002, written by Murray Campbell. He starts off talking about the Conservative Party: “It was a bad week for them—a terrible, horrible, no good, very bad week. The bad news got magnified and the good news got buried.... For Mr
Flaherty, the problem was he received $80,000 in donations from a racetrack operator looking to win government approval for lucrative slot machines.”

Mr Flaherty keeps trying to portray that I have something against the people of Durham. I have nothing against the people of Durham. I wish them well. If they want to get slot machines, do it, but don’t do it through the back door. They had a referendum for a charity casino, and it was turned down. They then thought, “Do you know what? We can actually put slot machines in through the racetrack route. Let’s do that. We don’t have to do anything.” In theory, they didn’t even have to have a referendum. But they did have one, and it passed by 54%, a majority without question, but it’s only a yes or no sort of thing so it’s not resounding, unanimous consent. So we have a situation where they couldn’t get through the front door they’re trying to get through the back door.

The question it also begs is why a decision that was finally reviewed and approved by cabinet last December, almost 11 months ago, has yet to be implemented. Why didn’t you give them the slot machines? There is obviously a problem.

If any of you watched Fourth Reading with Susanna Kelley when she had leaked cabinet documents and she talked about the Premier, and she said that at a cabinet meeting the Premier said to Flaherty, Janet Ecker and Tim Hudak—this is her report, her words, not mine—he had Janet Ecker in tears and he said, “I am not an effing crook.” When Steve Paikin said to her, “Did he actually say effing?” she said, “No, he said the whole word.” So what we have is a situation where the Premier is obviously disturbed by this thing. There’s obviously a problem with this, because why hasn’t it been implemented when it’s been kicking around for over a year? Why was all of this done without any regard to what is the intent of this program?

Again, I haven’t been trying to attack Mr Flaherty personally. That’s not my style, and you know that. I am trying to deal with a situation that has to be addressed. One of the interesting things about it, in an interview with Robert Benzie in the National Post, Mr Flaherty said he finds it unsavoury that I would be even asking these questions. Talk about unsavoury—the aroma that is emanating from this particular proposal is really unsavoury and it requires answers. I wish the people of Durham well. I wish they would have—go out and give them 800 slot machines. Don’t pervert the system, don’t distort what is happening, because if they were to get 800 slot machines, then the people in all of the other tracks that only have 100 would say, “This is ridiculous. Why would you possibly give them 800 when I do 200 times more volume and I only have 100? Why is this happening? Why would this possibly happen? Why would a”—

Interjection.

Mr Kwinter: What is happening is that you’re trying to get it to the point where the tail is wagging the horse. You’re trying to say, give us the 800 slot machines—and Mr Picov’s son is on the record as saying, “If we can’t get 800 slot machines, it’s not viable.” The whole situation—it is not meant to work that way. It is not meant that the slot machines go in to a track that does $280,000 a year in wagering and turn it into a colossal gambling centre. It’s not meant to do that. It’s meant to take a racetrack that is viable now but enhance its viability, and do it in such a way that it does that.

It would seem to me that we have enough questions being asked that have no answers. There are no answers. The only answer we get is Mr Flaherty attacking me personally, saying, why would I do this? I should be ashamed of myself. I am not ashamed. I am not ashamed to raise this question, because I think the people of Ontario deserve an answer. They deserve an answer as to why this could happen. Why does someone think that they can buy influence? Christina Blizzard, in an article the other day when she went through this—and she again is not exactly a strong Liberal—referred to it as an “astounding” contribution.

We’re all politicians, every one of us. I can tell you that if somebody came up to me and said, “I would like to give a $80,000 non-receptable contribution,” immediately my antenna would go up and I’d say, “Wow, hold off a minute. This doesn’t smell right.” I’m telling you, that’s a lot of money.

Again, I challenge the member who claims that he—and I’m not disputing his claim. He’s an honourable man. I have no reason to contradict his claim. But I would say this to him: he could have quietened this whole issue down very, very quickly by saying, “Mr Kwinter, here is a letter from the Integrity Commissioner telling me that what I did was perfectly in accordance with the rules.”

Interjection.

Mr Kwinter: He claims that he went to the Integrity Commissioner and got approval. I have no reason to doubt that. All I’m saying is, show me the letter that says it happened.

The Acting Speaker: Further debate?

Mr Gilles Bisson (Timmins-James Bay): I want to give the bulk of the time to our deputy leader, but I just want to jump in this debate for a couple of reasons.

I think there’s a lesson to be learned here. In the last provincial leadership race, the Tories raised a total of $8 million. There was $8 million solicited from all kinds of contributors around the province of Ontario, from individuals and businesses, in order to run their leadership campaign—$8 million. I will argue that’s more than any one of our parties will spend in the next provincial election to elect a government. So I would argue that there’s a problem internally within the process of how you elect a leader. To me, it’s unbelievable that you’re allowed to raise $8 million for a leadership campaign. Our total budget in the NDP for the next provincial election is going to be about $2.5 million or $3.5 million, tops.

Interjection.

Mr Bisson: It tells me there’s a problem.
So when the member from the Liberal Party raises the issue and says, “Well, it raises a couple of questions when an individual gives an $80,000 non-receiptable donation and doesn’t expect anything back”—I don’t think people give that kind of money. I’m not arguing that Mr Flaherty knowingly did anything wrong. He’s an honourable member. I quite like the man. What I’m saying is that the public perception out there, and that’s really what it comes down to, is that something stinks in Denmark. I can’t blame people in the media or the member for raising this issue. I don’t think that you can blame the public for saying, “Well, is it conceivable that Mr Flaherty knowingly did anything wrong. He’s an honourable member. I quite like the man. What I’m thinking is that there’s a problem in the process.

Mr Mazzilli: What do the unions want from you guys?

Mr Bisson: He says, “What about the unions?” I don’t know too many of them that gave us $80,000. But the point I make is that there’s a problem in the process.

I just say to the members who are here and the media who may be watching that in the entire federal leadership process, because of the rules that we put in place, no NDP candidate in a federal leadership race is allowed to raise more than $700,000. There’s a reason we do that as a party. One is that we don’t have the ability to fundraise like you guys have. People think that if they give a lot of money to a leadership race, somehow they’re going to get something back from the government. But we want to make sure that the perception within the New Democratic Party is that nobody’s buying large favours, so there’s a limit to how much money a candidate can raise. It’s a $700,000 limit for any one candidate.

I think what we need to take a look at are two issues: that there should be rules around how much money you can raise for a leadership; and certainly I would argue that we need to do something around campaign finance reform when it comes to overall general elections as well, because I think it does leave the public with a bad taste in their mouth.

I would just say this is an interesting thing because in this particular case it was a person who owns a racetrack who was giving the donation. I’m a bit of a horse racer myself, I have to admit. My wife and I go out on Friday and Saturday nights to the off-track betting place, and we like to bet on a number of tracks around the province of Ontario. Unfortunately, we can’t bet trotters up north because of the monopoly the guy in Sudbury has, but that’s another story. We like to put bets at Woodbine and Fort Erie and when the thoroughbreds are racing. As a matter of fact, the Breeders’ Cup was on just last weekend. I lost my shirt as usual. I didn’t win one bet. The only two that came in were the two low exactors I had bet, but that’s another story.

I have to say that I’ve been around betting for a while, and I just think it’s interesting—here’s a guy who owns a racetrack. Let me see if I have this straight. He bets $80,000 for Flaherty to win, and his odds of winning that leadership race were probably around 20:1, right? Then he says, “I’m going to cover my win bet by making a place bet on Mr Eves,” by putting up $10,000 on what was probably a 2:1 odds favourite. You’re losing money on the place bet. What was the matter with the guy? You have to really wonder—10,000 bucks on a place bet. I just want to say to the man who owns Picov Downs, if that’s how you bet horses, man, I don’t want to bet with you because you’d lose a lot of money. You should have done it the other way around. You should have put $10,000 on Flaherty to place and put $80,000 to win on Mr Eves. I can tell you, that ticket would have paid a lot of money.

Mr Garry J. Guzzo (Ottawa West-Nepean): I want to start out first of all by commending the member for bringing forward this particular issue. I may not like the manner in which it was brought forward, but I cast no reasons and no aspersions with regard to that. I very much thank him, though, for allowing this issue on the floor this morning and I welcome the opportunity to speak to it.

I want to speak to it from the position of a backbench member from Ottawa who was an owner and a breeder of harness horses for 20 years, a lover of thoroughbreds—and Volponi, I might just tell the member opposite, was an Italian horse. He was a natural pick. I don’t understand—$89 at the track—more here.

Mr Bisson: But you don’t make a place bet. You know that; you put it on show only.

Mr Guzzo: As a lawyer, I didn’t make place bets. You have to win—there are only winners and losers. As a practising lawyer I have in the past acted for racetracks, for horsemen. I acted for unions: the Horseman’s Association—think about that, my NDP friend. That’s hard to accept, I’m sure.

I think if the Leader of the Opposition were here this morning in the House, I’d have to admit that—because he practised in Ottawa the same time that I did—I have an association, because for some reason I defended a number of bookmakers over the years. I make that abundantly clear.

It is from that perspective that I draw my knowledge and my background on the horse racing industry. When I say that I welcome this opportunity, it is because what we as a government have done since 1995 is one of the positive, strong points of what we have been able to accomplish. I, for one, am extremely proud of it.

I have to acknowledge in my professional life, being aware of the racetrack assistance program, which the honourable member from York Centre was instrumental in setting up—indeed, it helped some ailing tracks, but I disagree with him when he gave us the reason for the difficulties of the tracks back in 1986 and again in 1995.

The fact of the matter is, sir, that the racetracks are in trouble because they were the worst-run businesses in Ontario. They were the worst-run businesses in Ontario. Notwithstanding what we have done, and the success of certain tracks, some more than others, they are still not service-oriented and they are not treating the public and
the customer the way the customer deserves to be treated. It’s for that reason that they are running into difficulties.

We did what we had to do for one reason—you heard it from your member, Mr Phillips: the issue was jobs, jobs, jobs in 1995, and we went the route that we went for the purpose of saving the jobs.

Mr Agostino: For your friends.

Mr Guzzo: Maybe for the friends, but let me explain something to you. It wasn’t to save the jobs at the tracks—

Interjections.

The Acting Speaker: Order. The member for Ottawa West-Nepean has the floor. He doesn’t need all this assistance.

Mr Guzzo: It wasn’t for the purpose of saving the jobs at the tracks—they were important, and they are very important jobs. When I look at the racetrack in Ottawa, some of the finest young doctors and lawyers in our city worked at that track in the dining room and punching tickets in order to put themselves through medical school and law school, and I’m sure the same is true in a lot of the communities—and we should be proud of it. The purpose of what we were doing was directed to the rural area and the jobs in the rural areas—jobs on breeding farms, jobs at training tracks and, indeed, jobs on the back stretch at the different racetracks—people who may have had difficulty in securing employment and staying off welfare if this industry had been allowed to fail.

When you look at the tracks, they had a track record. The track in Ottawa was 35 years old and had been successful—some years more successful than others, I suspect—and it was getting more difficult because of external pressures to keep going. It was the logical thing to do, as opposed to setting up charity casinos around the province, to help maintain the jobs in the agricultural sector and at the tracks by placing the machines there.

I wish the member from Thorold—formerly Thorold, now Niagara Centre—were here because he was on the committee when we started and stopped with certain types of machines and changed back the one program and then moved to the racetracks. My argument always was that the illegal betting that was going on and is still going on—I bring the paper from this morning and I look at the NFL line with the point spread. All summer long you have baseball, all winter long you have hockey, in the fall you’ve got the CFL and the NFL, all printed for the benefit of the illegal bookmaking establishment.

The betting that goes on is excessive as we sit here. Everyone knows it. Everybody appreciates it. We have done a little to put a dent in it. We eliminated a number of grey machines. When we were on that committee and changed back the one program and then moved to the racetracks. My argument always was that the illegal betting that was going on and is still going on—I bring the paper from this morning and I look at the NFL line with the point spread. All summer long you have baseball, all winter long you have hockey, in the fall you’ve got the CFL and the NFL, all printed for the benefit of the illegal bookmaking establishment.

The betting that goes on is excessive as we sit here. Everyone knows it. Everybody appreciates it. We have done a little to put a dent in it. We eliminated a number of grey machines. When we were on that committee and traveling in the north, we visited five or six cities. In four of the cities where we stayed to have hearings, they had grey machines in the bar, where Mr Kormos and I would go for a couple of Cokes on occasion. The bars had these grey machines in every city we went to, even up in the north.

I used to suggest to you that you could go within 10 blocks of this building and find 100 grey machines. In Ottawa you could find 500 within 10 blocks of Parliament Hill. They’re gone. Those machines were not regulated. Those machines were not operating at a 90% return to the people who were playing them the way the ones at Rideau Carleton Raceway are today or the ones at other racetracks are being regulated and maintained today. The public has been well served. This government is proud of what we have been able to do.

You make one good point: the operation of the Ontario Racing Commission is paramount and should be the first stop on this trek, not the lottery corporation. I have to tell you that I don’t have the faith in the Ontario Racing Commission that I have in the lottery corporation. I am satisfied the Ontario Lottery Corp will protect this process—I know it will—or this government will be in some difficulty. The racing commission is the first step.

The Acting Speaker: Further debate. The member for Toronto Centre-Rosedale—or Toronto-Danforth, I’m sorry.

Ms Marilyn Churley (Toronto-Danforth): You don’t want to mix up Mr Smitherman and me, let me tell you.

This is a very serious matter before us this morning. I agree that it’s tempting to get up and tell our own individual racing stories. When I was the Minister of Consumer and Commercial Relations, I would go to the Queen’s Plate and Mr Kwinter would always be there. I assume he’s still going. I have to say that, coming from Labrador where there weren’t even any horses, it was quite an interesting journey for me when I became the minister and was suddenly responsible for gambling in this province, including horse racing. I had the pleasure of working directly with people like Tom Joy and Peter Hardy, both of whom are deceased now. They were just incredible, wonderful human beings who really cared about the industry and worked hard to keep the industry viable and to make sure the people they employed continued to have jobs.

I went through a period of working with the horse racing industry, because they were losing ground. That’s how slot machines started to come into the tracks, to all the other forms of entertainment out there. We put together a committee, which Peter Hardy chaired, and we were able to come up with some strategies to help the industry.

I know Mr Kwinter before me had come up with some solutions as well, which we carried on. Some interesting things were done at that time. I also had the dubious pleasure of bringing in the first commercial casino in Ontario, in Windsor. Let me tell you that there was quite a struggle then across the province because of the recession and cross-border issues. A lot of communities wanted casinos. I had the responsibility of bringing in the first one, in Windsor. Most of the people there wanted it. Now there is one in Niagara Falls, even though these guys who were sitting over here at the time were horrified that it would even be considered.
However, I learned some lessons, and this is where I want to get very serious about the resolution before us today from Mr Kwinter, which I support.

In the gambling industry, the potential for even perceived wrongdoing is very high. When I was put in the position of having to be responsible for bringing a casino to Ontario, my God, did I work hard to make sure I set up a system that was at arm’s length from me as minister. I know the opposition at the time tried a couple of times to question me about our process and couldn’t find anything on me, because I made damned sure there wasn’t, that there was absolutely no connection between me except for setting up a system that was fair and above-board and transparent for the selection of the private sector company that was going to come in and run that casino.

I set up a team of bureaucrats, run by my deputy minister at the time, to do all those negotiations. We came up with a very rigid list of standards and rules that applied to everybody who had applied to run that casino. I remember somebody once telling me that one of the people who was bidding to run that casino just wanted to shake my hand. They didn’t want to give me any money because there was no way I was going to take any money in any way from these guys. He was going to be at an event in the Lieutenant Governor’s suite, and if I were there, he’d just like to say hello. I ended up not even going to that event. I wanted not only not to be implicated in any way with being influenced by any of those bidders, but I also didn’t even want any perceptions, so that I could honestly say I had nothing to do with that, never met them, never dealt with them, that it was all transparent and was all at arm’s length.

I find this issue before us today very serious in that whether or not there’s influence-peddling here, there’s a perception that needs to be dealt with. Dare I bring up poor former Premier Glen Clark. I’m sure there are a lot of people who would prefer I didn’t, but I’m going to bring him up because look at what happened to him. He’s been acquitted of all wrongdoing, but it’s been stated by the judge that there was some bad judgment involved. For heaven’s sake, look what he was dragged through for having a neighbour who had applied for a casino, who spent a few thousand dollars on some free labour on fixing up a deck.

Here in Ontario we have a government that just held a leadership race where we have this particular Picov Downs giving Mr Flaherty $60,000.

Mr Kwinter: It’s $80,000.

Ms Churley: It’s $80,000. I’ve got $60,000, and how much to Mr Eves?

Mr Smitherman: It’s $10,000.

Ms Churley: It’s $10,000. I’ve got my numbers wrong here. It’s $80,000 to one of the leadership candidates and $10,000 to another.

Whether there was any wrongdoing here or not, a public inquiry could tell us that. There sure is a perception of some influence-peddling happening here. I would think the government would want to be part of trying to get to the bottom of what happened if they’re proclaiming their innocence in this.

Here’s what happened. Here’s the issue. On April 12, the last working day before Ontario Conservative control was to pass from Mike Harris to somebody else, Ontario’s then Minister of Education quietly announced that up to 800 slot machines would be installed at Picov Downs, which falls within her riding. Then the donations happened, and reportedly the Picov Downs proposal was pushed through cabinet in one of the body’s last meetings before Ernie Eves was to take over. It makes me think of the $10-million gift to the sports teams just at the last minute. There’s something about this that doesn’t smell right.

I think, though, that this is a bigger issue—much bigger, as my colleague Mr Bisson outlined. I would like to extend this to an overall inquiry as to the whole way we allow donations to be given, particularly in leadership campaigns, as a result of the $8 million that was given throughout the previous Tory leadership campaign, because it’s a lot of money; it’s a whole lot of money to have to raise. It shuts a lot people out, number one, because they can’t raise that kind of money. I just want to give you some other examples that my leader, Mr Hampton, raised in the House as well that never really went anywhere.

Brascan and its subsidiaries gave $150,000 to Mr Eves. If you look at that figure, they stand to make a lot more than Picov does. There are Brascan shell companies on the Eves list, including Noranda, $25,000, and Trilon, $25,000. If you look at the list of some of those donations—and I particularly bring up the ones related to energy because of the privatization agenda of the government—there is a connection here. Again I say that whether or not there is influence-peddling, the perception is that there is. I think that when any companies are giving donations of this size and there is something going on within their industry, something very large like, in this case, the privatization of Hydro—that amount of money was being given to leadership hopefuls during a time when the whole deregulation and privatization of Hydro was in some disarray, with many, many concerns about Hydro One, which Ernie Eves eventually, through a lot of pressure, mostly backed down on, but the privatization of generation is still going ahead. I have real concerns about that kind of perceived or real influence-peddling that may have gone on. I would like to extend this to a whole review, an investigation of the transparency and the limits that should be put on how much money can be given to somebody who is not just running for the leadership of a party but indeed will become the next Premier and will have a lot of power.

We’ve got some of the same things going on in Ottawa right now with the Liberals. We’ve got Paul Martin, who is running to be leader there. He is not disclosing his donors; he doesn’t have to now, because he’s out of cabinet. We know he’s making pots and pots of money. He has not spoken out on Kyoto yet. Jack Layton, who is running for the federal NDP leadership,
Mr Joseph Cordiano (York South-Weston): I don’t believe there has been a more important time to make the amendments I’m calling for in the Consumer Reporting Act. We have largely become a credit-dependent society. Our economy is being driven by consumers who are, to a large extent, dependent on credit on a daily basis. More and more, people turn to credit cards. They’re using credit on an ongoing, revolving basis. I don’t think there’s a person in this Legislature who doesn’t have a credit card or some form of credit card. So I believe that each and every one of us has a stake in the amendments I’m calling for to this piece of legislation.

What happens when a consumer applies for credit? A credit-granting agency, such as a bank or a credit card company, turns to a credit-reporting agency for what’s called a credit report. The credit report is a detailed history of that person’s credit, and it will determine creditworthiness.

Credit-reporting agencies gather information from credit granters—the banks, credit card companies etc. They accumulate this information on each and every consumer who applies for credit. They organize the individual information and maintain it. Based on someone’s credit history, the credit-reporting agency will determine what’s called a credit score, and that credit score is all-important, because it determines creditworthiness.

If the information about that individual, the credit history, is inaccurate in some way, it could have devastating results, an adverse effect in terms of getting that first loan, getting a loan for a car or getting a student loan or a mortgage. In fact, it can have an impact on tenants who apply for a place to live, rental accommodation from a landlord. Many, many tenants have been affected by this.

I would go one step further. Even prospective employers are demanding credit history information. I have the case of a gentleman who was affected by this, which I’ll get into later. But that can have an impact on someone’s ability to get a job.

As you can see, this is tremendously important to individuals, consumers right across this province. And errors do occur. The anecdotal evidence is overwhelming, and I can give you some further evidence.

In 1991, the CBC’s Marketplace show asked 100 people to request their personal credit reports. They found 47 had errors. Thirteen of those had significant enough errors to prevent them from getting any kind of credit. More recently, in 1997, US Public Interest Research Group conducted a similar study and found that 29% of credit reports they received contained significant errors that could also result in the denial of credit. These are significant cases of situations where consumers are denied credit. What does the current legislation say on what recourse the consumer has when an error occurs in his or her credit history? The current legislation, the Consumer Reporting Act, places the onus entirely on the individual to correct his or her credit history if an error is found. The consumer has to provide the credit reporting
agency with written documentation. So a consumer has to look back for cheque stubs or any kind of document to prove that, for example, a loan was paid off. Dealing with credit granters can be very difficult and trying if you've lost that cheque stub or there is no documentation. Sometimes this can go back years.

Again, under the existing legislation, written notice has to be provided by the consumer to the credit reporting agency. Under the Consumer Reporting Act, the only requirement placed on the reporting agencies, however, is that the agencies must use their best efforts to correct mistakes within “a reasonable time.” So there is no additional onus on the credit reporting agencies. In fact, there are stories of these reporting agencies not following up on requests made by consumers. They use their best efforts to try and correct this information, but it’s not being done.

To support what I’m saying, I want to look at the year 2001. The registrar is the regulator of the credit reporting agencies, and each reporting agency has to be registered with the Ministry of Consumer and Business Services. There are 58 credit reporting agencies currently registered. This is very interesting. In 2001, 2,174 complaints were made regarding credit reporting agencies and erroneous information. Under the act, the registrar can conduct audits and investigations. However, in the past three years the registrar has conducted only one audit of any company, which is amazing after 2,174 complaints in 2001.

As we can see, the existing act does not really deal with consumer complaints in a reasonably timely fashion because the entire onus is placed on the individual. Working with credit granters is not an easy thing for an individual to do, to extract information, to have that information documented. The onus is too great. In a moment, I will get to other jurisdictions that have brought their legislation up to date, placing the onus back on the credit reporting agencies.

My bill calls for three things, really. It increases the accountability of credit reporting agencies to disclose information promptly and to correct any erroneous information. They have to do so within a 30-day period, and they have to notify consumers in writing that there is something wrong with the information.

Secondly, it provides consumers with better access to information that could be used against them in their credit history. It also details how a credit score is arrived at. So there has got to be information provided. I am also calling for a toll-free number to be instituted by these credit reporting agencies and to have trained personnel on staff to explain how they arrive at a credit score. This is all being done in the US. Some of the same companies that operate in the US also operate in Canada.

Also, the main point of this legislation is to ensure that consumers are not penalized every time they apply for credit. When a credit check is conducted on a consumer, the very fact that they are applying for credit works against them under the current legislation. It acts as a penalizer if you simply ask for credit. Shopping around for credit these days—and everyone shops around for the best price—should not result in the consumer being penalized or having a downgrade in their credit-worthiness. That should not be the case. The amendment to the act I’m calling for does away with that, prohibits that from actually going on a credit score.

As you can see, there are three things that are called for in the amendment I’m bringing forward that would go a long way to dealing with consumer complaints. It would bring our legislation in Ontario up to date with other jurisdictions, the US being one. The UK is also moving in that direction.

I say to members, this is important and worthy legislation that we can all support, and I’ll speak to some other examples later in my time.

Mr Joseph N. Tascona (Barrie-Simcoe-Bradford): I’m pleased to join in the debate with respect to this Bill 158. Protecting personal information is a priority for the Ernie Eves government and we are more than willing to give full consideration to any proposal to increase the control individuals have over their personal information, including their credit information.

While we support some of the policy intentions in Bill 158, there is some concern that a balance has not been achieved between the ability of the consumer reporting agency and credit providers to continue functioning and the potential benefits provided to consumers.

One key concern is that this bill has been drafted without any input and consultation with the key groups that will be directly affected by it, such as businesses, the credit industry and other users of consumer reports—a full discussion. These organizations have significant concerns regarding some of these proposals and could provide advice on ways to address the needs identified by the member while at the same time not causing a great deal of harm to their businesses. As well, we would like to hear how consumers and consumer organizations view this bill.

The Ministry of Consumer and Business Services would be pleased to work with the member and stakeholders to consult on the bill and improve upon it in a way that maintains important consumer protection features but in a manner that is more balanced with the needs of business and consumers. We believe the bill would benefit from consultations with the organizations it will impact directly, as well as representative consumer groups.

The bill could be improved in a number of ways. For example, the obligations of organizations to disclose information to consumers could be more focused on instances where consumers indicate a need or a desire to see this information.

Let’s be correct in what we’re dealing with here. With consumer reporting, what we’re talking about is a consumer report. That means a written, oral or other communication by a consumer reporting agency of credit information or personal information, or both, returning to a consumer for consideration in connection with the purpose set out in clause 8(1)(d).
The purpose of getting that information under the act is that a consumer report is given to a person it has reason to believe intends to use the information with respect to the extension of credit or for the purchase or the collection of a debt. It also deals with entering into or the renewal of a tenancy agreement, information for employment purposes, the underwriting of insurance involving a consumer, dealing with eligibility under a statute for a consumer, and direct business information.

There’s some merit in this bill in terms of what he wants to amend. I think it’s sound business practice, and I’d be surprised if any consumer agency didn’t do this. He wants a consumer reporting agency not to provide a consumer report to any person without first obtaining—they need to get the person’s name, address and telephone number and confirmation that the information is sought for a purpose permitted under this section and will be used for no other purpose.

The key thing here is that obviously you need to have the name, address and telephone number of the person requesting information from the consumer reporting agency. The more fundamental purpose, and I think this has to be toughened up somewhat, is confirmation saying, “We want it for this purpose under clause 8(1)(d).” They need to know exactly what the purpose is, so it’s caught under that section. It needs to be a little bit tougher with respect to making sure that consumer report is caught under that section. I don’t think the member would disagree with that, and I’d be surprised if he did.

One area I’m a little concerned with is that the member wants to repeal subsection 12(2) of the act. I don’t know why he wants to do this. Maybe he can respond why he wants to repeal this subsection, which reads, “A consumer reporting agency shall withhold from the disclosures required by subsection (1) any medical information obtained with the written consent of the consumer which the consumer’s own physician has specifically requested in writing be withheld from the consumer in his or her own best interest.” I’d like to know why the member wants that section repealed. It’s a fundamental section with respect to the relationship between a patient and their physician.

There are other areas with respect to the area he’s talking about, correcting errors. That’s a good area, because I think what he’s trying to do here is put a timeline on the consumer agency, where there is an error in the consumer report, to make any corrections. He’s got a 30-day timeline to investigate the dispute, notify the consumer and correct that information. I think what he’s proposing under subsection 13(1) has some merit.

In conclusion, I want to say that certainly the Consumer Reporting Act needs to be reviewed in certain areas, and I think the member is trying to do that. But we have to have a proper balance in that exercise with respect to the reporting agencies, the consumer and those affected by that information, ie, landlords, credit information areas, insurance companies etc.

Mr Cordiano: I listened to the member, and I’m not quite sure about part of what he said with respect to particular sections of the act. But let me say I’m willing to examine this and talk about where this might go in the future. Obviously, committee would be one good place to deal with those questions.

Let me just continue with what I was saying in regard to why we need this legislation. The US federal government passed the Fair Credit Reporting Act in July 1999, which deals precisely with what I’ve been calling for in the amendments to this act. We’re behind other jurisdictions when it comes to ensuring that consumers are protected and that information is properly maintained by credit-reporting agencies. In fact, in January 2000, three of the biggest credit-reporting agencies were fined by the US government for failing to maintain a toll-free number, which is a requirement of the US federal legislation.

Recently in California, the Senate passed legislation requiring the disclosure of credit scores. In the United Kingdom, the Office of Fair Trading recommended that creditors be required to tell customers or consumers that credit scoring is part of the decision-making process. As we can see, other jurisdictions are moving in regard to this and are making changes to update legislation, because they recognize this is crucial to the functioning of the economy. It’s important for consumers, and it’s also important for our economy to move forward, since we depend on credit.

The member who spoke previously said there wasn’t consultation with stakeholder groups. I have letters of support from the stakeholder groups that I want to quote from, some of whom have suggested that all members support this legislation, as it is significant and moves in the direction they want to go. As soon as I find what I’m looking for on my desk, I’ll quote those.

Let me say further that the amendments we’re asking for are not that onerous with regard to what’s required of the credit-reporting agencies. It will certainly cause them some additional costs; there’s no doubt about that. Maintaining a toll-free number will cost some additional dollars. Updating their files will cost some additional dollars. But these credit-reporting agencies are also making huge sums of money by passing along information about their consumers in other forms. You can actually maintain huge sums of money which is a requirement of the US federal legislation. In fact, in January 2000, three of the biggest credit-reporting agencies were fined by the US government for failing to maintain a toll-free number, which is a requirement of the US federal legislation.

Recently in California, the Senate passed legislation requiring the disclosure of credit scores. In the United Kingdom, the Office of Fair Trading recommended that creditors be required to tell customers or consumers that credit scoring is part of the decision-making process. As we can see, other jurisdictions are moving in regard to this and are making changes to update legislation, because they recognize this is crucial to the functioning of the economy. It’s important for consumers, and it’s also important for our economy to move forward, since we depend on credit.

The member who spoke previously said there wasn’t consultation with stakeholder groups. I have letters of support from the stakeholder groups that I want to quote from, some of whom have suggested that all members support this legislation, as it is significant and moves in the direction they want to go. As soon as I find what I’m looking for on my desk, I’ll quote those.

Let me say further that the amendments we’re asking for are not that onerous with regard to what’s required of the credit-reporting agencies. It will certainly cause them some additional costs; there’s no doubt about that. Maintaining a toll-free number will cost some additional dollars. Updating their files will cost some additional dollars. But these credit-reporting agencies are also making huge sums of money by passing along information about their consumers in other forms. You can actually apply to have your own credit report done on the Internet, with a cost attached to it. There are all sorts of fees being charged to consumers for information.

The Public Interest Advocacy Centre, in their letter to me regarding the amendments to the act, says, “The importance of consumer protections with respect to credit reporting cannot be underestimated. We have become an extremely credit-dependent society.... It can determine our ability to get bank accounts, debit cards, mortgages, credit cards, and even employment and rental accommodation. Many Ontario consumers are suffering as a result of abuses that this bill would address. It is for these reasons that we support these important amendments found in Bill 158.

“We strongly urge all members of the Legislature to support Bill 158 to ensure that an improved Consumer Reporting Act is adopted.”
I also have a letter of support from the Consumers’ Association of Canada. They say, “We believe that the Consumer Reporting Amendment Act works to address some of the concerns we have regarding the current credit reporting industry, and would urge all members of the Legislature to support Bill 158, in order to improve the existing Consumer Reporting Act.”

So we have support from these consumer groups, and it’s very significant.

I also have a number of examples of what’s wrong with the current situation. This gentleman has a bad mark on his credit report because of the responsibilities he had under the Family Responsibility Office. In July 1997 there was an outstanding balance of $52,000, which was paid by this individual. There was also an order from the Superior Court of Justice, dated June 2001, which stated that no monies are owed by this gentleman.

A company called Equifax has been consulted many times. The latest correspondence from Equifax to this gentleman’s lawyer, who has intervened on his behalf, stated that they need an instruction from the group that lodged the collection notice. Anyway, it goes on. The court, as I say, supports the gentleman. His ex-wife also supports the fact that this debt was paid off. However, this bad mark stays on his credit report. It is there, and it resulted in his being prevented from getting employment successfully as well as from accessing rental accommodation. As you can see, this has a detrimental impact on individuals.

I am suggesting today that members support this legislation. It would go a long way to ensuring that consumers are protected and that what’s in their files is current data. It puts the onus back on reporting agencies to update their files. It also calls on these agencies to better explain how credit scores are arrived at, maintaining a toll-free number with personnel available to explain that. As I say, it would cause these firms to be more accountable for their practices. It would also eliminate the possibility for credit-reporting agencies to use the mere fact that someone is applying for credit and a credit report is being conducted on that individual as a bad mark against them.

I think these are essential amendments, which are required in today’s fast-driven economy that is so dependent on credit. All of us who depend on credit—we all use our credit cards extensively; we use them for a number of purposes, for ID. I think we’re just bringing Ontario up to modern standards. I would urge all members to support this bill.

**The Acting Speaker:** Further debate?

**Ms Marilyn Churley (Toronto-Danforth):** I’m pleased to make some comments on behalf of my caucus this morning, because I believe we all share the same point of view on this particular private member’s bill before us today.

I’d like to congratulate Mr Cordiano for bringing it forward. I’m going to tell him at the outset that I have some criticisms of it, and I’ll outline those—I don’t think it goes far enough given today’s climate—but I also understand why he limited it to what is in the bill today.

He’s trying to be reasonable, knowing what might possibly get passed here. Some of the stuff I am going to suggest should be in the bill, I’m sure he thought of, but given that the Americans have already done something similar in another jurisdiction, I understand that he was cautious in his approach today and tried to find the balance Mr Tascona referred to in expressing concerns about the bill because there wasn’t enough balance in it.

I would say everybody knows by now that as we use more and more credit cards, and this has become a credit card society, many consumers have very real problems. There isn’t a balance now, which is what Mr Cordiano is trying to correct. They have real problems with credit reporting agencies. The whole system gives pretty much all the power to businesses and creditors, and leaves the consumer with very little power at all. He is trying to correct that.

The reason I am glad the bill is before us, as well, is that it gives me an opportunity to talk about consumer protection and the lack thereof in other areas under this government. I know you’re not trying to address those today, but we’re talking about consumer protection. The government recently brought forward its own legislation and didn’t do these, in my view, very simple amendments that would go some way to giving relief to consumers. By now we have pointed out so many holes in the government’s new consumer legislation that it’s hardly surprising Mr Cordiano found yet another hole to plug, which is what he is attempting to do today.

The bill attempts to address the serious problem of credit reporting agency practices, but in some way, because I know he’s trying to be cautious in his approach, it takes a rather complicated route. The problem is that businesses check your credit rating many times without cause. We’re finding that more and more. You’re not a customer and you’re not applying for anything, but they’re still out checking your credit rating.

I don’t think they should have the power to do that. Instead of just saying that a consumer report can’t include the number of inquiries, why not just say that businesses can’t check without reason? Again, I know you would have preferred to have that in there, I would think, but you knew that wouldn’t go anywhere. I think that’s where we should be heading, that they can’t check without reason, pure and simple, or better yet, don’t include the number of times your credit rating has been checked on your history at all.

The bill goes in the right direction and I would urge full support for it today. There should be committee hearings so we can have amendments. As you know, with private member’s bills, I think we all accept that we don’t have the infrastructure behind us that the government does to write the bills. Good ideas come out and then we need to take it to a real committee, not committee of the whole House where it dies, which the government tends to do now. It sounds as though they’ll vote for something, so it’ll look good on paper, but then they refuse to send it to a real standing committee and they send it to committee of the whole House, which the public mostly
doesn’t understand, for heaven’s sakes, with good reason, and there it dies. It never sees the light of day again.

The component of the bill dealing with disclosing what’s going on, with actions against consumers and requests for reports to the consumer, is a really important positive step, but as I said, we really need to fix the whole system. I want to say, Mr. Cordiano, I know that’s not what you’re trying to do today, but I think it’s important to point out that as to the system, we need to examine the whole thing and fix it to create more of a balance so that the consumer gets a fair shake.

I want to talk more about consumer protection and the fact that the government brought in a new bill, and as I said, there are so many holes in it. I want to come back to the scamming hydro marketers, and again, you’re not trying to deal with that today but we have to use it as another example of some of the big, big problems in our consumer legislation that the government didn’t fix in its bill.

1130

The legislation the government brought forward will not protect hydro consumers from the scams, the forgery and the high-pressure sales tactics that we hear are still going on out there, which the Conservative government let loose on consumers in this province. We’re all hearing more and more about these.

For well over a year, the government allowed pushy energy marketers to invade your doorstep and sell you so-called electricity deals. What they didn’t tell you was that the prices they quoted didn’t nearly include all the costs. Many people, not knowing what to do, who didn’t read the fine print as many people don’t in these long contracts—yes, we all should. When the minister was asked about that yesterday, he said, “Well, they should have read the fine print.” That’s his answer to people who are going to have to turn out their lights or not eat, to make those choices. What they didn’t tell you was that they didn’t include all the costs. Many signed deals with these marketers that will cost them big money. They’re finding that out now. The average consumer who signed with a marketer will likely lose at least $150 in the first year alone that they didn’t have to lose.

Many consumers who signed these so-called deals will also have to pay any rebate they receive from the government to the private marketers. That was what Mr. Baird, the energy minister, referred to yesterday, that it’s too bad they didn’t read the fine print. They are not going to get to keep the rebate they are going to get back from the government, the election ploy of giving people a few dollars to try to deal with this incredible scandal the government has brought upon itself.

In the fine print of these deals, not pointed out by these scam artists at the door, they were going to be able to keep any rebate. It’s just absolutely shocking. Talk about lack of consumer protection. Even an economist who actually worked on setting up the deregulation system admitted he couldn’t understand the sales pitch that was being made to him at the door, yet over 25% of Ontarians have signed these deals. If one of the economists who helped set up the deal couldn’t understand what he was being told, we know there’s a real consumer issue here.

Howard Hampton, the NDP leader, has been very clear in this House that consumers should be allowed to rip up these deals, and we have put forward to the government a private member’s bill, I believe it was, or a suggestion—I think it was a private member’s bill—but the government says no, it’s going to make them stick. Here it is. It’s Mr. Hampton’s private member’s bill, Bill 73. It would allow consumers to get out of these deals. I would ask the government, when we’re talking about consumer protection today, to revisit that, given that we now know they cannot even get their rebates, and allow them to rip up these deals. The bill is currently before the Legislature but it hasn’t been allowed to go forward. Bill 73 would also put a stop to door-to-door marketing and would allow consumers to rip up contracts they didn’t want to get into in the first place, because there was such confusion out there to consumers about what was going to be happening with hydro bills.

We don’t have a lot of opportunity to talk about consumer protection and this bill gives us an opportunity to talk in general about what’s happening to consumers here under this government. The bill the government brought forward, the consumer protection bill, and the bill the Minister of Finance unveiled yesterday—she didn’t make a statement in the House but I believe a member asked a question so she could highlight it—would not, either of the bills, protect the consumers of financial services who entrusted and subsequently lost their savings, often their retirement savings.

I have an elderly gentleman in my riding who lost his retirement savings completely. He is spending a lot of time being frustrated with me, and I understand that. I have tried through various means—I talked to the former Minister of Finance and the parliamentary assistant at the time and set up a meeting and letters went back and forth—to put his case forward, but under the existing laws and now the new law that was brought in, there’s nothing that can be done for this gentleman. It’s one of the saddest things to see. He has lost all his life savings and there is no legislation before us, including the legislation the minister brought in yesterday, that will get him back his money or prevent this happening to others out there in the future. The government’s so-called investor protection legislation just doesn’t deal in a comprehensive way with the issues that are facing us today.

Again I want to point out, so people understand and know, that there are alternatives. We can improve this legislation. The leader of the NDP, Howard Hampton, has a “No Enrons in Ontario” document, which outlines the kinds of protections consumers should get from the corporate scamming that is endangering Ontario investors. This package includes things like toughening up—really toughening up—the rules and regulations governing public auditors to ensure that investors are really protected and that arm’s-length audits tell the truth about how a company is doing; giving the Ontario Securities Commission more power to clamp down on
securities fraud; increasing corporate board members’ legal liability for misleading statements; forcing mutual fund holding companies to have independent boards for each fund. It creates a real public oversight board for accounting, which would be responsible for licensing, investigations and disciplinary activity of the public accounting profession and would create a new standard-setting body that would not be associated with existing organizations representing the accounting profession, which is a real problem. You’ve got to separate the two.

It would forbid public accounting firms from providing non-auditing services in conjunction with auditing services, ban inside directors from serving on audit committees, and establish a two-year cooling-off period before an employee of an audit firm can join a client firm. These are no-brainers given what we saw happen in the US with Enron and other big corporations and what we actually are seeing here in Ontario too.

It would require firms to rotate or change their auditing firms every five years in order to ensure greater accountability.

There are many more aspects to this No Enrons bill, which I urge all members to look at. I urge the Minister of Finance to take a look at it and indeed be willing to improve upon the bill that she introduced yesterday, which will not do what she said she wants it to do, and that is to protect these smaller investors and their life savings.

Coming back directly to Mr Cordiano’s bill today on consumer protection, as I said earlier, I believe it should and could go further. I think the problems are very far-reaching now and there is a lack of balance between the business community and consumers. The consumers are on the wrong end of the stick.

I would say to government members, I spoke about the fact that I don’t think the bill goes far enough, and I can tell you there are a lot of consumers who think that as well. But Mr Cordiano has brought forward a bill today which I believe he wrote in the belief that Tory members could support it, because he understands that should he have become more radical in his approach and done some of the things that we really need to do to protect consumers, it wouldn’t get anywhere; it wouldn’t see the light of day.

Although in some ways there are complications in what’s before you today that I think need to be fixed, the government should agree to pass the bill today—after all, they’re already doing it in the US and other jurisdictions, so we’re not reinventing the wheel here—take it to committee hearings, deal with some of the issues and some of the problems, and make any necessary amendments to strengthen it.

Congratulations, Mr Cordiano, for bringing this forward.

Mr Garfield Dunlop (Simcoe North): It’s a pleasure to be here this morning to make a few comments on Bill 158, An Act to amend the Consumer Reporting Act. Of course, it’s brought forward by Mr Cordiano, the member from York South-Weston.

Protecting personal information is a priority of the Ernie Eves government. Whenever we talk about personal information, I think everyone always looks back to what we see in movies and a lot of times in the media of Big Brother and Uncle Sam and all these phrases that the public gets to acknowledge when they think of how much information the government has on you. It’s always interesting when personal information comes before this House.

However, we are more than willing to give full consideration to any proposal to increase the control that individuals have over their personal information, including credit card information. That’s something that people in our province, as we move forward with a system where more and more business is done by credit card, by the use of high technology, are concerned more and more about: just what type of information is released.

I have to say right up front that I will be supporting this bill. I believe it has a lot of merit and I congratulate the member for bringing it forth. But while we support some of the policy intentions in Bill 158, there is some concern that a balance has not been achieved between the ability of consumer reporting agencies and the creditors that are providers to continuing functions and the potential benefits provided to our consumers.

One key concern we have is that the bill has been drafted without an awful lot of input and consultation with key groups that will be directly affected by it, such as businesses, the credit card industry and other users of consumer reports. When any type of private member’s bill passes through this Legislature, I consider it essential that as many of the stakeholders as possible are notified and consulted with. I know Mr Cordiano has certainly met with some, but I don’t know how complete that really is to this date. These organizations have significant concerns regarding some of the proposals in the bill and could provide advice on ways to address the needs identified by Bill 158. At the same time, they would not be causing a great deal of harm to their businesses. As well, we would like to hear how consumers and consumer organizations actually view this bill.

I know Mr Hudak, the Minister of Consumer and Business Services, and Mr Tascona, the parliamentary assistant, would be pleased to work with Mr Cordiano and stakeholders to consult on the bill and improve upon it in a way that maintains important consumer protection features, but in a manner that is more balanced with the needs of businesses and consumers.

The bill could be improved in a number of ways. As just one example, because I’m going to let Mr Galt have some time here this morning as well, the obligations of organizations to disclose information to consumers could be more focused on instances where consumers indicate a need or desire to actually see the information.

Again, it’s a bill that has a lot of merit. I don’t know how all of our caucus will be voting on it. I will be supporting it myself. Any time we can make an attempt at helping consumers in dealing with personal information, I think we as a government and all members of this Legislature have to take a serious look at it.
I appreciate the opportunity to say a few words today, and I'll let Mr Galt have the rest of my time.

Mr Mario Sergio (York West): I'm delighted to rise and speak in support of the private member’s bill of my colleague Mr Joe Cordiano, the member from York South-Weston. At the outset, I’d like to say that I very willingly support the bill and I would urge the government members to support it as well.

It does two main things, and it goes a long way to complementing the existing credit reporting act. One is to increase the accountability of credit reporting agencies with respect to disclosing information. One very important aspect of that would be the ability to rectify that information once it has been submitted to the credit-reporting agency. Number two, also very important for the individual consumer and small business person, is to provide the information—quickly and easily accessible—that is used to determine the creditworthiness of that individual consumer or small business person.

Why is that? It’s because the way the act is presently written, there is no protection, no accountability. In this area, the government must engage this debate very seriously, because there is no accountability and no protection for the consumers in our province. We can’t allow reporting agencies to provide false, inaccurate and misleading information that affects the lives of our individual consumers and our small business industry. It does it so directly and so adversely that it affects the lives of many consumers. The government must show leadership, must take responsibility and make sure that information being given out to the general public is correct, and when it isn’t, that it must be corrected.

Mr Cordiano brought to the attention of the House that in 2001, over 2,000 complaints were brought to the attention of the consumer protection agency; only one was audited. That isn’t acceptable. That is totally unacceptable.

I can vouch, from my personal experience with Equifax, supposedly a very reputable credit agency—well, let me tell you, my experience says otherwise, because when I brought complaints to the attention of Equifax, they said, “We retain the information provided to us to be correct.” When I said, “Hold on a second here. This is infringing upon my rights, and I want to correct it,” it was “Forget it. It is here. We deem it to be correct, and it’s going to stay in our books for seven years.” I beg your pardon?

How can we allow that this credit agency can distribute at will, to anyone who asks about the credit of anyone or of any business, and can continue to provide false, misleading and incorrect information for a period of seven years? That is unacceptable. We cannot allow that. We cannot allow that when a complaint is lodged with a credit-reporting agency, they stay mute. Unless a credit check gets done on you, if you go to purchase a car, a home, apply for a mortgage or whatever, anything that warrants a credit check, you may not know that indeed a complaint was lodged on your credit two, three, four, five, six years ago. It has been on your credit that long because that credit-reporting agency has no responsibility within the existing act to advise you, the consumer or small business person, to take action and make sure that misleading, incorrect and false information is corrected.

This is very penalizing to consumers in Ontario. It’s penalizing to the small business industry, where it affects their day-to-day operations to supply or receive materials or other goods and even trades. We cannot condone this.

I’d like to thank the member for York South-Weston for bringing this piece of legislation to the House today. I would very strongly encourage the members of the government to make sure that this private member’s bill indeed moves on and is approved today, so that we can say that information that is being collected, provided and distributed hereafter is correct. I think the public can accept that. I think small business and consumers can accept that as well. The government has a responsibility, when information is provided, that correct information is provided, and when it is contested, that action must be taken to correct that information.

We must amend the act and provide power to the registrar so that every time a complaint is lodged, it is investigated very effectively. In the last five years, out of thousands of complaints, only two were investigated. That isn’t acceptable.

I hope that today every member of the House will support Mr Cordiano’s bill and move it on for the protection of our consumers.

Hon Doug Galt (Minister without Portfolio): It’s a privilege for me to be able to say a few words on this bill. But before I get too far into that, I’d like to welcome to the Legislature some students who are here from Welland. They attend Jean Vanier school, and they’re in the audience here this morning. We welcome you.

What we’re debating is private members’ time, which we set aside for individuals to bring forward bills or resolutions that can be debated in a relatively non-partisan way. That’s the intent. Anyone other than a minister can bring forward a bill or resolution, and it can be debated. It’s usually an issue that’s of concern to that individual in their respective riding.

This morning we’re debating a bill that’s been brought forward by the member for York South-Weston about consumer reporting, maybe not a big issue to our students in the gallery this morning but probably a significant issue to the teachers and parents who are accompanying them here this morning. I’m sure that down the road it’s going to be of significant interest to them once they have a credit rating and are being checked on by various reporting agencies.

There’s no question that I certainly support the concern of protecting personal information. I certainly support the opportunity to be able to correct any information that may be present in one’s records that’s inaccurate. We know how this information can be mistakenly recorded. Certainly, with computers, some of these records can be perpetuated way into the future when in
fact they’re very incorrect and can be very harmful to people.

I think there could have been a little more consultation put into this particular bill prior to bringing it to the House, because there certainly are groups who are opposed to it; for example, some of the reporting agencies are very opposed to this particular bill. But listening to the debate this morning, I think I’m probably going to be able to support it, because it does have the kind of intent I certainly believe in.

The present Consumer Reporting Act does provide protection for consumers. That being said, we’re more than willing to look at various new ways to improve the protection of personal information. Everybody in our society should have that kind of protection.

Agencies are regulated under the present Consumer Reporting Act. Often referred to as credit bureaus, CRAs are companies that gather information on consumers and sell that information in the form of credit reports to credit granters, landlords and others for use in consideration of specific transactions.

These consumer reporting agencies keep records of consumers’ debts and how regularly these debts are repaid. They gather information from creditors that shows what each account holder owes or indeed has paid. These data will show if payments are up to date or overdue and if any action has been taken on these overdue accounts. The reporting agencies’ reports also contain information pertaining to bankruptcies and judgments involving the consumer.

You can see from this how they reach out like tentacles into our everyday lives, whether it’s banking, credit cards or whatever. Certainly we need the opportunity to be able to check out whether mistakes have been made, and as I mentioned earlier, particularly in this era with computers when some of those errors can be extended and be very harmful to people.

I look at Bill 158. It has a lot of good things in it. However, there are some difficulties with it. I hope some of those difficulties can be corrected when it goes to committee.

The Acting Speaker: Response?

Mr Cordiano: I want to respond to some of the criticisms that have been made by my friends from the governing party. Frankly, this legislation does achieve balance because it puts the onus back on credit reporting agencies. Right now, there is no balance. The onus is placed on the individual consumer, who does not have the wherewithal or the resources, and the information is held by these credit reporting agencies.

Someone spoke about the fact that there was no consultation. I alluded to and quoted from support groups, public advocacy groups, that have supported this legislation. Furthermore, if the members opposite feel there were no consultations, why don’t we go to committee and have consultations? You can have all the consultation you want. I’ll sit there till the cows come home, until we pass this legislation. It’s absolutely necessary.

One of the members spoke about medical information. Section 12(2) of the act deals with medical information.

As a result of this government pushing more and more medical costs on to consumers, we’re becoming a consumer-driven society in the area of medical services and products. So the same thing applies to consumers in that area. Credit is important to purchase medically necessary products and services. That’s why that section is in the bill.

As well, release of information to users other than for the intended purpose when you apply for a credit card: we don’t want this credit history being circulated to other credit providers willy-nilly. That shouldn’t be happening.

There are a number of provisions in here that do go far enough and do strike the necessary balance. I hope members of the Legislature will support this legislation.

The Acting Speaker: This completes the time allocated for debating ballot item number 66.

SLOT MACHINES

The Acting Speaker (Mr Michael A. Brown): We will now deal with ballot item number 65. Mr Kwinter has moved private member’s notice of motion number 17.

Is it the pleasure of the House that the motion carry?

All in favour will say “aye.”

All opposed will say “nay.”

In my opinion, the nays have it.

We will call in the members after I deal with ballot item number 66.

CONSUMER REPORTING AMENDMENT ACT, 2002

LOI DE 2002 MODIFIANT LA LOI SUR LES RENSEIGNEMENTS CONCERNANT LE CONSOMMATEUR

The Acting Speaker (Mr Michael A. Brown): Ballot item number 66: Mr Cordiano has moved second reading of Bill 158, An Act to Amend the Consumer Reporting Act.

Is it the pleasure of the House that the motion carry? Carried.

Pursuant to the standing orders, this bill will be referred to—

Mr Joseph Cordiano (York South-Weston): The standing committee on finance and economic affairs.

The Acting Speaker: Mr Cordiano has asked that the bill be referred to the standing committee on finance and economic affairs. Agreed? Agreed.

SLOT MACHINES

The Acting Speaker (Mr Michael A. Brown): On ballot item number 65, call in the members. This will be five-minute bell.

The division bells rang from 1200 to 1205.

The Acting Speaker: Mr Kwinter has moved private member’s notice of motion number 17.
All those in favour will stand and remain standing until their name is called.

Ayes

Agostino, Dominic
Bartolucci, Rick
Bisson, Gilles
Bountrogianni, Marie
Boyer, Claudette
Bradley, James J.
Bryant, Michael
Caplan, David
Churley, Marilyn
Colle, Mike

Aynor, Sean
Cordiano, Joseph
Crozier, Bruce
Dombrowsky, Leona
Duncan, Dwight
Gravelle, Michael
Kennedy, Gerard
Kwinter, Monte
Lalonde, Jean-Marc
Levac, David

McLeod, Lyn
McMeekin, Ted
Parsons, Ernie
Peters, Steve
Phillips, Gerry
Pupatello, Sandra
Ruprecht, Tony
Sergio, Mario
Smitherman, George

Nays

Baird, John R.
Barrett, Toby
Beauchamp, Marcel
Clark, Brad
Clement, Tony
DeFaria, Carl
Dunlop, Garfield
Ecker, Janet
Elliot, Brenda
Flaherty, Jim
Galt, Doug
Gilchrist, Steve
Gill, Raminder
Guzzo, Garry J.

Hardeman, Ernie
Hastings, John
Hudak, Tim
Johnston, Bert
Kells, Morley
Klees, Frank
Marland, Margaret
Maves, Bart
Mazzilli, Frank
McDonald, AL
Miller, Norm
Molinari, Tina R.
Munro, Julia
Mushinski, Marilyn
Newman, Dan
O'Toole, John
Runciman, Robert W.
Sampson, Rob
Spina, Joseph
Sterling, Norman W.
Stockwell, Chris
Tascona, Joseph N.
Turnbull, David
Witmer, Elizabeth
Wood, Bob
Young, David

The Acting Speaker: All those opposed will please stand and remain standing until their name is called.

Nays

Baird, John R.
Barrett, Toby
Beauchamp, Marcel
Clark, Brad
Clement, Tony
DeFaria, Carl
Dunlop, Garfield
Ecker, Janet
Elliot, Brenda
Flaherty, Jim
Galt, Doug
Gilchrist, Steve
Gill, Raminder
Guzzo, Garry J.

Hardeman, Ernie
Hastings, John
Hudak, Tim
Johnston, Bert
Kells, Morley
Klees, Frank
Marland, Margaret
Maves, Bart
Mazzilli, Frank
McDonald, AL
Miller, Norm
Molinari, Tina R.
Munro, Julia
Mushinski, Marilyn
Newman, Dan
O'Toole, John
Runciman, Robert W.
Sampson, Rob
Spina, Joseph
Sterling, Norman W.
Stockwell, Chris
Tascona, Joseph N.
Turnbull, David
Witmer, Elizabeth
Wood, Bob
Young, David

The Acting Speaker: I declare the motion lost.

All matters regarding private members’ public business now being dispensed with, this House stands adjourned until 1:30 of the clock.

The House recessed from 1208 to 1330.

MEMBERS’ STATEMENTS

HYDRO RATES

Mr Dave Levac (Brant): I rise in the House today to speak on the Harris-Eves government’s continued mismanagement of Ontario electricity policy. From higher costs and bungled regulations to the lack of consumer education about the new system, there’s no question that the Harris-Eves government has lost control of the hydro file.

In my riding of Brant, seniors, homeowners, service clubs, large companies and small businesses such as Wayco Ltd continue to pay skyrocketing bills which have increased 21% since May in the cost of power alone. Even more ridiculous, owner Wayne Atfield contacted my office shocked that he had received two hydro payment bills within the same month of October, two weeks apart. In fact, I have a copy of Mr Atfield’s hydro bills, which clearly show he paid the bill on time but was given another charge in the second bill as a late fee charge, not to count the fact that the GST charge was higher than the debt retirement charge.

The Harris-Eves government promised that this new system would deliver lower hydro rates and improved service, but since privatization of Ontario Hydro, we have seen nothing but higher rates and story after story of lousy service time after time. Small businesses like Wayco Ltd will continue to suffer from soaring hydro payments and eventually close because of the mismanagement of this government. The Liberal caucus has said from the beginning that the Harris-Eves government has completely botched the hydro file.

Premier, show us the plan to fix the mess you made. Better yet, call an election and the people will tell you what they think of this botched government policy.

SOCIAL ASSISTANCE

Mr Tony Martin (Sault Ste Marie): Today is Halloween, so I’m bringing you a really scary story. It is a story about being poor in the province of Ontario.

The Eves government would have you believe that if people are poor, it is their own fault and they must be lazy or immoral or both. The truth is, there are many reasons why people can end up falling on hard times: losing their job, being in a car accident, being born with a disability, losing their health, having to leave an abusive relationship, problems with mental health, and the list goes on and on. The truth is that it could happen to any one of us here.

The story gets scarier. If you find yourself poor in Ontario under this government, there is no help. If you are on your own and need social assistance, you will only receive $520 a month, not even enough to cover your rent. Can you imagine having to live on $6,200 a year? But if you are on social assistance and want to get a better education to improve your life, forget it. You aren’t even allowed to go to school. The $10,000 a year you get in student loans is not enough to pay for school and rent and food, forcing people at the bottom to stay at the bottom. Kimberly Rogers was on social assistance and she wanted to get off. She collected her $520 a month, not even enough to cover your rent and food, forcing people at the bottom to stay at the bottom. Kimberly Rogers was on social assistance and she wanted to get off. She collected her $520 a month from social assistance and got the $10,000 in student loans and did well in school, but today, because of the Tory policies on that, she’s not with us any more.

DIWALI

Mr Raminder Gill (Bramalea-Gore-Malton-Springdale): On Monday, November 4, Ontario’s South Asian community will celebrate Diwali, the festival of lights. Many members of our community will observe this auspicious occasion with their family and friends.

On Diwali, sweets are exchanged and prayers are offered to Lakshmi, the Goddess of Wealth, and to Lord Ganesh. Diwali, the darkest night on the lunar calendar, marks the return of Lord Rama to his kingdom of Ayodhya after 14 years of exile. For Sikhs, it also marks
the return of Guru Hargobind Ji to the holy city of Amritsar after his release from captivity by the Mughal ruler Jahangir.

In many homes, mandirs and gurdwaras, deeyas, or small lamps, are lit in celebration of the victory of light and goodness over darkness and evil.

On behalf of all members of this Legislature, I would like to extend happy Diwali greetings to Ontario’s more than half-million South Asians and the one billion Hindus and Sikhs worldwide who celebrate Diwali.

Namaste. Sat Sri Akal.

NEW DEMOCRATIC PARTY

Mr Bruce Crozier (Essex): I rise today to speak about myths and reality.

Howard Hampton and the NDP are trying to breathe life into their tired and dying party by twisting the facts on their Ontario Hydro policy. The NDP want to close the border to all hydro imports. That would leave Ontario sweating on hot summer days. The NDP want to stop the thousands of megawatts of new and clean gas-powered electrical generation coming from the private sector. That would leave Ontario in darkness on cold winter nights. And the NDP wants to give Ernie Eves’s Ontario Power Generation 100% control over our electrical generation, despite all their failures. That would result in billions of dollars in new taxes and even higher debt.

There is no wonder the NDP is a tired, dying party that history is leaving behind. Their federal party’s leadership race has attracted just 5,000 new people across the whole of Canada’s 301 ridings, and absolutely no news. To put that in perspective, there are single Ontario Liberal riding associations supported by more than 7,000 members.

The public is on to the NDP. They know that, like their public auto insurance policy before this, the NDP hydro platform will never see the light of day, because they don’t trust Howard Hampton and the NDP with hydro any more than they trust them to run our economy.

HALL OF DISTINCTION

BUSINESS EXCELLENCE AWARDS

Mrs Julia Munro (York North): Last Wednesday, October 23, 2002, I had the honour and pleasure of attending an event hosted by the Newmarket Chamber of Commerce, the annual Hall of Distinction Awards, 2002. There are five categories of awards.

The first one, the new business award, was awarded this year to We Care Home Health Services. This award recognizes successful and innovative new entrepreneurs. The firm must be at least one year old and cannot have been in existence for more than five years.

The Bell technology award was awarded to Phoenix Systems. This business has demonstrated innovation in the use of technology in the ever-changing communications area.

The award for developing international trade was awarded to R. Reininger and Son. This award recognizes outstanding achievement in the development of export markets. Recognition received from governments and organizations outside of our community is also taken into consideration for this award.

The award for extraordinary business achievements went to the Upper Canada Mall. This award recognizes a successful entrepreneurial business, whether large or small. The areas of achievement include research and development, growth, new market development and community service.

The final award, the founder’s award, was awarded to Charles E. Boyd Insurance Ltd. This honour recognizes the founding fathers and mothers of the Newmarket community. These are the people who have dedicated their working lives to making Newmarket the commercial centre it is today.

GOVERNMENT’S RECORD

Mr George Smitherman (Toronto Centre-Rosedale): There’s a new movie playing all across Ontario. It’s a real gory thriller called Nightmare on Tory Street. Work with me. It’s all about a slick Bay Street banker who buys his way into the Premier’s chair so that he can continue to look after his friends at the Eves trough with government appointments.

But what he doesn’t know is that all the ghosts and goblins from the last guy are still there to haunt him. His own staff starts leaking cabinet documents. His ministers sign deals to give away millions to professional sports teams. And then his own scary policies from the past come back to haunt him. Schools are crumbling, families can’t access life-saving surgeries, children don’t have textbooks, and hydro bills—well, they’re skyrocketing.

This guy just can’t seem to get it under control, even though they refer to his office as the Kremlin. He said he was going be Dalton McGuinty’s worst nightmare, but it’s the people in his own party who are jolted awake in Tory Town who are screaming out in horror. He’s plummeting in the polls. No one knows where he stands on any issue. No one knows why he wants to be Premier. He has no plan to fix the services he broke.

The nightmare is very real on Tory Street. People like Jim Flaherty, Mike Harris, Tony Clement, Janet Ecker and Chris Pipe-up Stockwell can be heard crying out, “When will this nightmare ever end?” But children, don’t worry. There is a happy ending: Dalton McGuinty and the Ontario Liberals form the next government and sweep up the Tory mess.

1340

TERRY HARKINS

Mr Garfield Dunlop (Simcoe North): It’s a pleasure to be here today to listen to the fairytales from across the way.

I’m very excited to be here today to speak about a special event that happened on October 19, when we had
the Ontario Medal for Good Citizenship awarded right here in our provincial Legislature.

Terry Harkins, a friend of mine who actually resides in Sean Conway’s riding, was a recipient of one of the awards. I want to mention a little bit about Terry’s background.

Terry is a former educator and now he’s a full-time volunteer in our province. First of all, he’s the chief superintendent of the Ontario Provincial Police auxiliary program. For people who don’t know that program, and I hope everyone in this gallery understands, there are 940 auxiliary officers in our Ontario Provincial Police program. It’s the largest auxiliary program, I believe, in the world. It’s also the main recruitment area for the Ontario Provincial Police.

As well, Terry is the president of the Ontario Education Leadership Centre at Longford Mills. Each year the Ontario Education Leadership Centre graduates 2,200 young leaders from across our province.

I wanted to congratulate Terry on a job well done and on his Ontario Medal for Good Citizenship.

RACIAL PROFILING

Mr Gerry Phillips (Scarborough-Agincourt): Leaders from the black community held a press conference this morning. They expressed serious concerns about events surrounding the black community over the past few weeks in Toronto. They point out that this is far broader than simply a police issue. I very much share their concerns.

The community made a request of Premier Eves to take action. They point out that this issue has been studied, with major studies, several times over the past few years and many of the recommendations have not yet been implemented. My colleague Alvin Curling is at a media event with the Premier now and I think the question may be asked of him.

I believe the recommendation the group made this morning is a good one, and that is to request the Premier to find a way to have someone or some people look at the studies that have been done over the past few years, look at the recommendations, look at which ones haven’t been implemented, find out why, and put forward an action plan to make sure that the ones that should go forward do in fact go forward.

I repeat what I said earlier in the week in the Legislature. This is an extremely serious issue, not only for Toronto but also for Ontario. There is a risk of our communities being very deeply divided. It requires calm and decisive leadership.

I would urge the Premier to look seriously at the recommendation that was made this morning, for him to examine those reports, to look at those recommendations and to proceed with a plan for implementing the appropriate ones.

ONTARIO VOLUNTEER AWARDS

Mr Bart Maves (Niagara Falls): On Tuesday, October 28, I had the wonderful opportunity of presenting Ontario Volunteer Awards to many dedicated, hard-working Niagara constituents.

The volunteer recipients included Harold Detlor and Hugh Detlor—posthumously accepted on his behalf by his daughter—for 50-plus years with the 1st Niagara Scout Group. Thank you and congratulations to both men for their inspiring dedication and commitment; also Sylvia Fast for 30 years of dedication to the same organization.

Niagara Boys and Girls Club volunteer Larry Webster was recognized for 25 years of service to that great organization. Other Niagara Boys and Girls Club recipients included Dora Nicholson, Dan Nywening, Brian Pellow, John Russell and Bill Walters, all for at least five years, and some for more, of service to the organization.

For the Niagara Falls Curling Club, Margaret Lyon was recognized—also accepted posthumously, by her daughter, Kim Gibson—for her 25 years of service to that organization.

For the Niagara Health System, recognized were volunteers Elizabeth Blanchfield and Evelyn Gavin, and as well as Peggy Johnston and Muriel Triano, both for over 30 years of service to the Greater Niagara General Hospital ladies’ auxiliary; also Rita Viscentin for 20 years of service.

For Niagara-on-the-Lake Community Palliative Care Services, recognized were Emma Adams, Nancy Bongard, Joe Eden, Joyce Loewen, Tom Marlan and Peggy Walker.

Approximately 400 people received awards. I wish I could make mention of each and every one of them as they all deserve recognition for their volunteer services to the public.

INTRODUCTION OF BILLS

ENVIRONMENTAL PROTECTION AMENDMENT ACT (INDUSTRIAL FACILITIES), 2002

Mr Levac moved first reading of the following bill:

Bill 202, An Act to amend the Environmental Protection Act to regulate industrial facilities that use, store or treat hazardous materials / Projet de loi 202, Loi modifiant la Loi sur la protection de l’environnement pour réglementer les installations industrielles où sont utilisés, entreposés ou traités des matériaux dangereux.
Mr Dave Levac (Brant): In my riding we’ve had to endure an extremely serious problem with brownfield sites caused by hazardous materials in the past. The bill amends the Environmental Protection Act to fill up some loopholes that exist by requiring that industrial facilities which regularly use, store or treat significant amounts of hazardous materials prepare and submit an environmental report on their property every five years. The report will be available to the public, submitted to both the Ministry of the Environment and the Minister of Health. A facility that is ceasing operations is required to submit a final environmental report. Owners of the industrial facilities are responsible for any environmental damage that occurs on their land while under their care. Hopefully this will rid us of brownfields forever.

Mr Parsons moved first reading of the following bill: Bill 203, An Act to amend the Ontario Disability Support Program Act, 1997 to empower the Integrity Commissioner to determine the level of income support / Projet de loi 203, Loi modifiant la Loi de 1997 sur le Programme ontarien de soutien aux personnes handicapées en vue de donner au commissaire à l’intégrité le pouvoir de déterminer le niveau de soutien du revenu.

Mr Hampton moved first reading of the following bill: Bill 204, An Act to amend the Ontario Energy Board Act, 1998 to protect residential consumers from the discontinuance of electricity and gas supplies during certain months / Projet de loi 204, Loi modifiant la Loi de 1998 sur la Commission de l’énergie de l’Ontario afin de protéger les consommateurs résidentiels contre l’interruption de l’approvisionnement en électricité et en gaz durant certains mois.

Mr Gilles Bisson (Timmins-James Bay): On a point of order, Mr Speaker: I just want share with the House my thanks to the Minister of Community and Social Services for having fixed the problem of the young man, Mr Joanisse, who was about to be discontinued from benefits while in hospital for a lung transplant. On behalf of the family and the people in our community, I want to thank her. We’re very thankful.

Mr Sean G. Conway (Renfrew-Nipissing-Pembroke): My question is to the Minister of Energy and it concerns electricity supply in Ontario for the next few years. We’ve talked about the problems at Pickering A, Min-
ister, but today I want to raise with you another part of the supply problem.

A few years ago Ontario Hydro and Hydro-Québec entered into an agreement—I thought, a good agreement—to improve the electricity connection between Ontario and Quebec, to make available to Ontario, by not later than the year 2004, an additional 1,250 megawatts of Hydro-Québec power. Late reports now suggest that that Hydro-Québec-Ontario Hydro transmission improvement in eastern Ontario and western Quebec is bogged down with some difficulty. Could you report to the Legislature, Minister of Energy, as to what you understand the difficulty to be and, more importantly, when you think the Ontario electricity market will actually get access to that 1,250 megawatts of Hydro-Québec power that we had been expecting not later than the year 2004?

Hon John R. Baird (Minister of Energy, minister responsible for francophone affairs): I met with the chair of Hydro One just last week and again yesterday to discuss this important issue. It’s important for the grid and it’s certainly important for eastern Ontario and indeed for the entire province. In fact, all regulatory approvals are in place on our side of the border. This would use an existing corridor, which makes the project have obvious merits. Obviously, we’d like access to low-cost hydro-electric power from northern Quebec. I’m confident the project will be able to proceed. We’re working quite hard with our colleagues in Quebec and we’re hoping that they can get the necessary decisions on their proposed rates from their regulator.

Mr Conway: This is extremely important for all of the electricity consumers of Ontario, who are going to be experiencing a great deal of pain over the next number of months because, among other things, and perhaps centrally, the problem that we face in Ontario in the short and intermediate term, and by that I mean the next very few years, is that we’ve got too much domestic electricity demand chasing too little electricity supply provided by domestic generators. Add to that that the Ontario hydro company dominates our market to the tune of over 70%.

Minister, your plan, the Mike Harris-Ernie Eves plan, to get us through these very difficult years, 1999-2004, anticipated 2,060 megawatts of nuclear power at Pickering A coming back on stream about now and 1,250 megawatts of Hydro-Québec power being available to our domestic economy not later than 2004. Those two projects are in deep trouble and they are being delayed every bloody week. What is your plan to make up for the loss of 3,300 megawatts of domestic Canadian supply for the Ontario market at a time when consumers are being crucified with high prices, largely because we have a real and growing shortage of domestic supply?

Hon Mr Baird: Huron Wind will be opening up a new project next month. TransAlta will be opening up a plant in the Sarnia area early this coming year. We’re optimistic that we can get three of the nuclear reactors which are down up and running in 2003, two at Bruce and one at Pickering A. We do need more interconnection with our neighbouring jurisdictions; the member opposite is right in that assertion. In fact, in Hydro One’s own licence with the Ontario Energy Board they’re required to increase it by 2,000 megawatts. We certainly are underlining the importance of that for the entire province, whether it’s for working families, small business or large industry.

Mr Conway: Minister, given the consumer pain that is out there now on the electricity front, a pain that particularly in Toronto is going to become infinitely more serious in a very few months’ time, and given the growing supply problem we’ve got domestically because of the serious and prolonged delays at Pickering A and the emerging problems with the delay on the Hydro-Québec project which was to provide us with 1,250 megawatts within about 18 months of this very time, can you explain to me and the electricity consumers of Ontario why the people of Ontario should not at the earliest time get an independent examination of what is actually going on at Pickering A, what the real costs are going to be, how long the delays are going to be and what the price implications are going to be for all classes of Ontario electricity consumers, who are screaming now and are going to be yelling in decibels that you will not like very much in a very few weeks’ time?

Hon Mr Baird: Should there be an independent examination with respect to the supply in the province of Ontario? It may come as some surprise to the member opposite that I completely concur. There should be, and there is. The Independent Market Operator on a regular basis updates what they deem to be an adequate supply for the province of Ontario, and they look at the demand.

Last summer we had a reactor of some 800 megawatts down at Bruce B. That will be on-line for next summer. We believe we can get one of the reactors up at Pickering A. That should be on-line for next year. There are two additional reactors at Bruce; we believe that’ll get on-line.

The member opposite points to a report, and I’d like to quote. I assume this is the report he’s holding. It’s the 18-month outlook from the independent professional market operator. What do these independent people who do this 18-month forecast say? “The energy production capability is generally expected to be well above ... demand levels in each month of the outlook period ... No additional energy is expected to be needed to meet the Ontario forecast energy demand.” In fact, in this forecast they’re not counting the three nuclear projects which we hope to get on-line next year in the province of Ontario.

Hydro One

Mr Gerry Phillips (Scarborough-Agincourt): I follow up on Hydro One with the same minister. We have a document here that we received, indicating the process you plan to follow on the sale of the minority interest in Hydro One, which we are opposed to. It says here: “Hydro One equals 407 highway process. The transaction processes will follow the same processes as the 407 highway process.”
The problem we have with that, Mr Minister, is that the 407 users got completely, totally ripped off on that process. It was all done behind closed doors. The lucky owners that bought it have seen their investment go up fourfold. SNC-Lavalin point out that they’ve put $175 million into it. It’s now worth four times that. So they did all right, the buyers.

My question is this: why in the world would you want to follow the same process in selling Hydro One as you did for the 407?

Hon John R. Baird (Minister of Energy, minister responsible for francophone affairs): I’d be pleased to have that question answered by the Minister of Finance.

Hon Janet Ecker (Minister of Finance): I’d like to assure the honourable member that the purpose of selling the minority ownership or the minority share of Hydro One is to make sure that it is being done in a way that brings market discipline to the day-to-day operations of that organization, and I think the honourable member would agree that we’ve certainly seen the need for that in recent weeks and months; secondly, that it is done in a way that protects consumers; and thirdly, that it is done in a way that ensures the necessary capital improvements to make sure that those transmission lines are working, that they’re up to date, that they’re strong, that they’re bringing dependable electricity to our businesses and our families. We need that new investment, and this will allow us to do that.

The process is being done in a very ethical manner. The process is being done according to the advice of transaction advisers with expertise in this field who’ve been chosen through a competitive process. So it is a very above-board, very ethical—

The Speaker (Hon Gary Carr): I’m afraid the minister’s time is up.

1400

Mr Phillips: Well, it’s done all behind closed doors. Nothing is out in the public. You ripped off the 407 users. I remember Premier Eves, at the time the Minister of Finance, said “We have protections in.” The owners say, “I can take the tolls up without limit.” The owners of the 407 have ripped off the users. You did not protect the consumers, and you’re going to follow exactly the same process here. The 407 winner helped to write the request for proposal, and you’re going to allow that same thing to happen here again. I say to you, this isn’t some little private Ernie Eves company, this is the public company. Will you agree to make this process public and not follow that secret little thing behind closed doors that you did on the 407?

Hon Mrs Ecker: When we put out a request for proposals, when we put out a request for expressions of interest, that’s a public process. That goes out. The information is there for those that wish to be part of making a bid to do this. We have BMO Nesbitt Burns and CIBC World Markets. If the honourable member is asking this House to believe that there is something wrong with the integrity of those two companies, then he should stand up and say so. I’m sure they’d be very interested to know that the Liberal Party does not trust them to do an ethical job, does not trust them to provide expert advice to the government to move forward with maintaining the majority ownership in Hydro One but at the same time making sure there is private sector discipline, new investments to make sure those transmission lines do the job that Ontario families want them to do.

Mr Phillips: This gets more scary, because if you think the 407 process was open, you don’t understand it. We’re still in court trying to find out what in the world happened on tolls. The 407 owners said, “We’re not going to give you that because that went into the request for proposal.” Nothing could be further from the truth that that was open. It’s still in court trying to inform the public of how in the world they can take tolls up without limit.

I say to you again, Minister, you’re wrong on this one. This isn’t some cozy little Bay Street deal where two companies are exchanging companies. This is the public’s business. Will you agree to scrap that 407 process and make this a public process? If you’re so determined to proceed with this sale, the public have a right to see it. Will you make this a public process, start to finish?

Hon Mrs Ecker: If the honourable member believes that the way to request advice, that the way to do contracts is to have a public debate about competitively sensitive information, again I’m sure the people in business whom they go out and ask for money would be really interested to know that is the consideration they give to a process that makes sure it is ethical, up front, above-board and is done in the best interests of taxpayers. That is indeed the process this government is following and will follow as we seek to get private sector discipline and new investments into the Hydro One organization.

HYDRO RATES

Mr Howard Hampton (Kenora-Rainy River): My question is for the Minister of Energy. Today I tabled a bill called the No Freezing in the Dark Act. It would stop hydro companies from cutting off someone’s hydro during the cold winter. Clarissa Higgins, a single parent with two children who is disabled and trying to live on a fixed and limited income, had her hydro cut off earlier this fall. Only extraordinary efforts by my colleague Michael Prue persuaded social assistance to pay her hydro bill so the lights would come on again. This is a problem across this province, where people living on fixed and limited incomes are having their hydro cut off because their hydro bill doubled as a result of hydro deregulation and privatization. We must help these people during a cold winter. Will you pass my bill today?

Hon John R. Baird (Minister of Energy, minister responsible for francophone affairs): I certainly share the concern that the member opposite raises. Electricity is an important commodity in people’s everyday lives. I know in my community in eastern Ontario we went
through the ice storm. You never realize the importance of even a small amount of electricity to simply keep a furnace going, let alone to know the importance of it for electric heat.

The member opposite stood up in his place about two weeks ago, as I understood, and asked me, would I support his private members bill? I made a very honest offer to the member opposite that if he’d give me a copy of it, we’d be happy to review it, as I know all members have. Some two weeks later I still haven’t received a copy. I know he tabled it earlier today. I still haven’t got a copy. If you’d like to send one over, I would be happy to read it, as I’m sure members on both sides of the House would.

**Mr Hampton:** Minister, I’ll send you over a copy right now. It is really a very simple bill that says a residential customer cannot have their electricity or gas cut off between October 1 and May 1; in other words, during the winter months. That’s what it says. Right now, seniors living on fixed incomes and people who are trying to live on disability pensions in many communities across this province are having their hydro cut off, and they’re being told that if they want to have it reconnected they have to pay a reconnection fee of $300, $400 or $500. That, on top of a hydro bill that’s doubled as a result of hydro deregulation, is beyond their means.

It’s a simple question, Minister: are you prepared to do something to help these people? Will you pass my private member’s bill so that people will not have their hydro or gas disconnected during these cold winter months?

**Hon Mr Baird:** Over a period of a week or two, for the fourth or fifth time, I have said to the member opposite, “May I see a copy of your bill? Could we have the opportunity to read it first?” I think that would be the responsible thing to do.

**Mr Hampton:** Minister, in Red Lake tonight it will be -15C; Thunder Bay, -7C; in Timmins-Kapuskasing, -15C; in Sudbury-North Bay, -10C. In Toronto tonight it will be -4C with a wind chill factor. What is it that you need to consider? You already know that people are having their hydro cut off because they cannot afford to pay hydro bills that have doubled. You know there are literally hundreds of thousands of apartments and other homes across this province that are heated electrically. If the hydro is shut off, they don’t have heat and they don’t have light.

We’ve seen you do incredible things to help your corporate friends, in terms of deregulated, privatized hydro. Will you pass my private member’s bill to ensure that no one this winter freezes in the dark as a result of hydro bills that have gone through the roof?

**Hon Mr Baird:** Please send me a copy of your bill. You’ve just handed me something here, and do you know what it says: “Fourth question, racial profiling, asked by Michael Prue and Howard Hampton to the Deputy Premier,” which I assume will going to the Minister of Public Safety and Security.

“Today, 30 groups delivered a letter to your Premier about the serious problem of racial profiling against the African-Canadian communities. They say 20 years of studies have repeated the same recommendations and the time for study is over and the time for action is now. Your government can be part of the solution, or it can stand in the way, fostering more fear and more mistrust of the police in the community.”

Elizabeth, if you’d like to answer this right now, I’ll just hand it over to you.

**The Speaker:** New question.

**Mr Hampton:** To the Minister of Energy, you have a copy of my private member’s bill. This shows the seriousness that your government takes of the issue of people having their hydro shut off.

There’s another problem with hydro privatization and deregulation. About 80% of the tenants across this province pay for their hydro through their rent. We are already seeing cases where the landlord is applying for an extraordinary increase in rent to cover the hydro bill. But under your rebate scheme, when the rebate is paid out it will not go to the tenant, who has in effect paid the hydro bill through higher rent. The rebate will go to the landlord. This means that the tenant gets hit paying the hydro bill through the rent, but when the so-called rebate comes through, it never goes to the tenant.

Minister, what are you going to do to fix this obviously very unfair situation?

**Hon Mr Baird:** I want to thank the member opposite in respect to the prelude of his question. I finally did get a copy of his bill, and I will read it. I understand the seriousness with which the member raises it. I wish I had it two weeks ago when he first raised the issue; I wish I had had it 10 minutes ago when he raised the issue. I will certainly give it consideration.

The leader of the third party raises an issue with respect to people in Ontario who have electricity as part of their rent. It is certainly an issue I’d be pleased to take back to discuss with my colleague the Minister of Municipal Affairs and Housing, and look at whether that should be on a gross or a net basis.

**Mr Howard Hampton (Kenora-Rainy River):** Minister, across this province, your deregulation and privatization is obviously being seen as a scam. Some people are becoming very wealthy, other people are seeing their hydro bills raised so high, they have no idea how they’re going to pay them in the long term. It seems to me that there’s an obvious unfairness here.

What I want from you is a commitment right now that, where tenants have to pay for the hydro bill through their rent and the rent is increased substantially to cover the hydro bill, should there ever be some kind of hydro-electricity rebate, it will go to the tenants, not to the landlord. Will you make that commitment hard and firm here today, that some people will not continue to profit off hydro deregulation and privatization while other people continue to pay through the nose—in other words, tenants across this province?
Hon Mr Baird: I think the issue the leader of the third party brings to the House today, whether it’s with respect to a gross or a net electricity bill with respect to rent increases, which are regulated in the province of Ontario, is one that should be looked at. I’m certainly committed to discussing the issue with my colleague the Minister of Housing.

HYDRO ONE

Mr Michael Bryant (St Paul’s): My question is to the Minister of Energy. It is about this truly frightening “Hydro One equals 407 process” memo, which has got to be the hydro Halloween horror story of the day, with the government tricking and treating consumers to another Hydro One nightmare. One of the goblins at the fire sale, Minister, is the same company that is gouging Highway 407 users, and that is pretty scary to the consumers of Ontario. You are the shareholder of Hydro One, and you now have before you evidence that consumers are yet again going to be left in the dark. As the shareholder of this company, one of the most valuable assets that the province owns, what exactly are you doing to protect consumers in the midst of this Hydro One fire sale?

Hon John R. Baird (Minister of Energy, minister responsible for francophone affairs): I’ll refer this to the Minister of Finance.

Hon Janet Ecker (Minister of Finance): One of the important considerations for consumers is to make sure that when they turn the light switch on, the electricity is there. If we do not have new investment into the Hydro One transmission lines, that will not occur. This step will allow us to do that. We have laid that out as one of the reasons we are pursuing this course. It will enable consumers to make sure that those transmission lines have the latest technology, the latest way to proceed. That is why we are doing this. I think consumers would appreciate knowing that those lines are going to do the job families expect them to do when they turn on those light switches.

Mr Bryant: What consumers do not appreciate is a fire sale to pay off your election promises but which is not in the long-term interests of Ontario consumers. What consumers would appreciate is that the electricity transmission highway not be sold. Why? Amongst other things, you are adding even more volatility to an already chaotic electricity competition marketplace. That is something the shareholder for Hydro One, the Minister of Energy, has got to answer to.

The problem with using the Hydro-407 model to sell off Hydro One is quite simply that it’s going to mean that just as the tolls went through the roof, so too will the transmission part of people’s hydro bills. This is a nightmare for consumers. I say again to the Minister of Energy, you’re the shareholder, and yet again you’re asleep at the switch in the midst of the sell-off of Hydro One. You wasted millions of dollars on the IPO in brokers’ fees, in legal fees—millions, for nothing. Now you’re back to the Hydro-407 process as a model. What are you doing, Minister of Energy, to protect consumers, as the shareholder of Hydro One?

Hon Mrs Ecker: The Liberal Party loves to stand up and quote the auditor. They think that the auditor’s opinion is very valuable. Well, on the 407 process that the honourable member across there is saying was so bad, Mr Peters, the auditor, has stated publicly that the sale of Highway 407 was really very well handled.

FIREFIGHTERS

Mr Ted Arnott (Waterloo-Wellington): My question is for the Minister of Public Safety and Security. The minister knows that my private member’s Bill 30, the Volunteer Firefighters Employment Protection Act, has received the support of this House in principle, and passed second reading on June 6.

Bill 30 protects double-hatter firefighters. Double-hatters are usually full-time firefighters who work for a city department, but also serve as volunteer firefighters in their off-hours in their home communities. The professional firefighters’ union has been threatening these firefighters with the loss of their full-time jobs if they refuse to quit as volunteers. If they’re forced to quit and their expertise is lost, that loss would severely weaken Ontario’s volunteer forces and their ability to respond to emergencies.

Bill 30 had public hearings before the standing committee on justice and social policy this month. I heard strong support there. In fact, all the witnesses who made presentations, only union representatives were opposed to the bill. Last Wednesday, the committee chair reported back to this House, and members of the opposition parties voted against receiving back the amended bill. Had they been successful, they would have killed Bill 30. I have brought the solution to this problem forward as far as I can, and now it is in the hands of the government. My question to the minister is this: will he support Bill 30?

Hon Robert W. Runciman (Minister of Public Safety and Security): I thank the member for the question. I want to take this opportunity to congratulate the member from Waterloo-Wellington on his outstanding work, in the finest tradition of private members’ initiatives in this assembly.

The concern embodied in his legislation is a legitimate concern held by many municipalities across this province, and certainly amongst volunteer firefighters in Ontario, many of whom are two-hatters who work as professional firefighters and also volunteer in their home communities.

Early on in my tenure of six months, I asked the fire marshal to conduct consultations with all of the stakeholders to see if we could arrive at a remedy at the table, rather than looking at a legislative solution. Unfortunately, that has not been achieved. I indicated some time ago that if we cannot achieve a resolution through discussion, through consultation, I am quite prepared to consider a legislative solution.
Mr Arnott: I appreciate the work that the minister is doing and his understanding of the significance of this issue for communities right across the province. I didn’t hear him say he supported the bill, but I’m hoping to give him an opportunity in the supplementary to say so.

Bill 30 has the strong support of the Fire Fighters Association of Ontario, which represents the volunteer firefighters, many of whom are here today in the gallery.

Applause.

Mr Arnott: They do deserve our support and our appreciation.

The Association of Municipalities of Ontario has written each government MPP this week asking for support for my bill. There is growing and broad-based support for Bill 30, but time is of the essence because more double-hatters are under pressure to resign. In an ominous threat, the firefighters’ union says it plans to phase out all double-haters, and on October 1 they lifted their moratorium on charges against double-hatters for their volunteer service, effectively declaring open season on the double-hatters.

Here is what Ontario Fire Marshal Bernard Moyle had to say about the union leadership’s decision at the hearings on Bill 30: “The sudden or phased-out withdrawal of two-hatters from communities dependent on volunteer fire departments could significantly impact on their ability to provide an adequate level of fire protection and may in some cases pose a potential serious threat to public safety.” The fire marshal went on to explain how losing double-hatters would weaken the volunteer forces, and he concluded that legislation to protect them is needed. Will the minister protect public safety in Ontario by encouraging the government to take a position in support of my bill, and will he support having it called for third-reading debate immediately?

Hon Mr Runciman: I want to echo the member’s comments with respect to volunteers in this province. Volunteer firefighters do an enormous job in so many communities across this province, and are so important to many of us in this assembly and in the constituencies we represent, including mine.

What the member is talking about I think is essentially a House management issue. I have, as well as the member, discussed this with the House leader. I think the member also appreciates that I have a number of stakeholders whose views I have to represent around the government tables. I don’t think it would be appropriate for me to take a public position at this time.

1420

NATURAL GAS RATES

Mr Dwight Duncan (Windsor-St Clair): I have a question for the Minister of Energy. In August of this year, as you know, the Ontario Energy Board approved a retroactive rate increase for Union Gas. Subsequent to that, Union Gas sent around to every school board in the province a breakdown of what the retroactive charge would be for them. I have a letter in my hand from the Windsor-Essex Catholic District School Board saying that the impact of that decision will be $144,000 on this year’s budget. Subsequent to that, the Premier said he found the decision unacceptable. You have commenced a review of OEB policies and procedures and written to members and others. Minister, what do you propose to tell school boards who, in this letter and right across the province, say that their budgets do not contemplate this, and second, have said to us that in fact they’ll have to take the money out of operating budgets for schools—that is, money away from textbooks and everything else in the classroom? What do you say to those, in light of the fact that your review does not appear to address this very serious issue?

Hon John R. Baird (Minister of Energy, minister responsible for francophone affairs): I’ll refer the supplementary to my colleague the Minister of Education, who wants to talk about school boards.

I can say—two issues with respect to the whole issue of retroactivity. I’m a consumer like everyone else and I don’t think anyone in Ontario likes retroactive charges. The Premier was concerned, on the whole issue of retroactivity, about how the mandate of the Ontario Energy Board has perhaps grown faster than it could. I do believe there are a substantial number of issues we could look at to improve the board’s ability to discharge its responsibilities. We’re conducting a complete review of the board and hope to be able to report back to cabinet within 100 days of that review. We’ve put out a discussion paper of late to solicit views, including school boards, including other consumers of energy in the province, to get their ideas and their insights on what is an important issue.

Mr Duncan: In fact, Minister, right now under the Ontario Energy Board Act, section 34(1), cabinet has the power to order the OEB to review any decision related to this. There are certain conditions, and those conditions have been met by two organizations: the Ontario Association of School Business Officials and the Ontario Public School Boards’ Association, who have filed with the clerk of cabinet petitions to cabinet to order the Ontario Energy Board to have another hearing on this matter, hopefully with an eye to overturning it.

In light of the impact of this on school boards, hospitals, colleges, universities, and in light of the context of what we know is coming down the path in terms of hydroelectric prices and hydroelectric concerns, will you as a cabinet, as per your own act, as per the petition presented to the secretary of cabinet with respect to this issue, order the Ontario Energy Board to review their decision and to hold another hearing?

The other thing you should know, Minister: there was no public notification of these hearings—no opportunities for anybody to participate in this decision-making outside of Union Gas and the Ontario Energy Board. Will you use the powers now available to you?

Hon Mr Baird: The member opposite wrote my leader and the Premier on October 16, saying that the government in fact had “the power to overturn the
ELDER ABUSE

Mrs Julia Munro (York North): My question is for the minister responsible for seniors. Representatives from my community recently came to Toronto to meet with colleagues from across Ontario interested in addressing elder abuse. Elder abuse is an urgent community matter that concerns all citizens and compromises the well-being of countless older adults, their families and communities. Can you tell me how this meeting was connected to Ontario’s strategy to combat elder abuse?

Hon Carl DeFaria (Minister of Citizenship, minister responsible for seniors): I thank my colleague for the issue but indeed of the whole board because we do treat this issue with great concern. The Premier did take this issue tremendously seriously. He didn’t want just a review of this particular issue but indeed of the whole board because we do treat these issues with great concern.

COCHLEAR Implants

Ms Shelley Martel (Nickel Belt): I have a question to the Minister of Health. Micheline Maginsky is in the gallery today. She’s a 37-year-old mother of four. She began to lose her hearing as a child. She was profoundly deaf by her mid-twenties. She is a candidate for cochlear implant surgery, which will change her life by finally allowing her to hear her children’s voices.

Doctors at the Sunnybrook cochlear implant program have told us that due to dramatic advances in technology, the number of candidates for surgery has skyrocketed, and that is why they made a request to you to increase their quota of cochlear implants from 35 to 50 this year to reduce the waiting list down to one year.

You provided some funding, but Micheline must wait until February 2004 to hear again, a total wait of over three years. Minister, will you expand Sunnybrook’s cochlear implant program so patients like Micheline will hear again next year?

Hon Tony Clement (Minister of Health and Long-Term Care): I thank the honourable member for bringing this particular case to my attention. Although I will not comment on a particular case, I can say generally that we have been increasing year over year the funding for cochlear implants. If I have to be stood corrected, I will correct the record, but I believe this year the funding increase is for between 25 and 32 new operations. That has been the record to date. We have been increasing it year on year. Certainly when we review budgets over the next few months, I will take the honourable member’s advice into consideration, as well as the situation that she describes. Of course we want as much access as possible, given the level of demand for this particular type of service, as we can possibly get.

Ms Martel: Minister, if I might, Micheline is not the only one here in the gallery today who is affected. We’ve got a number of other patients: Vatsala Shetty Bojara, David Zimmerman, Michael Godin, Gary McCarthy, Eileen Bell, their families, and the families of Frances Mezei and Erelene Cardella. All of them will have to wait three to four years just to hear again with the Sunnybrook program.
You know that 70% of all the transplants in Ontario are done at Sunnybrook. Anglophone patients from the north as well come to Sunnybrook for transplants. You also know that it is not an option for these patients to go to one of the other two adult centres, because they have their own waiting lists and their own quotas.

Increasing the number of implant surgeries is going to dramatically change the life of these patients, their families and all the others who are on the waiting list at Sunnybrook. I ask you again, will you expand the program at Sunnybrook to allow these people to hear again next year?

Hon Mr Clement: I want to assure this House that we have expanded the program, we are expanding the program. The program has received increased funding. It has been a priority of ours since the technology has come into existence to ensure that it received as much funding as possible, given the level of expertise that we have to continue to find and so forth.

I want to assure the honourable member and, through her, those who are interested in this particular issue that our government, the Ernie Eves government, does support this particular type of procedure. We want to see more procedures done in our province. We certainly have been putting our money where our mouth is, if I can use that phrase, in the past and will continue to do so in the future.

HYDRO RATES

Mr Steve Peters (Elgin-Middlesex-London): My question is for the Minister of Energy. Minister, I’d like to cite for you some local examples of your hydro mess. Mrs Shirley Bechard, central Elgin, has watched her bill rise from $200 to $900. Frank Suras, a west Elgin farmer, has seen his bill rise from $3,000 to $4,000. John Walker Jr, a Malahide farmer, has seen his bill rise from $2,600 to $4,000.

Minister, your policies are causing real hurt. People are flocking to my constituency office truly worried that this added burden placed on them.

Brownouts, service delays and rip-offs on billing charges were all part of the discussions at a recent Ontario Federation of Agriculture directors’ meeting. Bill Mailloux, OFA vice-president, said, “I just about blew a fuse when I got our bill.”

Minister, I urge you to speak to your Minister of Agriculture so you hear what’s going on out there. Speak to the minister of rural affairs and find out what’s happening out there.

What do you have to say to rural residents, my constituents, who cannot afford to pay their hydro bills?

Hon John R. Baird (Minister of Energy, minister responsible for francophone affairs): I share the concern the concern for working families, for small businesses, for farm operators and for large industry with respect to the uncertainty surrounding electricity prices in the province of Ontario. There are a number of factors which have led to higher prices with which no one in the province of Ontario is comfortable. I won’t spend all the time rhymin’ them off to the honourable member, because I’m sure he’s heard me rhyme them off before.

As part of the market opening, there is a requirement that Ontario Power Generation provide a rebate to consumers, on a scale depending on if the rate was over 3.8 cents per kilowatt hour. That is certainly something that the Premier has asked me to look at and to report back to him on in short order.

I know the Minister of Agriculture and the minister of rural affairs are concerned. I represent a riding that has a significant part of it that’s rural, and I certainly take the issue seriously myself.

The Speaker (Hon Gary Carr): Supplementary?

Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington): Anita Murphy, who lives in St Ola in my riding, contacted my office, very angry about this hydro issue. She is a single mom who has invested her savings to build a small bed and breakfast on her property. She has three sleeping cabins, but before the cabins are even wired, Ontario Hydro has required her to pay $2,200 in an administrative fee. That has nothing to do with the market opening. Before she even runs wires to the cabins, this is what she must pay. She is absolutely distraught, because she can’t afford this fee and she is out of business even before she has opened her doors.

Another single parent in Bath, with an average monthly bill of about $200, saw his most recent catch-up bill skyrocket to $2,454.

Minister, constituents in my riding are outraged about hydro. When constituents have called the toll-free number that your government has provided in this brochure to deal with hydro complaints, they are told, “Call your MPP.”

Minister, my question is, what are you going to do for Anita? What are you going to do for the man with the $2,400 bill? What are you going to do for all Ontarians who are victims of your total incompetence on this file?

Hon Mr Baird: As I said to her colleague, the first member who asked the question, we are tremendously concerned about the effects this will have on working families, on farm operators and on small businesses. We’re looking at the rebate program and hope to have something forward.

We are concerned about life in rural Ontario on this side of the House. That’s why this member’s constituents will want to know why she blocked attempts to try to help double-hatters, those volunteer firefighters who work so hard in our communities, that she personally tried to stop this government when we acted.

They will also ask her why, when this government and this Minister of Agriculture were trying to stop efforts to unionize the family farm, this member stood in her place and tried to stop that. Her constituents are awfully concerned about those issues. I wish she was as well.
FLU IMMUNIZATION

Ms Marilyn Mushinski (Scarborough Centre): My question is for the Minister of Health and Long-Term Care. I want to start off by thanking you for participating in the groundbreaking ceremony for the Hellenic Home for the Aged, a new long-term-care facility in my great riding of Scarborough Centre. I believe that goes to demonstrate yet another example of the commitment this government has to ensure the best quality of care for our seniors and our diverse communities and of course for the people of Ontario.

I understand that for the third year in a row Ontario’s free universal influenza immunization program—try saying that in a hurry—is up and running all across the province. I know that for the previous two years the program has experienced great success, with more than nine million Ontarians having been vaccinated. As a result of the flu shot program, Ontario has experienced a sharp drop in the number of flu cases reported across Canada.

I was wondering if the Minister of Health could inform my constituents and this House about this year’s flu immunization program.

Hon Tony Clement (Minister of Health and Long-Term Care): If I can say to the honourable member as well, it was certainly a pleasure to join with her in the groundbreaking ceremony for the Hellenic Home for the Aged yesterday. Indeed, that is another example of long-term care being delivered by the Ernie Eves government to this province.

When that facility is built and occupied, those residents will be welcome and indeed urged to take part in the universal flu vaccination program. It has been a great success to date, and we plan on building on that accomplishment. This year, the Ernie Eves government has committed $21.5 million to purchase more than five million doses of vaccine. This is part of our ongoing commitment to health promotion and disease prevention.

I would like to take this opportunity, Mr Speaker, to urge you and, through you, the people of Ontario to take your flu shot and include your co-workers, your family and your friends.

Why should we have the flu shot? Here are some facts about the flu. Anyone, regardless of age, is at risk of becoming infected. The flu spreads easily and can be picked up through coughing, sneezing or by touching contaminated objects.

Again, I ask all Ontarians to get a flu shot. It’s the healthy choice to take.

Ms Mushinski: I really appreciate that response, Minister, and again thank you for being in my riding yesterday for such an important announcement.

I know my constituents in Scarborough Centre are happy to know that the free flu shot program is being continued again this year. Most of us at one time or another have suffered from the flu. Believe me, I know it’s not a very pleasant experience. I’m sure most people don’t wish to experience the illness again, nor do they wish to pass the flu on to their friends and loved ones. In fact, the feedback I’ve received from my constituents has been nothing but positive about this program.

Could the minister please inform the House how effective the flu shot is in preventing the illness, and could he please inform my constituents where and when in Scarborough they can receive the flu shot.

1440

Hon Mr Clement: First of all, I want to dispel a myth, that the flu shot is somehow not effective. Among healthy adults who are immunized, the flu shot is effective at reducing their infection by the flu by between 70% and 90%.

The free vaccine is available through a number of sources. People can receive the flu shot at doctors’ offices, local health unit clinics, employer-sponsored clinics and at community health centres. We’re all in favour of them as well. If anyone has any questions about the flu shot or would like information about a clinic where they live, they can phone the flu hotline at 1-866-FLU-N-YOU Which is 1-866-358-6968. In Scarborough they can phone 416-392-1250 or visit clinics such as the one at Scarborough Town Centre on November 8, 9, 14, 15 and 16.

I challenge all members of the House not only to get their flu shot themselves but to ask their staff to be immunized. I have already had my flu shot and my staff will be immunized tomorrow. Let’s keep Ontario healthy.

The Speaker (Hon Gary Carr): Thank you to the brave minister.

SCHOOL BOARDS

Mr Gerard Kennedy (Parkdale-High Park): I have a question for the Minister of Education. Minister, I want to ask you about what some people are starting to recognize is a potential hoax being perpetrated in your name in Hamilton. It came out as a school’s budget. Your supervisor, and you’re the elected official to whom that person responds, came out and said that there would be no cuts to classrooms. That same person said there would be no closures of schools—widely reported in the Hamilton area. Yet yesterday that same supervisor held a closed-door meeting with the trustees whose powers you’ve taken away and said that four schools would be closed and, further, that there would be 42 classroom positions not filled.

Minister, you’re the only elected official to whom the children can look to take responsibility for their well-being. Will you tell the House today what studies you have done to guarantee that the decisions made by your supervisors are not going to harm children? Because the cuts are certainly taking place.

Hon Elizabeth Witmer (Deputy Premier, Minister of Education): It’s absolutely unbelievable how somebody can take a good-news story that invests more in students, teachers and infrastructure and try to twist it. The budget that was balanced by Mr Murray includes increases for classroom teachers and consultants, up $4.2
million; supply teachers, up $1.2 million; classroom support staff, up $650,000; textbooks and instructional supplies, up $942,000; transportation, up $137,000; school renewal maintenance pupil places, up $1.14 million. Not only that: he had a surplus of $514,000 and there were 7.2 new special education—

Interjections.

Mr Kennedy: We’re just trying to figure out whether the person that wrote that budget was the $6,000-a-month public relations person that you approved or maybe an accountant that used to work for Enron, Minister, because you know full well there is $4 million less in classroom teaching than the basic budget put forward by the board, $4 million less in janitors, $700,000 less in support for the classroom. If you’re so confident that the decisions made by your supervisor are in the best interests of Hamilton kids, the 42 positions that won’t be put forward, then stand in this House today and guarantee, as you should—you’re the only elected official in a position to do it—that no one will be harmed in their educational attainment in Hamilton this year because of what your supervisor’s done. Make that assurance here today.

Hon Mrs Witmer: This is unbelievable. Here we have a good-news budget: we have more special education teachers, we have more consultants, we have more money for supply teachers. Look, this is unbelievable. Here is a supervisor who came in and looked at the budget that had been put forward by the staff of the Hamilton District School Board. He put students first. He was able to balance the budget. He had a surplus, and where did he reinvest it? He reinvested it in the students and in the teachers and in infrastructure. He did a great job.

Interjections.

The Speaker (Hon Gary Carr): The members for Hamilton East and Parkdale-High Park come to order. You’ve asked your question. We’re on to the next member.

CHILD AND FAMILY SERVICES

Mr Raminder Gill (Bramalea-Gore-Malton-Springdale): My question is for the Minister of Community, Family and Children’s Services. I’ve been hearing from some of my constituents in the great riding, as you know, of Bramalea-Gore-Malton-Springdale that more and more family members are being called upon to take care of other family members’ children. An example would be grandparents caring for their grandchildren. What is the government doing to support family members like grandparents who are put in the position of caring for their own grandchildren?

Interjections.

Mr Dominic Agostino (Hamilton East): Oh, shut up.

The Speaker (Hon Gary Carr): I’d ask the member for Hamilton East to withdraw that.

Mr Agostino: Withdraw.

The Speaker: All members, we’re getting down to the very end of question period, so let’s cool it a little bit. The member is wrapping up. Sorry to interrupt you.

Mr Gill: Let me repeat my question. What is the government doing to support family members like grandparents who are put in the position of caring for their own grandchildren?

Hon Brenda Elliott (Minister of Community, Family and Children’s Services): I thank my colleague from Gore-Malton-Springdale for the question. A few days ago I had the opportunity to stand in the House and say thank you to all the foster parents who have come forward to care for children in Ontario. Indeed, we do see grandparents, and aunts and uncles and other family members caring for children in Ontario. We respect the care they provide, we appreciate it and we offer support.

Essentially, there are four avenues of support: through the foster care program; if there’s an issue of child safety, the children’s aid society is involved and care is provided very directly in support; adoption is an option, in which case child tax benefits are given to grandparents or to aunts and uncles, like all parents would receive. In very difficult circumstances, of course, a grandparent could sue for custody. But we also provide a program called the temporary care assistance program. This is a program that is available to all grandparents, aunts and uncles and other family members who provide that care, because it’s important to us, we appreciate it and we do indeed—

The Speaker: I thank the minister.

Mr Gill: I want to thank the minister for that response. If I understood you correctly, you called it the temporary care assistance program. How long can these families qualify for assistance?

Hon Mrs Elliott: This program is provided when a child is in financial need and is living with an adult not legally obligated to support the child. This program is available until the child reaches the age of 18. It provides things like prescription drugs, dental and vision care, back to school allowances, winter clothing allowances, as well as monthly support in the amount of $214, or in the case of additional children, $174 for each child.

This is a very direct program to provide very direct assistance because it matters to us that people care enough about these children to take them, as family members, to care for them, to provide for them, for shelter, food, clothing and of course, most importantly, for love. The Ernie Eves government supports them in this endeavour, and has this very particular program to assist.

RACIAL PROFILING

Mr Michael Prue (Beaches-East York): I don’t think the subject of my question should come as any surprise to the members opposite. Deputy Premier, 30 community groups were present today, downstairs, at a press conference. The Liberals were there to comment on that press conference, as was I, on behalf of the New Democratic Party, but there was no one from your caucus
there, no one to speak about what Conservatives are going to do.

When they went upstairs to see the Premier after that, they were met by an assistant. No political person was there to speak to them. These groups do not know where you stand on very, very vital issues to their community. They don’t know where you stand on community violence and your plans to stem that violence. They don’t know where you stand on racial profiling, and quite frankly, neither do we.

Those questions remain unanswered. You have had three days since we first posed these questions in the Legislature to your colleague Minister Runciman. What are you going to do to stop the racial profiling and what are you going to do to stop and stem the rising tide of violence in this city?

Hon Elizabeth Witmer (Deputy Premier, Minister of Education): I’m going to refer it to the Minister of Public Safety, but the member opposite needs to know that we take this issue very seriously.

Hon Robert W. Runciman (Minister of Public Safety and Security): Right off the top I want to clarify, as I’ve said on a number of occasions, that this government does not support racial profiling by police services in Ontario. I think the member’s other comments were unfair with respect to presence at the press conference. Both the Attorney General and I had scheduled a press conference on DNA legislation some time ago and were committed to that. If we could have been in attendance, we certainly would have had a representative there. We take these concerns very seriously. I’ve indicated in this House that I’ve spoken with both Chief Fantino and the Honourable Lincoln Alexander. We’re working to achieve solutions and we want to work together with all members of this assembly.

1450

Mr Prue: I meant no umbrage to the minister, but there are 57 members of your caucus and you have a parliamentary assistant. Surely someone from the Conservative Party should have been there.

For my supplementary question, I would like to go back to the Deputy Premier. In the audience today we have a young woman who is young but wise beyond her years, Tanya Jeffers. She said she has had enough of the false promises, she has had enough of the broken promises of this government. Quite frankly, I can understand her frustration.

One of the first acts of the Harris government in the first mandate was to scrape the independent body to review complaints against police. The first community demand today and the primary demand today is that this body be reinstated. Much of the Harris agenda you have agreed, as a caucus over there, to undo. You have agreed to undo the hydro sale down to half. You’ve agreed to review school funding. You’ve agreed to postpone tax cuts. You’ve agreed to postpone funding of private schools. Will you agree to undo what was a very bad action five years ago and to reinstate an independent body so that citizens can go to the police and know they’re going to get a good answer?

Hon Mr Runciman: I appreciate the member taking a position on these issues, but I have to say that I hope his party and others in this House will not try to politicize this issue.

If you take a look, there’s a graph of what police oversight looked like in 1994; a true maze, which no one in the public could understand or appreciate. I think we have simplified the process and made it more accessible. We’ve improved the turnaround times in a significant fashion. We have an independent oversight body in the Ontario Civilian Commission on Police Services.

For the party opposite to suggest that we have not done significant things to improve race relations and policing in this province is totally incorrect. We have significantly improved training for correctional officers, probation and parole officers, and police officers. The training now includes strong anti-racism and anti-discrimination components. It’s now mandatory for correctional officers, probation and parole officers, and police officers to receive this anti-racism training. More than 7,700 correctional officers have received specific training through our anti-discrimination and anti-racism course. We have instituted very positive measures to prevent barriers to recruitment, hiring and promotion of racial minorities—

The Speaker (Hon Gary Carr): I’m afraid the minister’s time is up. I thank him.

BUSINESS OF THE HOUSE

Hon Chris Stockwell (Minister of the Environment, Government House Leader): I have in my hand the business of the House for next week.

Pursuant to standing order 55, I have a statement of business for next week.

Monday afternoon we will resume debate on Bill 175, which is the environment bill. On Monday evening we will continue debate on Bill 195, which is an environment bill.

Tuesday afternoon we will debate Bill 148, which is the emergency preparedness bill. Tuesday evening we will continue debate on Bill 180.

Wednesday afternoon we will debate Bill 180 again, which is the consumer protection bill. Wednesday evening’s business is still to be determined.

Thursday morning during private members’ business we will be discussing ballot item 67 standing in the name of Mrs McLeod, and ballot item 68 standing in the name of none other than Mr Ruprecht. Thursday afternoon we will begin debate on Bill 198, which is the new budget bill. Thursday evening’s business is still to be determined. We will get back to you on that one.

VISITOR

Mr Gerry Phillips (Scarborough-Agincourt): On a point of order, Mr Speaker: I wonder if I might introduce
PETITIONS

WATER EXTRACTION

Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington): “To the Legislative Assembly of Ontario:

“Whereas we, the residents and cottagers of Bob’s Lake, strenuously object to the permit issued by the Ministry of the Environment to OMYA Inc to remove 1.5 million litres of water per day from the Tay River, without adequate assessment of the consequences and without adequate consultation with the public and those people and groups who have expertise and interest; and

“Whereas it is our belief that this water taking will drastically impact the environment and seriously affect the water levels in Bob’s and Christie lakes. This in turn would affect fish spawning beds as well as habitat. It would also affect the wildlife in and around the lakes;

“Whereas Bob’s Lake and the Tay River watershed are already highly stressed by the historic responsibility of Parks Canada to use Bob’s Lake as a reservoir for the Rideau Canal; and

“Whereas the movement of water from the lake through the watershed for navigation purposes in the canal provides sufficient stress and problems for the lake. This water taking permit will only compound the stresses on the waterway;

“We, the undersigned, petition the Legislative Assembly of Ontario as follows:

“We request that this permit be rescinded until a comprehensive evaluation of the impact of water taking by OMYA Inc on the environment, the water levels and the water needs of these communities is complete. An independent non-partisan body should undertake this evaluation.”

I will sign this petition because I am in favour of it. I will ask Michelle, the page, to take it to the table for me.

ADOPTION DISCLOSURE

Ms Marilyn Churley (Toronto-Danforth): It’s nice to see a woman in the chair again.

I have more petitions on adoption disclosure reform. They read as follows:

“To the Legislative Assembly of Ontario:

“Whereas in Ontario, adopted adults are denied a right available to all non-adoptees, that is, the unrestricted right to identifying information concerning their family of origin;

“Whereas Canada has ratified standards of civil and human rights in the Charter of Rights and Freedoms, the UN Declaration of Human Rights and the UN Convention on the Rights of the Child;

“Whereas these rights are denied to persons affected by the secrecy provisions in the adoption sections of the Child and Family Services Act and other acts of the province of Ontario;

“Whereas research in other jurisdictions has demonstrated that disclosure does not cause harm, that access to such information is beneficial to adult adoptees, adoptive parents and birth parents, and that birth parents rarely requested or were promised anonymity;

“We, the undersigned, petition the Legislature of Ontario to enact revision of the Child and Family Services Act and other acts to permit adult adoptees unrestricted access to full personal identifying birth information; permit birth parents, grandparents and siblings access to the adopted person’s amended birth certificate when the adopted person reaches age 18; permit adoptive parents unrestricted access to identifying birth information of their minor children; allow adopted persons and birth relatives to file a contact veto restricting contact by the searching party; and replace mandatory reunion counseling with optional counseling.”
I will affix my signature to this petition.

The Acting Speaker (Ms Marilyn Mushinski): The member for Hamilton—Hastings-Frontenac. Sorry.

LONG-TERM CARE

Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington): “To the Legislative Assembly of Ontario:

“Whereas the Eves government has increased the fees paid for by seniors and the most vulnerable living in long-term-care facilities by 15% or $7.02 per diem effective August 1, 2002; and

“Whereas this fee increase will cost seniors and our most vulnerable more than $200 a month; and

“Whereas this increase is 11.1% above the rent increase guidelines for tenants in the province of Ontario; and

“Whereas the increase in the government’s own contribution to raise the level of long-term-care services this year is less than $2 per resident per day; and

“Whereas according to the government’s own funded study, Ontario ranks last amongst comparable jurisdictions in the amount of time provided to a resident for nursing and personal care; and

“Whereas the long-term-care funding partnership has been based on government accepting the responsibility to fund the care and services that residents need; and

“Whereas government needs to increase long-term care operating funding by $750 million over the next three years to raise the level of service for Ontario’s
long-term-care residents to those in Saskatchewan in 1999; and

“Whereas this province has been built by seniors who should be able to live out their lives with dignity, respect and in comfort in this province;

“We, the undersigned, petition the Legislative Assembly of Ontario as follows:

“Demand that Premier Eves reduce his 15% fee increase on seniors and the most vulnerable living in long-term-care facilities and increase provincial government support for nursing and personal care to adequate levels.”

I will affix my signature to this petition because I am wholeheartedly in agreement. I will pass it to Matthew, who will take it to the table for me.

The Acting Speaker (Ms Marilyn Mushinski): Thank you, and I do apologize to the member for Hastings-Frontenac-Lennox and Addington.

ADOPTION DISCLOSURE

Ms Marilyn Churley (Toronto-Danforth): I have yet again another petition dealing with adoption disclosure reform. It reads:

“To the Legislative Assembly of Ontario:

“Whereas in Ontario, adopted adults are denied a right available to all non-adoptees, that is, the unrestricted right to identifying information concerning their family of origin;

“Whereas Canada has ratified standards of civil and human rights in the Charter of Rights and Freedoms, the UN Declaration of Human Rights and the UN Convention on the Rights of the Child;

“Whereas these rights are denied to persons affected by the secrecy provisions in the adoption sections of the Child and Family Services Act and other acts of the province of Ontario;

“Whereas research in other jurisdictions has demonstrated that disclosure does not cause harm, that access to such information is beneficial to adult adoptees, adoptive parents and birth parents, and that birth parents rarely requested or were promised anonymity;

“We, the undersigned, petition the Legislature of Ontario to enact revision of the Child and Family Services Act and other acts to permit adult adoptees unrestricted access to full personal identifying birth information; permit birth parents, grandparents and siblings access to the adopted person’s amended birth certificate when the adopted person reaches age 18; permit adoptive parents unrestricted access to identifying birth information of their minor children; allow adopted persons and birth relatives to file a contact veto restricting contact by the searching party; replace mandatory reunion counselling with optional counselling.”

Again I will affix my signature to this petition because, as you know, I am fully in agreement.

EDUCATION FUNDING

Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington): “To the Legislative Assembly of Ontario:

“Whereas the funding for school boards is now based on the student-focused funding legislative grants;

“Whereas the Hastings and Prince Edward District School Board is in a period of declining enrolment, a trend that is projected to continue over the next five years;

“Whereas application of the student-focused funding model for 2001-02 does not allow sufficient funding to the Hastings and Prince Edward District School Board for secretarial support in schools, principals and vice-principals, transportation or school operations;

“Whereas costs in these areas cannot be reduced at the same rate as the enrolment declines;

“We, the undersigned, petition the Legislative Assembly of Ontario as follows:

“To reassess the student-focused funding formula for the 2002-03 school year to provide additional funding for those areas where funding is insufficient and to adjust future student-focused funding formulas to address the situation of declining enrolments faced by the Hastings and Prince Edward District School Board and other boards in Ontario.”

I’m very pleased to affix my signature to this petition. I will hand it to Kalaneet, who will take it to the table for me.

Ms Marilyn Churley (Toronto-Danforth): What an opportunity today to present petitions. I have a petition from the Elementary Teachers’ Federation of Ontario, and it reads:

“To the Ontario Legislature:

“Whereas the government has cut over $2 billion from public education over the past seven years;

“Whereas the provincial funding formula does not provide sufficient funds for local district school board trustees to meet the needs of students;

“Whereas district school boards around the province have had to cut needed programs and services, including library, music, physical education and special education;

“Whereas the district school boards in Hamilton-Wentworth, Ottawa-Carleton and Toronto refused to make further cuts and were summarily replaced with government-appointed supervisors;

“Whereas these supervisors are undermining classroom education for hundreds of thousands of children;

“We, the undersigned elected leaders of the Elementary Teachers’ Federation of Ontario, call on the government to restore local democracy by removing the supervisors in the Hamilton-Wentworth, Ottawa-Carleton and Toronto district school boards.”

I am pleased to affix my signature to this petition, because I fully support it.
LONG-TERM CARE

Mr James J. Bradley (St Catharines): I have petitions that read as follows:

“(1) Electricity rates in deregulated, private, for-profit markets such as Alberta and California fluctuate wildly in supply and price and are much higher-priced than in comparable public power systems;

“(2) Deregulation in California caused more blackouts than Ontario has suffered from ice storms or other natural disasters while public power has protected us from market fluctuations in supply as well as price;

“(3) At-cost electricity has helped build and support Ontario’s economy, while deregulation would destabilize the economy, with soaring rates, reduced reliability and increased production costs leading to plant closures, job loss and economic decline;

“(4) Soaring electricity rates would put a significant burden on school boards, hospitals, public transit and other public services which cannot afford to pay double for their electricity;

“(5) Seniors and other members of our communities on fixed incomes would be hard-hit by increasing rates, and the living standards of millions of Ontarians will be harmed;

“(6) Privatization will trigger NAFTA provisions, making it practically impossible to reverse this dangerous experiment and would cost us Canadian control over electricity;

“(7) Privatization, deregulation and loss of sovereignty would close the door on public accountability of the industry in regard to environmental safety and energy security concerns; and

“(8) An alternative exists in the form of a truly accountable, transparent and affordable publicly owned and controlled system operated at cost for the benefit of all Ontarians;

“Therefore, we demand that the Ontario government immediately halt the planned privatization, sell-off and deregulation of the public electricity system.”

Linda Firth, along with so many others from down Welland and Niagara way, has signed that. I give this to Hin-Hey to deliver to the table.

ORDERS OF THE DAY

CONSUMER PROTECTION STATUTE
LAW AMENDMENT ACT, 2002
LOI DE 2002 MODIFIANT DES LOIS
EN CE QUI CONCERNE
LA PROTECTION DU CONSOMMATEUR

Resuming the adjourned debate on the motion for second reading of Bill 180, An Act to enact, amend or revise various Acts related to consumer protection / Projet de loi 180, Loi édictant, modifiant ou révisant diverses lois portant sur la protection du consommateur.

The Deputy Speaker (Mr Bert Johnson): You may recall that we had stood down the leadoff time for the NDP, I believe. Mr Prue had completed his debate and is present, so we would move on from there in rotation to questions and comments. I will look to my right to the government benches.

Hon Brenda Elliott (Minister of Community, Family and Children’s Services): I’m very pleased to rise today and to offer my words of support to—

Interjection.

Hon Mrs Elliott: Oh, we’re on questions and comments? I apologize, Mr Speaker. I was prepared to—

Mr Michael Prue (Beaches-East York): You’re not supporting me?
Hon Mrs Elliott: I will rise in support. I understand that this bill is being very well received by all sides in the House and—

Mr Peter Kormos (Niagara Centre): I’m speaking next.

Hon Mrs Elliott: Mr Kormos informs me that he has views opposite—but that is my understanding to date. Certainly it’s a bill that I believe my constituents in Guelph-Wellington are going to receive very favourably. It’s one of the more substantial bills we’ve had in the House in some time. I’m looking at it; it’s 162 pages, very comprehensive, on behalf of the minister bringing forward his ideas. I think my colleagues who have been speaking here in the House will agree he is working very hard to try to protect consumers, who have a lot of different issues on their minds. This bill is comprehensive.

There are a number of topics that I think we would like to continue to debate later on this afternoon.

Mr James J. Bradley (St Catharines): I know that one of the concerns the member must have about legislation of this kind, even though the government explained to a certain extent that this was contained in other legislation, is the lack of protection for people in terms of energy costs. As we see people coming into our offices, as we listen to them on the phone and as we get letters, faxes and e-mails from them, we find out that many were duped by door-to-door people—

Mr Kormos: Conned.

Mr Bradley: Conned, says the member for Niagara Centre, by those who have come door to door to try to sell them a bill of goods, in other words, explaining that the cost of their energy, whether it was for natural gas or, most latterly, for electricity—that they were supposed to get a break if only they would sign this contract.

We have had members of this Legislature who have themselves been fraudulently dealt with. The member for Glengarry-Prescott-Russell had somebody forge his signature on one of these contracts.

Clearly this legislation does not deal with what people are talking about most today, and that is the fraud going on as it relates to electricity prices in this province. My colleague the member for Renfrew-Nipissing-Pembroke raised issues in the House yesterday about where the rebate is going to go. Yet again today, the issue was raised about people who are in a rental position and who will have their rents increase as a result of the increase in electrical costs and yet the rebate will not go back to them, the rebate will go to the landlord.

These are all issues that are simply not dealt with in this piece of legislation. People are concerned that this government has left them out in the cold, so to speak, when it comes to energy costs and their protection.

Mr Kormos: I listened carefully to the speech of the member for Beaches-East York, Mr Prue, and I want to tell you that once again he’s hit the nail right on the head. I am concerned that the minister who just spoke in response to Mr Prue’s extremely capable analysis of this bill may well not have listened as carefully as I did, because Mr Prue was far from uncritical of this legislation. Mr Prue, in his analysis—and he focused on but two specific areas—pointed out again the incredible weakness of this legislation and its inability to really do what the minister who sponsors the bill would purport that it does.

There are anti-fraud provisions in the bill, but where is the real fraud here? Are the people being conned? Are they being taken? I am worried that in fact what is being passed off as consumer protection legislation is nothing more—and quite frankly, having read the bill, I find it to be little more—than a modest tinkering with the existing law. In fact, a great deal of the existing law is merely restated in this legislation. Think about it, friends. Take a look. There’s a whole lot of this that is hardly new at all: same old, same old. Mr Prue doesn’t think that’s adequate, I don’t think that’s adequate. Fair-minded people across this province know it’s not good enough.

I am going to have a chance to speak to this later this afternoon—Mr Christopherson has graced me with his one-hour leadoff—and I’ve got some things to tell you about this bill, its gross shortcomings, the inadequacies, indeed what I put to you as a betrayal of hard-working folks in this province, the kind of people I live with down in Niagara Centre, folks in Welland, Thorold, Pelham South, St Catharines who, by God, are being scammed once again.

Mr Garfield Dunlop (Simcoe North): Although, I have to tell you, I never heard the comments the other day from the member from Beaches-East York, I look forward to debate later this afternoon on this piece of legislation. I’ll be speaking as part of the Progressive Conservative caucus’s rotation here later this afternoon and look forward to discussing this very, very important piece of legislation.

I congratulate Minister Hudak for bringing forth this piece. It is important to consumers here in our province. I look forward to more comments surrounding some of the things that Mr Bradley, the member from St Catharines, said earlier.

I guess on a daily basis we’re trying to figure out where the Liberals stand on hydro deregulation. They’re flopping all over the place. I guess it’s on an hourly basis now. It’s like the IMO, the Independent Market Operator, checking the prices. One second they’re talking about deregulation and all the wonderful things about it, then they’re against privatization.

One thing I’ve got to tell you, Mr Prue, from our perspective in this caucus, is that we know where the New Democratic Party stands on hydro deregulation. Although we don’t always agree with everything you say, at least I applaud you for taking a stand and staying firm in your commitment.

Again, I look forward to the debate as we go on this afternoon, and I appreciate the opportunity to make a few comments at this time.

The Deputy Speaker: The member for Beaches-East York has two minutes to respond.
Mr Prue: I thank the minister, the member from Guelph-Wellington, and the members from St Catharines, Niagara Centre and Simcoe North. I wish that some of them had heard a little more of my speech the other day, but I do understand that after several days members opposite may not have been in the House that day. Just to go over what I did talk about, I briefly alluded to the hydro scams that were out there, but, in the 20 minutes available to me, went on to talk about two things that I do not believe this bill contains and that the minister should have a very good look at. If we’re going to talk about consumer protection, there are two very real places where a huge number of consumers are being ripped off on a daily basis.

One of them has to with the white ABM machines, those machines you find that are not part of a chartered bank in Canada, that are simply set up sometimes in shopping malls or that are set up independently in ordinary stores. They charge what is considered by many to be usurious rates to access them. I gave the example, and my colleague Gilles Bisson was sitting beside me, of the time in Moosonee where I was with him and he needed $100 and it cost $7 to take $100 out of the machine. Quite literally that, to me, seems usurious. That is the only machine that is in Moosonee and that entire community has only that one access. Seven dollars every time you need money from a bank machine is quite disgraceful.

The second thing I talked about was all of those cheque-cashing places where poor people have to go to cash their cheque or to get an advance, some of which charge up to 500% interest per year on the basis of fees and interest. The minister ought to look at putting those in.

I have no objections to what is contained in the bill. What I did speak about are those things that are not contained in the bill that should be there. I hope the minister was listening, and I thank everyone for their comments.

1520

The Deputy Speaker: Before the member for Beaches-East York goes off, would you please stand in your place and open your jacket so we can see that Halloween tie?

Applause.

Mr Prue: Isn’t that a great one?

Deputy Speaker: Thank you.

Mr Prue: On a point of order, Mr Speaker: Perhaps if I could lend it to the member from Niagara Centre, it could be the first time he’s ever worn a tie in this House.

The Deputy Speaker: That’s not a point of order, but I’m sure it’s agreeable with everybody.

We will continue with debate on Bill 180 and I’m looking in rotation to my right to the Minister of Community, Family and Children’s Services from Guelph.

Hon Mrs Elliott: I’m very pleased to be able to rise and speak to this bill this afternoon. I think my colleague from Simcoe North and my colleague from Nipissing are going to speak as well this afternoon on this very important bill.

As I mentioned in my remarks, this is a very substantial piece of legislation of 162 pages that our minister has brought before the House. It has been brought forward because there have been many long-standing issues raised by consumers, and it’s our government under Minister Hudak that has come forward with the Consumer Protection Statute Law Amendment Act, or Bill 180.

Before I came to this place, I was a small business person. Although in my small business I had never really had much experience with fraudulent activities—certainly not as a direct result of my own business being involved in any situations of fraud—it was only really as an MPP that I began to have personal experiences with individuals who from time to time had been involved in fraudulent activity or, most importantly, had been a victim.

I think the majority of us would probably anticipate that victims would mainly be seniors, and that’s in fact the case, but I was also surprised to learn how many students had been victims of fraud and, in many situations, people of low income who perhaps may not have been educated or felt bold enough to complain when things had gone awry.

I am told that the Ministry of Consumer and Business Services probably receives about 40,000 complaints a year from consumers who feel in some way or other they’ve been victimized by fraud, whether it’s some sort of phoney charity or some sort of contract that never materialized, promises of wonderful things. Of course, the old adage is always true: if it sounds too good to be true, it probably isn’t true. Nevertheless, people always want to believe in others. They are always hopeful that good things are going to happen to them in this life, and people do indeed fall victim to scams.

The top five most common scams we hear about are: advanced-fee loans scams, where a loan broker asks for an upfront fee before providing a loan; credit repair, where someone promises they’ll fix your credit rating for a fee; home repairs, especially through door-to-door soliciting; motor vehicle repairs; and movers who may hold your possessions hostage for a fee.

I’m sorry. I’m finding it very difficult to concentrate because my colleague across the way from Welland has actually put on a tie in the Legislature. I think in the seven years I’ve been here, that’s probably the first time I’ve ever seen him appropriately dressed in the Legislature. Congratulations. I hope it feels great and it becomes a pattern. At any rate, now that I’ve got that out of my system, I’ll be able to concentrate.

Scams do a couple of things. They shake the confidence of consumers who, for the most part, deal with wonderful business people who try very hard to provide good services and goods. But when people have a bad experience, it tends to colour their thinking about how the world really works, and this is most unfortunate. It’s kind of the same as when people hear of break-ins...
and that sort of thing: they begin to feel less secure in their neighbourhoods, and that is not what we want in the province of Ontario. As much as we want people to feel safe and secure in their homes and on their streets and in their neighbourhoods, we want them to feel secure in their business relationships with the various people they purchase goods from in their communities.

As I said, we are concerned about seniors and students, but the other, I guess if you will, victim in scenarios of scam or fraud are businesses that are very legitimate businesses and work very hard to keep their reputation strong and vital. Many businesses in my community of Guelph-Wellington spend a great deal of time on community efforts, contributing to charities and so on and going above and beyond the everyday duties of running a business and selling products or services. When they see fraudulent activities occur, when their clients or their customers have these things happen to them, it casts a bit of a pall upon everybody. So if we can take actions to prevent fraud or, if it occurs, allow venues for citizens to seek redress as soon as possible, then that is exactly what government should be doing and I know that is the minister’s intent in introducing this very comprehensive legislation.

Now, top of mind, most of us would probably think of fraud particularly in relation to telemarketing. I don’t know about your household, Speaker, but certainly in my household, it’s not uncommon for calls to be received, generally it seems around suppertime, with people offering one service or another, and quite often they’re very straightforward. It’s a food service or it’s a roofing service or it’s a window service, but not necessarily so. Perhaps the more sophisticated the line, the more dangerous the situation is. This legislation, we believe, will help people from being taken advantage of in a number of situations like that, allowing them to be more informed by giving them information about the kinds of things to ask, the kinds of things to watch out for so they’re not so susceptible and giving consumers the ability to cancel contracts more readily if they have an uneasy feeling. Quite often, what happens with seniors is they make a decision and they think it’s the right thing, but they get talking to their sons or their daughters, who say, “Gee mom, gee dad, I don’t know if that was the right thing to do. Let me have a look at that contract. Tell me more about that call, that decision you made.” This legislation will improve the opportunities for those consumers to get those contracts cancelled.

Of course, the other part of this is clearer laws for consumers and for businesses to know what their rights and obligations are. This also gives more enforcement powers to the ministry, so when scam artists are discovered, we can shut them down.

We’re very pleased to introduce this legislation as part of the Ernie Eves government. The most recent legislation passed along this topic was in the 1960s and 1970s and I know that the Minister, when he introduced it in September, referenced the fact that the Internet didn’t even exist, televisions were relatively new luxury items and that the world has really changed a lot over the last while, and that is so very true. We’re supposed to live, I think, in a paperless society, but it seems to me that we live in a time when there’s even more information coming at us, whether it’s on television or in print, and consumers are offered more and more. Our society is becoming more and more affluent, thanks of course to the sound economic climate we’ve been able establish here in the province of Ontario under former Premier Harris and Premier Eves. So we have more disposable income to spend on various services, and it’s only appropriate that we make sure we make laws that are as timely and as effective as we possibly can.

In my own riding of Guelph-Wellington, time and time again I’ve met with real estate brokers who have really hoped that our government would introduce changes to the Real Estate and Business Brokers Act. I want to just mention the fact that we have indeed done that. We’ve taken a very responsible approach by revising the act, continuing with the office of the registrar and the director, requiring that persons trading be registered. The registrar is going to be permitted to deal with complaints made about registrants, and the power to inspect and investigate will be continued and modified. A discipline committee has been established. Brokerages are required to maintain trust accounts and unclaimed funds passed on to the administrative authority. There are provisions to prevent conflicts of interest, unethical behaviour, and general provisions to do with secrecy and to protect consumers.

**1530**

I had an experience not so very long ago myself when I saw first-hand a situation in real estate where it wasn’t actually a situation where a law was broken, but it was certainly bent. The one agent involved explained to me that what had occurred was not all that uncommon; disappointing, yes, but not all that uncommon.

Our minister has been conscientious enough to bring this forward, and I know that the real estate brokers in my riding of Guelph-Wellington—and here’s the minister in the House here today. Congratulations, Minister, for introducing this.

**Hon Tim Hudak (Minister of Consumer and Business Services):** You’re speaking very well.

**Hon Mrs Elliott:** They were really thrilled to see this included because it’s their profession that is tarnished when individual brokers or individual agents make errors. Particularly in the case of a house or someone is buying a condominium or something of that sort where they’re putting a huge amount of their personal investment into a property like that, probably the largest investment they’re going to make in any single thing in their lifetime, when things go awry or the deal is clouded or upset, the worries are great and the potential financial loss of course is tremendous. So security in this area is particularly important.

In this bill, the minister took a very close look at things that were most important to our constituents: housing—obviously very, very important, and he’s
spoken directly to that issue in the act; vehicles; and travel. Over the last few years since we’ve been here, and before, every now and again we would see in the newspaper article after article where something would have gone terribly awry with an agency and those travelling would have been left holding the bag, wondering. Story after story would say, “How are they going to get home? How are they ever going to be reimbursed for this?” The minister has addressed that and worked very hard to try to solve that problem that, again, is expensive and leaves people in a very vulnerable position, particularly to do with travel, when their expectations were high for a very positive experience. In vehicles—very similar to what I just described in housing.

There are a few key principles that this bill has tried to address—for instance, extending consumer protections to services as well as goods. We often think in terms of someone buying something. Certainly the constituent who came to my office shortly after we were elected in 1995 was talking about a good. A very slick salesman had managed to sweet-talk his way into this lovely old gentleman’s house, sold him a vacuum cleaner—the classic story. This gentleman, whose son had come and said, “Oh, gee, Dad, I think we’re in a bit of a problem here,” came to my constituency office for help.

Generally it is goods that people are concerned about. But it goes beyond the things we normally think about. It could be cable or cell phone, or lawn service, or home repair. This was one thing my aunt had great worries about—

Ms Marilyn Churley (Toronto-Danforth): On a point of order, Mr Speaker: I don’t believe there’s a quorum. Could you check for quorum, please?

The Deputy Speaker: Would you check and see if there is a quorum present?

Clerk at the Table (Ms Lisa Freedman): A quorum is now present, Speaker.

The Deputy Speaker ordered the bells rung.

Clerk at the Table: A quorum is now present, Speaker.

The Deputy Speaker: Thank you. The Chair recognizes the minister from Guelph.

Hon Mrs Elliott: Thank you, Speaker. I was speaking about home repairs and I was about to tell a story about my aunt, who, after her husband died, found it quite a challenge to begin to look after her home when she was widowed, because every time something needed serious repair, whether it was roofing or concrete work around the steps and so on, she was always suspicious of repairmen or companies that would come to give her assistance. The changes here in the legislation, whether she would know it or not, would give her comfort in that these companies will now—this legislation hopefully will be passed before too very long—be held more accountable.

This legislation also extends protections to leases. It used to be in days past the business of business arrangements. Now, though, it can be anything, like cars or computers. So consumers will now know the true costs of the lease—clear disclosure—allowing people to have the opportunity to read and understand the fine print and deal with it, if in fact they sign up for something that they weren’t anticipating they were signing up for. Because there’s also a re-emphasis on the ability for consumers to revisit a decision through the 10-day cooling-off period which we introduced a couple of years ago. This is enhanced through this bill.

The other piece that I thought was very interesting and timely—as I said, some of these pieces of legislation haven’t been looked at or revised for 30 to 40 years—is that the minister has extended protections to the Internet. Almost everyone, it seems, is using the Internet and has decided to make purchases. There is a suspicion as to whether their transaction will be secure. I think perhaps that has probably inhibited Internet transactions, because people are a little bit worried about it. It appears that the ministry is receiving about 250 complaints a year, so clearly this is something that’s going to grow. I think the minister and the ministry are being very wise in stepping forward now and looking for the areas of concern that are going to erupt—

Interjection: As they always do.

Hon Mrs Elliott:—as they always do, and making sure that there will be safety and security as best we are able to provide in on-line shopping.

Of course, this is not only for the consumer, but this is also for business in Ontario. This is a very interesting way for business to expand and have a piece of the worldwide market they were not able to be part of before. It’s actually a very exciting way of doing business. Before I came to this place I had a business. In addition to my regular storefront, I also had a mail-order business. I can tell you that in our small little shop I was amazed at how quickly the word would spread just through print. We did business in the Yukon. People would call us from the States. We had people call from Europe because we were offering products that were very unique and that no one else could get. If we had had an Internet site, I can’t imagine how much business would have increased. Perhaps I wouldn’t be here. I think he’s being very wise in adding that.

Hon Mr Hudak: We waited till after you were here, though.

Hon Mrs Elliott: Thank you.

There was one point that I did want to mention which I thought was worth noting for listeners who might be wondering about all of the different parts of this bill. This bill would actually invalidate negative option billing. This is something that has bothered an awful lot of people over some time, where a business sends a mailer or includes something that implies that business will continue unless you say no. So monies can be taken from a bank account. Even though it’s something you didn’t request and don’t particularly want, the law was such that this could continue and the onus would have been on the consumer, whereas now, if this bill is passed, it will in fact change that dramatically so that consumers who might have accidentally paid for something or find them-
selves entangled in an obligation or appear to be in an obligation to send money for something they don’t particularly want, never wanted in the first place and didn’t even know they were signing up for, will be protected through this legislation.

Again, not only from a consumer’s perspective will we see wonderful results but also from a business perspective, because every time a company—a shady company, quite frankly—undertakes some sort of activity that puts consumers in a jam, treats them fraudulently, essentially steals their money in some way, shape or form, that casts a pall on other businesses and creates suspicion in the minds of people that people involved in business might all be shady, or that they have to be extra cautious. We should all be cautious. There’s a famous Latin phrase, “Caveat emptor.” One should always be very cautious every time they are undertaking an activity. But I think there is a very great role for government in ensuring that the laws are fair, that people are protected, and that if something does go amiss, there is a form of redress. I think in this very comprehensive piece of legislation the minister has worked hard to do that.

I am not going to go into any more details on this particular bill. As I said, it is very comprehensive, addressing the key areas that people have expressed concerns on over the years. I know that when we are coming forward in my Ministry of Community, Family and Children’s Services to bring forward a change in policy or legislation, we look back through letters and correspondence and talk to stakeholders’ groups to make sure we are remembering and have a listing of all the things people have said: “When you get around to changing this, add this to the list.” “This is a problem. This needs to be revised.” “This is out of date.” “This is working very well, but it now needs a slight addition to it.” That is how good legislation is built.

I look forward to hearing debate from my colleagues here in the House on this matter. I know the minister will be very pleased if the opposition, hoping to support consumers who are looking for protection, will see fit to support the Conservative government in bringing forward amended and improved consumer protection legislation.

The Deputy Speaker: Comments and questions?

Mr Dominic Agostino (Hamilton East): Just to respond to the minister’s comments, first of all, it’s probably one of the few times I’ll say a couple of nice things about this government. Certainly there is a lot of good legislation here and there’s a lot of stuff that is long overdue in regard to consumer protection.

What I would have loved to see, though, is for this to be expanded. There are areas that are not in the bill that are of concern to us.

There’s no consumer protection from gasoline prices. There was a task force three years ago that made a number of recommendations, and none of those have been implemented. Anybody who looks at the gouging that’s occurring at the pumps today, the price fixing, would agree that there should be, in this consumer protection legislation, something dealing with that.

There is absolutely nothing in here that deals with hydro companies. We in this House have seen the horrors of the rip-off artists and the scam artists and the rip-offs that are occurring as people are selling hydro contracts. There’s nothing in this bill that protects those consumers. There’s nothing that protects them from shoddy billing practices, again in regard to hydro. People have been duped into signing contracts. There are a lot of operators out there who are running scams, and there’s nothing in this bill that protects us from that. The same would apply to the Ontario Energy Board and Union Gas, with decisions that are made to charge customers $120, and now your constituents and mine are concerned about those decisions.

As much as this legislation covers those areas that are important and need to be updated, I would hope the government will look to amend this legislation through committee to cover those areas that we talked about: gasoline prices, hydro rates, billing practices, Union Gas and the Ontario Energy Board. Mr Speaker, if you talk to most Ontarians, as I know you do to your constituents, the number one issue they are dealing with in most cases today is hydro. This legislation does absolutely nothing to protect consumers from what is happening with the rip-offs with hydro.

So a lot of good stuff, and lots more needs to be added.

Mr Kormos: I regret that the minister won’t be able to respond to the praise contained in the comments and questions put to her speech.

I do note, however, and this is remarkable—I commend the minister who is the sponsor of this bill for being with this bill. It happens so rarely any more. It used to be a tradition here that either the minister or the parliamentary assistant escorted the bill, if you will, through its debate process. It has become the exception now, and we’re noting it in its exception today. But my goodness, there are one, two, three, four, five cabinet ministers here and three government backbenchers. It’s either an indication of the high regard the sponsor’s fellow cabinet ministers have for the bill—and one of them is even part of the inner circle—

Mr Agostino: Which one?

Mr Kormos: She speaks for herself by her presence.

But I suspect it’s more likely the difficulty in getting backbenchers to do House duty on Thursday afternoon. Their response is, as I can well imagine, “Oh, stuff it. You want House duty? You’re making the big bucks. Do it yourself.” We’re seeing that happen, in fact. I regret that cabinet ministers, who are all incredibly busy and have schedules of their own that are incredibly demanding, are in here doing but House duty. On behalf of the government whip, I prevail upon the government backbenchers to please give their cabinet ministers a break. These cabinet ministers, while they make a few more bucks than you, work a heck of a lot harder than you backbenchers. They know it. They tell me every oppor-
tunity they can about how much harder they, as cabinet ministers, work than you backbenchers. But it’s your job as backbenchers to support your ministers and do House duty, to give them the time they need to attend to their duties. Don’t be calling upon cabinet ministers to do House duty. They’ve got far more important things to do. As I say, they’ll tell you that if you give them the chance.

Hon Frank Klees (Minister of Tourism and Recreation): I just want to take this opportunity to compliment my colleague for bringing forward this important legislation.

The member from Niagara Centre mused about why cabinet ministers would be here in force to support our colleague. It really is for two reasons. One is that we have very high regard for the minister and for the work he has done. We know how much consultation took place over an extended period of time with stakeholders to ensure that this legislation would protect consumers, which is ultimately a responsibility of his ministry, and at the same time keep in place a level and a fair playing field for industry.

I was very much involved in a number of those consultations. I want to compliment the minister on making changes to this legislation that on first rollout would have in fact caused some concern to a number of industries that were affected by it. It’s to the minister’s credit, to the credit of his staff and in fact of all the members of the House who got engaged in this process.

At the end of the day, what is important is that when this legislation is passed, we trust with the support of the opposition, Ontario will be a much safer place in which this legislation is passed, we trust with the support of the House who got engaged in this process.

Hon Frank Klees (Minister of Tourism and Recreation): I just want to take this opportunity to compliment my colleague for bringing forward this important legislation.

The member from Niagara Centre mused about why cabinet ministers would be here in force to support our colleague. It really is for two reasons. One is that we have very high regard for the minister and for the work he has done. We know how much consultation took place over an extended period of time with stakeholders to ensure that this legislation would protect consumers, which is ultimately a responsibility of his ministry, and at the same time keep in place a level and a fair playing field for industry.

I was very much involved in a number of those consultations. I want to compliment the minister on making changes to this legislation that on first rollout would have in fact caused some concern to a number of industries that were affected by it. It’s to the minister’s credit, to the credit of his staff and in fact of all the members of the House who got engaged in this process.

At the end of the day, what is important is that when this legislation is passed, we trust with the support of the opposition, Ontario will be a much safer place in which to do business, and frankly it will be much more profitable for businesses who engage in these fair practices. I believe it will be one of the things my colleague the Minister of Consumer and Business Services will look back on in his career and take great pride in.

Mr Monte Kwinter (York Centre): I am pleased to add some comments. As a former Minister of Consumer and Commercial Relations, I have a great affinity to this act, and I commend the government for it.

I have a few concerns, but I just want to share with you a situation I had, and it had to do with an unsolicited credit card. I received one, and in it was a bill for, I think, $175. I called the credit card company and said, “I don’t want this card, and I’m certainly not paying this fee for it.” They said, “No problem. We’ll reverse it.” I said, “Fine.” Next month I got another bill, and it had 23 cents’ interest for the amount of time the $175 was not paid. I called them back and said, “Why would I possibly pay the interest when I did not ask for the card?” “Oh, don’t worry about that. We’ll reverse that. No problem.”

The next month I got another bill, and it said, “Your credit is going to be seriously impaired unless you pay this 23 cents.” I called back and said, “You know, this is getting ridiculous. I’ve already talked to you for three months.” They said, “Well, don’t worry. We’ll change it.” The next month the interest had gone to 27 cents. I called them back and said, “You know, this is really, really bad.” So the last thing I did was speak to a representative, and they said, “I can assure you this will be reversed, but it may take a couple of months.” The next day I got a letter from their credit collection department telling me that unless I paid this amount, I was going to be in serious trouble. When I finally called someone else, they said, “We have to apologize because this is all done on computer. There are no people involved and this is the standard procedure.” It would seem to me it would be a good idea if somewhere along the line there could be some provisions that we actually deal with real people and not computers, so that things like this don’t happen.

The Deputy Speaker: Further debate? I’m looking in rotation clockwise, and we’re going from the government side to my left and to the official opposition.

Mr Mike Colle (Eglinton-Lawrence): I’m here today to speak to Bill 180. Going through this bill in the last couple of days, I want to say there has been a lot of work done on it. There’s been a lot of research. It is quite a complex piece of legislation, with all kinds of amendments to existing legislation, to existing bodies, everything from real estate to time-share purchases to the Loan Brokers Act.

I think it is an important piece of legislation that deserves a lot of scrutiny. I’m glad we have an opportunity to raise some issues in regard to Bill 180. Maybe the government will be able to make a better bill by our comments. Maybe the public and the stakeholders who are going to be affected by this bill will be able to have some time. Hopefully there will be some hearings where people will be able to make comments and perhaps recommend amendments.

As I’ve said, these are sophisticated regulations that are being put forward. There are changes that will affect people’s livelihood, not to mention the economic well-being of a lot of our citizens in Ontario. The bill is Bill 180. I hope a lot of people get an opportunity to have input in it and that the stakeholders will not be afraid to come forward and make suggestions. That will make for a better bill, and I think that’s what we’re here for.

Some of the areas it covers are areas of very chronic, constant consumer complaints. I will start with this whole area of time-sharing. This is quite a unique area of real estate, whereby people, in essence, don’t buy a piece of land or don’t buy the condo; they buy part of a structure for their own personal use for a certain number of days a year.

As you know, traditionally these have been rocked with problems. There are so many other conditions in terms of when they can use it, who pays for cleanup, who pays to use it at prime times and so forth. I’m glad that at least there is in this bill a 10-day cooling-off period. The one thing I guess it doesn’t cover is the poor visitors. If you go off-shore, whether it’s Florida or whatever, you get accosted by people trying to sell you these time-share provisions. They ask you out to lunch and so forth.

I’m not quite sure if that is going to be protected, as a lot of these companies are not based in Ontario. I guess it’s based on the type of real estate transaction that is
happening in places like Collingwood, some of the new recreational areas where people are not buying a recreation property for all of the year, but for half the year or for the one season they prefer.

I am happy to see the 10-day cooling off period, because sometimes these can be much more complicated than they appear to be for the ordinary person who is signing such a contract for the first time.

There are some provisions in terms of Internet transactions. That is an area we are just entering into. There are so many things sold on the Internet, whether it be through Amazon.ca or Indigo or eBay and so forth, and there are so many complications there that I would hope this bill will at least monitor this growing area and perhaps report back on ways we can protect consumers as they do more and more purchases of goods and services on the Internet. It is wrought with pitfalls for the ordinary consumer who is doing this for the first time.

I’ve talked to people who speak very highly of eBay, for instance. I’ve never used it but there are people who have used it. They’ve had the goods delivered, the price is as is, the product is as is, and there are some guarantees offered to people. But I hope the provisions in this act will continue to monitor Internet purchases, which are becoming more and more commonplace, and the security of using your credit card to acquire goods and services on-line. That is becoming more and more acceptable to people as time goes on.

One other area I’d like to talk to you about is leasing. The largest area for leasing commercially that concerns people’s biggest investment is automobile leasing. That is one area that is still fraught with all kinds of complications, and that is because one of the things that occurs with automobile leasing, which I remember asking Minister Tsubouchi at the time to try to do something about, is the fine-print ads. You’ve all seen them. They’re in the daily newspapers, where they say it’s $299 for a Ford Edsel. For $299 a month you can have the Ford Edsel. But when you read the fine print you realize that the $299 doesn’t include the taxes; it doesn’t include the inspection and delivery charges; it doesn’t include a big fat down payment of $5,000; it doesn’t include the fact that the $299 is for your standard automobile, without automatic transmission; it doesn’t include the fact that the automobile just has vinyl or cloth seats or whatever it is.

That is still too common in the print media, for sure, day after day. I really think those ads are misleading. They don’t give the true story or the true price of that automobile. They tend to give people a false impression of what the costs are. What is wrong with putting the full cost of that automobile up front, as big as the $299?

That continues to happen. I don’t see that type of restriction about the false advertising that this bill deals with, about leasing especially, that this bill is supposed to try and correct. It does not prohibit that small-print advertising, which obviously works, because on a daily basis in the major newspapers in Ontario the automobile dealers or manufacturers must spend literally millions of dollars a day advertising in that fashion.

It’s still going on and I don’t think there is anything in Bill 180—maybe the minister, when he speaks to it, could correct that if I’m wrong. That’s one thing I would like to get an explanation of. It’s something I remember talking to Minister Tsubouchi about it at the time, and he said they were going to try to do something about it, but it’s still very prevalent so I would hope there would be some way of doing that in the regulations or whatever it is, just to put the full price of that car more up front and have the explanations.

I think people are mature enough and smart enough to understand that cars generally are still a pretty good bargain in Canada. They’re a good deal. Most manufacturers and car dealers have become more reputable over the years. So let’s be more forthright with our advertising with the leasing or purchase of automobiles. So that’s one of my pet peeves when it comes to advertising for automobiles, that is, next to your home, the largest purchase most of us will make in our lives.

1600

Also, there are requirements for the registrar to take direct action if there is false advertising. If we reflect back—I was trying to think of the last time I recall the provincial registrar, whoever’s in charge of false advertising, ever fining someone or putting someone to task for false advertising. It’s a pretty rare occurrence. Either the advertisers are very above-board people who never engage in false advertising or we’re not sufficiently involved in supervising and monitoring the advertising that goes on in the province.

I would hope that with the strengthening that is supposed to go on in Bill 180, we’ll finally see some examples of where false advertisers are taken to task and fined for false advertising, because that in essence is the consumer’s link with the purchase of products: the advertising. We rely so much on television advertising, print advertising and radio advertising; that is our link with the quality that we attach to a good or service. It is so important for consumers to have that faith and trust in advertising. Generally speaking, people in North America find it part of everyday life to respond to advertising. I guess we’re conditioned that way. We can’t basically move without advertising, whether it’s billboard advertising or whether it’s media, radio—it’s constant.

So I would be looking forward in the near future, if this bill is passed and goes through royal assent, to starting to see some cases of false advertising brought forward by this legislation. I’ll be looking for that, because again, in recent years I’ve seen very few cases of false advertising, which you would think would be in the paper to warn people that they should not believe everything they read.

The other thing that is very important is in regard to motor vehicles. There’s another area where traditionally there have been a lot of problems in terms of people getting their automobile repaired and then, for what they pay for the parts or the service, do they have any way of
knowing they were given a good deal or weren’t given a
good deal? As you know, sometimes for a brake job now
you can pay over $1,000. We’re not talking about the old
days when you could get your brake drums and so forth,
everything, done for $200 to $300. Now you’re talking
about a major outlay of money for someone who has his
or her brakes done or has body repairs done. It’s very
expensive. I think it’s very important that there be pro-
tection for consumers in terms of the money they spend
for parts and for labour in regard to motor vehicle repairs.

Here there’s supposed to be a minimum of 90 days,
sort of a warranty, or 5,000 kilometres for a repair. I
know that’s not very much. It wouldn’t take long, be-
cause in many cases we’ve seen where people essentially
get a part or a repair job that will just last that long.
Especially at this time of year, as you know, Mr Speaker,
there are so many people who are, for instance, sold
batteries they don’t need. They’re given tune-ups and the
automobile doesn’t even require a tune-up.

So I think it’s important that the government be a
protector of people who aren’t experts in mechanics and
aren’t experts in electronics, which you have to be in
automobiles now. I think that’s one area where we want
to see some government supervision of this field, because
it’s extremely expensive. You know, we’re spending
$1,000, $1,200, $2,000 for major car repairs, and as I
said, repairs to the body of a car can run up to $2,000,$
$3,000, $4,000 or $5,000. So it’s critically important
that there be some protections there.

In the whole area of real estate and the brokers and the
professionalism of brokers, I think that’s also improved
over the years, but it doesn’t mean there can’t be pro-
tections there for people who invest their life savings in
buying a home or a condominium or investing in one of
these. I would like to see more stringent requirements en-
suring that trust accounts, in this case here, are certainly
not abused, as they have been in some cases. There have
been a couple of celebrated cases of people acting as law-
yers who have misused money in trust accounts. This act
is trying to do that. I hope it’s stringent enough to ensure
this protection takes place.

There are a number of other areas. I notice that the
minister is here. I would just ask him if maybe in some
amendments or in some future bill, because it seems
they’re, generally speaking, not interested in our amend-
ments, but we have to at least propose them—I men-
tioned the fine-print advertising, which I think should be
prohibited, but I’m not sure what the minister’s response
is to that.

Also, the whole area of consumer protection for the
purchase of gasoline fuel for your car is another area that
consumers over the last number of years have been very,
very apprehensive about. In essence, if you ask most
consumers of gasoline for their automobiles, they think
there is price fixing and price gouging. They constantly
ask me why there is no competition out there, why all the
prices go up the same and all go up in unison, with very
little variation between the retailers of gasoline products
in the city.

As you know, we used to have that phenomenon every
Friday of a long weekend: all the prices would go up four
or five cents, and then when the long weekend was over
the price would go down. Now they’ve gotten a little
shrewder there. What they do now is that a lot of them
sort of put the price up on the Sunday you come back
rather than putting it up on the Friday, because they were
getting caught in the act. At that time, a couple of years
ago, I tried to get the government to pass the gasoline
price watchdog bill, where we would get someone in
government who would at least be able to look at the
books of the gasoline/petroleum retailers and wholesalers
just to see that they weren’t fixing their prices and that
they weren’t gouging motorists and that the increase in
price was caused by something that happened in Saudi
Arabia or something that happened in the Gulf war. They
would use any excuse to raise the price of gas. Saddam
Hussein would say something and, boom, the price went
up 10 cents. Ralph Klein would say something in
Alberta—another 10 cents.

The public, to this day, is very cynical and skeptical
about gasoline prices. It’s not so much even the cost.
They’re not saying that the 72 cents or 73 cents per litre,
and if you’re buying premium it’s up to 80 cents or so, is
what they’re complaining against; they’re saying it’s just
the manipulation of the consumer by the three or four
members of the oligopoly that controls all our petroleum
and fuel products in Canada. They felt, and they still feel,
used, manipulated by the oil giants.

I don’t see anything in Bill 180 that gives any
protection to consumers to ensure that there isn’t price
fixing, that there isn’t this manipulation of prices, and
also things like notification of price increases that are
coming. We’ve always got to think, “Well, it’s all in the
system and they had to do it instantly.” But this is fuel
that they probably had in their reservoirs here for months.

Anyway, there’s nothing in this bill that protects
people from gouging at the pump, and that was some-
thing that was promised. I remember we raised such
awareness about this issue, we even forced the govern-
ment to appoint some task force they had running around.
They made these recommendations and nothing’s ever
happened; they’re not in this bill at all. Even the govern-
ment’s own weak recommendations are not. But it would
be nice to have a person appointed by the Minister of
Consumer and Business Relations whose job it was to be
the watchdog for gasoline pricing, because I don’t think
there’s anybody who feels that everything is basically
above-board when it comes to gasoline pricing in this
province. So there is one suggestion we have, that there
should be some more protections.

I know the member from Essex, Bruce Crozier, has
also recommended some legislation in this area whereby
there would be more protection for people who were
purchasing gasoline for their automobile.

The other area I’d like to go into is protection from the
systemic, almost door-to-door abuse that takes place, has
been taking place in this province with the gasoline
marketers and now the hydroelectricity marketers. I think it’s been one of the most shameful examples of government not doing its job. There have been cases I’m sure in all our constituencies, on both sides of the House, where these people have given door-to-door salespeople a bad name.

The Deputy Speaker: The member’s time has expired.

Mr Colle: I’m sorry I couldn’t get further into that but I appreciate the opportunity.

The Deputy Speaker: Comments and questions?

Mr Kormos: In a few minutes Ms Churley from Broadview-Greenwood is going to be—

Ms Churley: Toronto-Danforth, it’s called now.

Mr Kormos: Ms Churley used to represent Broadview-Greenwood and now it’s called Toronto-Danforth. It wasn’t her choice to change the historic name of that great part of Toronto. Some Ottawa serving Liberal who clearly was out of touch with his own folks imposed that on them without consultation with those people, and Ms Churley simply rolls with it now.

Look, we’re going to have a chance. It’s going to be around 5:15 that I’m going to be able to start my one-hour leadoff on this, and I very much want to talk about fraud, about scams, about rip-offs, about deceit, about dishonesty. I want to talk about attacks on hard-working folks like the folks from Niagara Centre. I want to talk about betrayal; I want to talk about abuse of consumers and voters and taxpayers and citizens and all sorts of residents. I want to talk about an abandonment of the kinds of folks who live down where I come from and who I’m sure live in every other part of this province and how they’re suffering as a result of it and the complete failure of this government and this bill, or quite frankly any other, to protect those same folks, be they senior citizens lining up on long waiting lists for long-term care, be they folks in our hospitals with growing deficits, be they kids who are being denied some of the most modest and basic educational resources and tools, be they young families who are burdened with higher and higher user fees and municipal and regional property taxes because of the downloading.

We’re going to talk about fraud. Oh yes, just wait till about 5:15; we’re going to talk about lots of it. In the interim, Ms Churley will have a chance to put her two minutes’ worth in as well.

Mr AL McDonald (Nipissing): I listened closely when the member from Eglinton-Lawrence spoke and I am pleased to join in the debate on Bill 180. Our Minister Hudak, the hard-working member from Erie-Lincoln, worked very hard on this bill and I know it is of great interest to the people of Ontario.

I think of my great riding of Nipissing and I think of individual, a hard-working individual. He owns his own business; he owns a backhoe. I was speaking to him today, Minister, and I was saying that I was speaking on this bill and that it was a bill to protect consumers. Here’s an individual who works night and day just trying to get things across. His name is Bob Poeta, and I told him about this piece of legislation. He didn’t fully understand what we were trying to do but he did appreciate that the government was taking an effort to protect him in his dealings when he really doesn’t have the expertise. He has to depend on other organizations or individuals to help him through buying a house or buying a car. I was explaining what this legislation did, that it put in guidelines that help protect him when he goes forth to complete a transaction that, really, he doesn’t fully understand. I can tell you that he really appreciated your efforts, Minister Hudak, to put this bill before the Legislature to at least give him peace of mind that when he’s working all day and all night and he has to depend on other individuals, there’s some protection for him, that his hard-earned money isn’t just going to disappear on him.

Minister Hudak, I want to congratulate you on an excellent piece of legislation and I’m proud to support it.

Mr Agostino: I want to commend my colleague from Eglinton-Lawrence for those remarks. I know that Mr Colle has been an advocate of consumers’ rights throughout his whole career here in the Legislature and certainly in the past has introduced a number of bills along those lines. I sure respect his expertise in this area.

He touched upon a couple of very important points that I touched upon earlier about what is missing in this legislation. Again, he talked about gasoline prices and the protection there. Most Ontarians see it; it happens on long weekends: the next thing you know it’s six, eight, 10 cents more, and by coincidence every single gas station across the province just happens to be increasing its prices the same way. It must be some magic spike that they run into in prices simply before the long weekend and then it goes down—instead of the 10 cents it went up, maybe it goes down four cents, so we all feel better about it and think, “Oh my God, it’s not as bad as it was a week ago.” But it’s still six cents more than it was the previous week.

This legislation gives absolutely no protection. If you’re really serious, if you want to be a hero, Minister—there’s some good stuff in here, but if the minister really wants to be a hero to all Ontarians, I would suggest he bring in some very tough legislation on controlling gasoline prices. I think anyone can relate to that. Anyone who drives a car understands what they go through, understands the rip-offs, the monopoly, that gasoline companies come together and collectively decide that they’re going to rip off Ontarians and Canadians every weekday and weekend, literally every day you’re driving a car.

Prices are basically skyrocketing, and I would think it would be welcomed by all Ontarians if this government brought in legislation that would protect consumers from one of the biggest rip-off and scam artists in the world, the oil companies and gasoline companies across this province and this country.

The Deputy Speaker: Comments and questions? The Chair recognizes the member for Toronto-Danforth.
Ms Churley: Toronto-Danforth, not Broadview-Greenwood. I haven’t changed my sign yet.

As the former Minister of Consumer and Commercial Relations, as it was then called, I have to say I’m quite surprised to see the lack of real consultation that took place with some very knowledgeable people in the province. When I was at that ministry and we were doing some consumer updates, we consulted quite widely with experts across the province. There’s one professor from U of T we dealt with because he is one of the best experts not only in Toronto and Ontario but in the country. His name is Jacob Ziegel. I remember talking to him on numerous occasions about changes and updates we were making.

He has written you a letter; you may be aware of this. He said that a colleague at Osgoode Hall Law School drew his attention to the bill—he hadn’t even been informed about it—that his colleague had downloaded it from a Web site. He says, “Although I have taught, written on and generally involved myself in both federal and provincial consumer matters for many years, this is the first time I’ve heard of the bill.” He goes on to say, “This troubles me”—and that of course he would like to have some input in this. I hope the minister will listen to this.

We’re calling for hearings, but he’s urging the minister to convene a round-table meeting of Ontario consumer law teachers for this purpose and to be able to provide some comments to the minister. Sometimes, as I learned, changing consumer laws can have serious legal implications as well. I remember Professor Ziegel was a very valuable asset, and I would recommend to the minister that he indeed hold that kind of round table before we pass this bill.

The Deputy Speaker: The member for Eglinton-Lawrence has two minutes to respond.

1620

Mr Colle: I want to thank everybody on this Thursday afternoon for taking the time to comment—and listen, hopefully.

The most amazing thing I guess in listening to everyone is the juxtaposition of this consumer bill with the unprecedented consumer almost revolt we see across Ontario. I don’t think in all my years have I seen so many angry, anxious, upset people of all political parties who are just at their wits’ end, trying to figure out who is protecting them when it comes to hydro and their utilities.

I’m sure it’s the same in your offices all across Ontario: the phones are ringing off the hook. People are walking in off the street with their bills. It is non-stop. I just think of the government now that is proceeding with this bill, yet for the last year it has essentially allowed this to happen and taken all the wrong steps and no protective steps for consumers when it comes to hydro. It is probably the most botched consumer issue I’ve ever seen. I think if you ask people like the member from Renfrew, he’ll tell you he’s never seen a consumer issue that has affected so many Ontarians and so many Ontarians who feel so vulnerable, and the government is not protecting them.

So that’s the question I have for this government: how can you, day after day, listen to these true-life horror stories about ordinary Ontarians who are trying to make a living and being assaulted by this total disaster called hydro? I don’t know how the government can live with itself day after day with this going on.

The Deputy Speaker: Further debate? Looking to my right, the Chair recognizes the member for Nipissing.

Mr McDonald: I’m pleased to join in the debate and speak in support of Bill 180, the proposed Consumer Protection Statute Law Amendment Act, 2002.

Bill 180 was introduced by the Minister of Consumer and Business Services on September 26, and we look forward to its speedy passage.

This proposed legislation combines six pieces of consumer protection legislation and three sector-specific statutes into one modern legislative framework.

The three sector statutes are the Motor Vehicle Dealers Act, the Real Estate and Business Brokers Act and the Travel Industry Act.

These sectors are regulated by the Minister and the Ministry of Consumer and Business Services because they represent some of the most significant purchases most people ever make, which include homes, vehicles and travel.

Bill 180 proposes to update and modernize the legislation regarding each of these sectors.

I would like to spend some time this afternoon speaking about the proposed Real Estate and Business Brokers Act, 2002.

Real estate is an enormous investment for any consumer. The real estate industry is thriving. It is vital that this proposed legislation come into force, as more and more resale homes are bought and sold in Ontario.

Real estate is booming in Ontario. The Toronto Real Estate Board reported the most sales ever in the month of September. In the Toronto area alone, 5,846 homes were sold through the Multiple Listing Service in just one month, and that’s up 16% from last year.

I know that I made a call to the North Bay Real Estate Board, and they had told me the numbers are similar, that they were up substantially. Last September they sold 906 homes, versus 841 the year before. The capable individual, Evelyn Reid, who brought me all these statistics confirmed that even in northern Ontario, and specifically in North Bay, real estate is booming as well.

It was a very different situation back in 1995 when our government took office. The situation was grim. Housing starts were down, prices were down and people were waiting longer and longer before buying. Today we’re enjoying the most sustained boom in the housing industry that has ever been seen. This turnaround happened because our government cut taxes some 200 times, leaving more money in the pockets of hard-working Ontarians that they could put toward big purchases like real estate and buying their own homes. We created over 900,000
providing protection for Ontario consumers.

All the signs show that the real estate industry will continue to thrive. Projections tell us that by 2022 the population of the GTA alone will increase from 5.3 million to seven million people. That’s an incredible growth. We also know that Ontario’s population is getting older. In this quarter-century, it is estimated the number of people aged 65 and over will double from one million in 2000 to two million in 2026. Taken together, these facts tell us that a lot of existing homes are going to be bought and sold as consumers’ needs and wants change over time.

Part of the reason for pursuing this proposed legislation is that our government wants to ensure the high standards of the real estate industry so that Ontario consumers will continue to live in homes they enjoy and the neighbourhoods where they feel comfortable and safe. Modernizing Ontario’s real estate legislation to meet the needs of the people of Ontario is part of the government’s plan for ongoing development of this vital industry and the continuation of the tradition of excellence in providing protection for Ontario consumers.

I know in my riding there is a young couple by the name of Scott and Cheryl Clark. They have two small children. Their names are Benjamin and Makayla. I know that they struggle, like the rest of us, to pay mortgages and credit card bills and to put gas in their vehicles. They understand, like most young families in Ontario, that this legislation will help protect them in the long run as they continue with the worthwhile goals of raising their young family, putting them through school and making sure they get to hockey or ballet or whatever they might want to put them in. This young couple—I’m thinking of Scott and Cheryl—who really are community leaders and volunteer a lot of their time in the community, need this type of legislation so that they can continue on their daily lives and not have to worry that somebody is ripping them off. I think it is key to this legislation—Bill 180 that we’re speaking to tonight—that it pass through the House with all members of this Legislature agreeing that this legislation helps protect the average hard-working individual, whether they live in northern or southern Ontario. This helps all the people of Ontario.

In the development of this bill, the government has worked with consumers and entrepreneurs in real estate to help us develop this legislation. We’ve talked to entrepreneurs, individuals and hard-working families. Minister Hudak has shown his leadership in this ministry. He’s shown that he understands how hard-working families need to be protected in all these different sectors, but specifically in the real estate sector. Even the real estate entrepreneurs say that there are needed legislative guidelines that they may follow, because they’re very proud of what they do and they’re very proud that they help hard-working young families buy their first house or move into a bigger house as their family grows. I think it’s key that we all recognize that this piece of legislation will help all these families go on about their normal lives and not have to worry that something untoward is going to happen.

Consideration of the new real estate and broker legislation began about the same time as the day-to-day responsibility for administering the act was delegated to a private, non-profit corporation established for the purpose called the Real Estate Council of Ontario, or RECO, in 1997.

1630 RECO was created to protect consumers and to administer the regulatory requirements of the real estate sales industry as established by the government. Under a 12-member board of governors, RECO delivers services in four key areas: registration of real estate sales persons and brokers; consumer protection, including the establishment of mechanisms to protect the consumer from financial harm; compliance, including the inspection, investigation and enforcement of the legislation; and professional standards, including the development and promotion of professional development, accomplished through mandatory continuing education programs.

In terms of consumer protection, a report commissioned by the Ministry of Consumer and Business Services to evaluate the success of RECO said, “The implementation of more stringent registration requirements illustrates RECO’s dedication to maintaining high standards in enhancing consumer protection.”

Throughout the development of the proposed new Real Estate and Business Brokers Act, RECO has offered ongoing expert recommendations and advice for which the government is appreciative.

How was the proposed legislation developed, you might ask? In the autumn of 2000 the ministry held a series of consultations to seek the opinions of consumers and businesses on our proposals for this legislation. More than 400 submissions offering insightful and constructive comments were received. Then the ministry sent out consultation draft legislation last summer. Once again, helpful comments and suggestions from real estate and business brokers and other professionals, as well as consumers and consumer organizations, helped to improve and finalize the real estate portion of Ontario’s proposed consumer protection legislation, Bill 180.

The bill before this House today reflects considerable input. It would strengthen consumer protection in a new century, encourage the development of a level playing field for businesses and create the flexibility to respond quickly to changes in the real estate sales market.

Advertising: this proposed legislation would help provide increased protection for consumers through a number of features, including the introduction of new stringent advertising provisions. If the registrar believes, on reasonable grounds, that a real estate professional is making a false, misleading or deceptive statement in advertising, the registrar could not only order the use of the material to be stopped, but could also order the statement to be retracted and/or for a correction of equal prominence to the original to be made.
The correction could be placed in the newspaper or other publication, including, by the way, the new and popular virtual home tours offered on the Internet.

When we speak about specialists, another benefit to the consumers in Bill 180 is that, if passed, it would allow for the recognition of specialists to let consumers know more about the qualifications of their real estate professional. This would be made possible through a proposed new provision that would allow areas of specialization to be recognized. Under this proposed new REBBA, the salesperson or broker would have to be certified as a specialist in a particular area in order to advertise themselves as such.

In fact, you may have heard some discussion in the legal community around this requirement. Many lawyers, including many lawyers I know in my riding of Nipissing, are involved in real estate transactions in the normal course of their practice. I understand that the Ministry of Consumer and Business Services heard from lawyers who were concerned that this bill would mean they would only be allowed to perform these real estate duties if they were a real estate broker or a salesperson. This is absolutely not the case at all. There is a simple clarification in the bill that when a solicitor conducts a real estate transaction, it must be in the course of his or her duties as a lawyer.

You might want to ask what the definition of an “interested person” means. Another important consumer protection advantage of Bill 180 is the introduction of the concept of an “interested person.” Although it’s not common in the real estate industry, I’m sure all of us have heard of a business gone bad. Sometimes, due to the conduct of a person who makes false statements in their application for registration, who may be financially unstable or whose treatment of consumers is terrible, the registrar of the REBBA has to decide that this person may not participate in an Ontario real estate sales business.

Our proposed new legislation would give the registrar the authority to take into account the influence that such an unregistered person could have upon another family member or a business acquaintance. For example, such an unregistered person could persuade a spouse or a friend to open a business and to become a frontperson—a frontman or frontwoman—so that the person could continue to engage in behaviour behind the scenes.

Our proposed legislation would protect against this. I believe this legislation would make this type of situation impossible. That’s one of the reasons I stand up and believe in this legislation so strongly, that it will protect the hard-working men and women of Ontario. These individuals, who may be young families, need protection. I ask every member in this Legislature to support this act that will help protect the hard-working men and women, the young families, of this province.

You might ask about enforcement. I know Minister Hudak was very concerned, that he had to put some teeth into this legislation, and I think we should stop and talk about enforcement for a moment.

Consumer protection in the area of real estate would also be improved through the increase of maximum penalties applied through the courts, in situations where an individual is convicted of an offence, to $50,000 from the current $25,000 fine. Minister, that’s quite an increase. The terms of imprisonment would increase to a maximum of two years less a day from the current one year maximum. Those are pretty tough penalties.

Practitioners convicted of an offence under the proposed act could also be required to pay court-ordered restitution to consumers. I think that’s important, that these young families trying to raise their children and put them through hockey and school and ballet be able to recover should this situation happen. In other cases, the discipline committee and appeals committee established under the proposed new REBBA could require the payment of fines of up to $25,000.

If the proposed legislation is passed, and I am hoping all members of this Legislature agree, the assets or trust funds of registrants and former registrants might also be frozen, if it were advisable for the protection of the clients.

Among the advantages Bill 180 proposes to offer the typical honest Ontario real estate brokerage are provisions to prevent conflicts of interest, including provisions prohibiting the employment of unregistered persons, provisions against salespersons and brokers acting for brokerages other than the one they work for, and provisions against inducing someone to break an agreement of a purchase or sale for the purpose of entering into another agreement of purchase or sale.

Also, the proposed new REBBA would address a problem that strikes at confidence in the real estate sales market. It would forbid real estate brokers or salespersons from falsifying or assisting in the falsification of information on mortgage applications or other documents relating to trades. Sometimes consumers are so anxious to own their dream home that they may decide to make their financial positions look rosier than they are in reality. While it may be taken as an act of sympathy, if a broker or salesperson helps a client to falsify an application the result is usually that the consumers may win the purchase but soon lose their new home when they can’t make the mortgage payments. This behaviour hurts the reputations of real estate professionals in Ontario and would be expressly prohibited under Bill 180.

Bill 180 helps to achieve our goal of making a good law better for real estate professionals and for the consumers of Ontario. This proposed legislation, like all of the consumer protection initiatives currently undertaken by the Ministry of Consumer and Business Services, is based on three key objectives: fairness for the consumer, responsiveness to the needs of both consumers and businesses, and the creation of a more flexible regulatory framework, capable of providing a level playing field for businesses and adapting to the needs of the future marketplace.

The Deputy Speaker: Comments and questions?
Mr Michael Bryant (St Paul’s): There are a couple of things in the two minutes I have that I wanted to speak to in response to this speech. Firstly, there is some effort to address issues of consumers trying to use the courts in order to seek justice that they could not otherwise get. This bill might have considered—it might still consider—the opportunity presented through this Legislature with a private member’s bill that I introduced on contingency fees, which permits consumers to turn to counsel, to lawyers, who would operate on a basis on which the legal fees would only have to be paid if there was success. Far too many Ontarians have absolutely no access to our brutally expensive justice system and, as a result of that, they aren’t able to turn to it. If, of course, they can pay their legal fees after collecting a damage award, then that is good news for the consumer. I look forward to continuing to press the government to move forward, either through this bill or the Attorney General’s own or by supporting and bringing through a private member’s bill that I have now had pass second reading, for the sake of consumers who right now simply can’t afford to access our justice system.

There’s a second thing I would say is too bad it has not been tackled by this government, and that is this mandatory loansharking practice that exists whereby consumers have to pay interest rates on an account in their Toronto Hydro bill, and there are other utilities where that exists as well. Many people, just as negative with a poor economy etc is simply false and simply wrong.

Mr Dunlop: Marilyn, get it right.

Ms Churley: I really appreciate listening to the comments from the member for Nipissing, a great friend of mine and someone who is doing an excellent job in the riding of Nipissing. I have to take exception Ms Churley’s comments. “The chickens are coming home to roost.” Is that what I just heard her say? Minister Ecker just announced the September job creation for our country: 40,000 new jobs—that’s what I gathered; I think I can count that well—and 32,000 of them were created here in the province of Ontario. That sounds to me like something that’s fairly successful. That sounds to me like our economic policies are working, especially when I listen to the comments from the finance minister of the federal government and he claims we have a northern tiger here in our country. The jobs are all being created here in the province of Ontario, the economic engine of Canada. Even our own federal finance minister realizes this. To hear her say that the chickens have come home to roost with a poor economy etc is simply false and simply wrong.

We can talk all day about this because we’re all going to be making further comments on this particular piece of legislation in a few minutes, but I think the member did an excellent job. I appreciate the brilliant comments he made. It was a great speech and I commend him for that.

Mr Sean G. Conway (Renfrew-Nipissing-Pembroke): We have a bill that talks about consumer protection. Who could be opposed to that?

I was listening to the byplay about who created how many jobs. I’ve been around awhile, and the last time I checked Ontario had about 12 million people. By my reckoning of federal and provincial finance departments, we must have 40 million jobs in the province, because every time I turn around somebody’s standing up, regardless of party, to say they’ve created more jobs than there appear to be people in the province and that’s a good thing, because apparently finance departments, nobody—no chancellor of the exchequer ever wants to say there are fewer jobs.

I think consumer protection is a really good thing. I want to say two things.

The bill is good, I think, in some respects around the minister and others providing helpful and timely information to consumers. I hate to be like a broken record, but I’m going to tell you—and we did it. We, on the retailing of electricity contracts, allowed a bunch of bad
actors to run around Listowel, Pembroke, Etobicoke and Port Colborne and misrepresent themselves, misrepresent government companies and rip off particularly old people. We did it. We did it at two levels: our company did it, and we, with knowledge aforesight, allowed it to happen when we were warned not to do it. Now, of course, we are going to pay a price.

The second thing I want to say is how government in other ways has a conflict of interest. I shouldn’t confess this. You know, I get the occasional speeding ticket. It’s too bad my friend the Attorney General is not here. You know what enrages me? To get a victim assistance charge on a speeding ticket. Boy, as a consumer it’s nice to see my provincial government rip me off one day and stand up in the nearest pulpit the next day and say, “We, your government, are here to protect you against bad consumer practice.”

The Deputy Speaker: The member for Nipissing has two minutes to respond.

Mr McDonald: I’d like to thank the members from St Paul’s, Toronto-Danforth, Simcoe North and Renfrew-Nipissing-Pembroke for their comments. I must say the people of the riding of Simcoe North are very well represented by a hard-working member. They’re extremely lucky they have Mr Dunlop representing them. I can tell you how hard he works down here at Queen’s Park, but you probably know that.

My partner Wendy Abdallah drove all the way from North Bay. She was very excited to hear about this legislation. Minister Hudak, she was excited because she has sisters and brothers who see this legislation as a way of protecting their young families and she was very appreciative of the fact that you’ve worked so hard to bring this great legislation forward. I can tell you she was a bit shocked that the members, or a couple of them over there anyway, because that’s all who are here, are not supporting this. She finds it hard to believe, and I find it hard to believe, that they’re not wanting to protect the hard-working young families in Ontario when they purchase probably the biggest investment they make as a family: their first home. These individuals who are not supporting this: shame on you. These individuals work hard. They’re trying to put their kids through school. They’re taking them to hockey, ballet, through school, and you know what? They’re not supporting this.

Minister Hudak, you know there’s an old saying that just because people say, “You can’t do it, you can’t do it”—I am glad that you’re showing leadership. You’re showing that you’re protecting the hard-working men and women, the young families of Ontario and I’m very proud of you.

The Deputy Speaker: Further debate?

Mr Gerry Phillips (Scarborough-Agincourt): I’m pleased to continue the debate. I’ll start by saying that one of the things that we in the Legislature have to do a lot more work on is finding ways that government can keep up with the speed of business. My background is business, as is that of many of the other legislators here.

I’ve always felt that governments of all political stripes have not seized the initiative in finding ways that we change legislation at the pace that business changes.

I have been one who has supported omnibus legislation here of this nature, omnibus legislation which is designed to help us change legislation quickly on matters that are frankly non-controversial but require quick change. I’ve always supported legislation that will allow us to adapt and change our laws as quickly as possible, so I would encourage the government to find ways so that we respond much more quickly to changing technology and changing business practices. All of us met two days ago with the chiefs of police from across the province, who were urging us—they had three or four messages for us. One, by the way, was urging the government to get on with the integrated information system in the justice system.

They were also urging us to change legislation quickly to allow them to more quickly adapt and use technology. I think I’ve said this before in the legislature. I was one who had difficulties with photo radar when it was first introduced. But if we accept that our police organizations do not have the resources to do some of the jobs that historically they might have done because they are very much dealing with major crime, with serious crime issues, we do need to adopt technology. What we here in the Legislature need to do is make sure that our laws change at the right pace. So I’m one who supports government bringing in legislation that allows us to change our laws as quickly as possible. I make the one proviso that if there are provisions in a bill that truly do require substantive debate, those things should not be part of an omnibus piece of legislation.

I will say two or three things: one is that while this talks about consumer protection it does not provide, in my opinion, protection in some areas that the people I represent have been extremely angry about.

I want to start with one of them: the 407. The government said, when the 407 was sold, that they had a provision that would ensure that to tolls could not be raised beyond, I think they said, the rate of inflation over 15 years. What they said was that after 15 years tolls might go up three cents a kilometre. That’s essentially what the contract with the public was, and I think the public took the government at face value and accepted that as what was going to happen.

We now find that it appears that something different happened, and the owners of the 407 are now saying, “No, no. When we bought this, the deal was that we could take the tolls up without limit.” As a matter of fact, the 407 owners invested initially about $700 million of equity investment. That’s now worth four times that. SNC-Lavalin, one of the major owners, invested $175 million; it now is worth $700 million. After three years, actually, it went up that much.

The reason I’m raising it here for consumer protection is that on the one hand the people of Ontario were told by their government, “Here’s the deal. We’ve got controls on this road that will ensure that tolls cannot go up more
than three cents a kilometre after 15 years.” Well, in many cases within three years—in one case the tolls have gone from four cents a kilometre to 11.5 cents a kilometre. The reason I raise that is, where’s the protection for the public in perhaps the area that I think they have the most right to expect protection, and that is protection from their own government? Again, the reason I raise it is that this bill doesn’t deal with it.

It’s particularly germane because today we found out that it is the plan of the Eves government to sell a very major part of something called Hydro One, using the same process we saw in the 407. So here we find now that the people of Ontario are faced with hydro bills that all of us are getting calls about—dozens, if not hundreds, of calls about rapidly rising hydro bills. Yet the government is proceeding behind the scenes to sell off a major part of Hydro One, which is the company that runs the wires that get the power from the generating plants to the local utilities or directly to your home, sell it off, using exactly the same process as the 407.

I would just say to the public, here was the process: the request for proposals on the 407 was private; the people who were bidding on it helped to write the request for proposals, and we in the Liberal caucus have been spending the last three years trying to get made public something called the “tolling agreement,” which is the agreement that sets the rates for tolls. We’ve been denied that. Why? Because the government signed a deal with the owner that allowed them to keep it private.

Where does that lead us on consumer protection? The average user of the 407 right now is paying $2,500 a year in tolls. That’s an amazing statistic when you realize that if you happen to be unfortunate enough to have bought your home somewhere along the 407 and need to use it to go to work, you’re paying $2,500 a year—for most working people that’s after-tax dollars—and somebody who happened to buy a home along the 403, the 410, the 401 is paying zero. There was no consumer protection in that deal the government signed that would allow for some oversight of the tolls.

That’s why the companies that own the 407 are thrilled with it. The 407 is regarded as the most lucrative toll road in the entire world. It’s the only privately owned toll road in the world where there are no controls on tolls. The lease is a 99-year lease—most leases on private toll roads are 30 to 40 years—and that’s why the toll road owners are so thrilled with it.

Again, I go back: this bill does not provide for what may be regarded as the most fundamental rights of the consumers, and that is that when their government sells one of their assets to the private sector, they have a right to understand the terms and conditions under which that’s sold and what it’s going to mean to them. I say to us here in the Legislature that the Minister of Finance today said, “Yes, we are going to use the 407 process because we’re very proud of it.” That process allows the government to do all the negotiation in private. In the end, if they use the 407 model, they will sign a confidentiality agreement so that selling the Hydro One assets will prohibit us, the public, from finding out what is in that deal. That’s one piece that’s not in here: protection for the public when their government decides to take an asset that used to be publicly owned and sells it off.

The second point I want to make, and my colleague Mr Conway alluded to it, is the lack of consumer protection there has been for consumers who have signed contracts dealing with hydro. We here in the Legislature have been debating this issue for months. We regard ourselves, I think, as comparatively knowledgeable about this issue. I say “comparatively” because I think very few people, myself included, understand it completely, but we’re comparatively knowledgeable. Frankly, I would be surprised if there’s anyone in this Legislature who can make a determination on whether it is best to be signing on to a fixed contract or to simply let the rates flow. I don’t know the answer to that.

I think the average person would have an enormous problem in determining whether it’s a good or bad deal. I have no doubt that the companies running it have got it figured out, because it’s at least hundreds of millions of dollars that they’re prepared to invest in this adventure. They no doubt have figured out how they’re going to make sure they don’t in the end get caught holding the bag. But I don’t think the average consumer can in any way figure this out.

We’ve unleashed a process out there where people are knocking on doors, and frankly we’ve exacerbated it because anybody who’s paying attention to hydro, and I think it’s virtually everybody in the province now, is frightened. They’re wondering what is going to happen. So people, in my opinion, are being almost frightened into signing these fixed contracts, but they’ve no idea where it will lead. It’s not going to be enough to say simply, “Well, it’s just buyer beware, and if you can’t figure out the details of this complex agreement, that’s too bad for you.” So we’re to blame. We’ve unleashed this huge issue of hydro prices. We’ve thrown the people of Ontario to the wolves and, rightly so, they don’t know what to do, but I can assure you they’re signing long-term contracts with substantial financial implications to themselves.

Furthermore, as my colleague Mr Conway pointed out, at least many people in the province thought, “Hydro One is coming around to sell me this thing, and I’ve always trusted Ontario Hydro. We own it, so I assume that if we, the taxpayers, own it, if they mistreat me, somehow or other I’m going to have some recourse.” But what happened to all those people who signed the fixed contracts with Hydro One, the successor to Ontario Hydro? Suddenly they found that their contract was sold to another company, a completely different company from another province. That’s quite all right, quite legal, but I think people are now waking up, as Mr Conway has said many times, and saying, “Firstly, I’ve signed this thing. Part of the deal looks like I might be getting a rebate. I’ve signed the rebate away. I’ve signed on to a fixed long-
term contract. I don’t know what I signed. Furthermore, Ontario Hydro or Hydro One has sold it off.”

As we look at this bill designed to update some legislation, that’s very good and we need to do more of that. We need to find ways that the Legislature proceed much more quickly. It amends many statutes and it tries to bring these acts up to date with new technology.

I think the public is talking about two things that most directly impact them right now, namely the contracts they’re signing on hydro and for many people in this area, Highway 407. The average daily number of people on there is about 400,000. It’s not an insignificant amount, but it doesn’t affect everybody in the province. But on both of those things—in the one case we’ve allowed a contract to go out that people are signing that you really have to be in the top—not the top 1% but one tenth of 1% of knowledgeable people on electricity to understand what you’re getting into. On the other hand, on the 407 we’ve told the public one thing about tolls and we’ve allowed the 407 company to do something quite different. They both can’t be right. The 407 company can’t be right in saying, “We can take tolls without limit,” and the government can’t be right in saying, “When we sold this thing, we put in place a mechanism that would prevent tolls from being increased beyond the rate of inflation.” There’s no consumer protection for those two things in the bill.

I’ll touch briefly on one last point because it was raised during the previous speaker’s debate, and that is the importance in the Ontario economy of our trade with the US. Ontario is now the most export-oriented jurisdiction in the world. Nobody has a higher percentage of gross domestic product represented by exports to other countries than Ontario. About 10 years ago, it used to be 29%; it’s about 55% now. While all governments like to take credit for the economy, jobs and whatnot, I don’t think there’s anybody, or at least very few people, who would dispute that the major reason for our economic growth in the last 10 years in Ontario has been the growth of exports. That’s the major reason. It’s not the only reason, but the major reason.

It’s a testament to Ontario’s business community that we’ve been able to do that. We’ve competed enormously successfully with the US. My only personal regret is that we haven’t developed as much business outside of the US as well. I love the business in the US, but I wish we’d also be able to see that same sort of growth in other countries. Nonetheless, we’re successful in the US.

The point I’m making here is that just as the government now, in setting tax policy, purports to compare taxes in Ontario much more to the US states than to other provinces in the country, we need to make sure that our consumer protection recognizes the international aspect of trade. It happens that this bill deals with the Loan Brokers Act. I’m proud to say that was a private member’s bill that I developed, I might add, in conjunction with a reporter from the Sun, Linda Leatherdale, who really was the driving force behind it. But I was the person here in the Legislature who developed it, who put the bill together. It went a long way to stamping out the abuse by loan brokers here in the province of Ontario, and I’m very proud of that. But guess what happened? These companies continue to operate in Ontario, but now they’re doing the bulk of their business in the US. They’re located here, but they are gouging people in the US. The purpose of raising this point is that we now need to make sure that we recognize the global nature of our businesses and our trading. Perhaps I didn’t write that Loan Brokers Act perfectly and perhaps there were some steps I could have taken in drafting the bill that would have closed those kinds of loopholes.

As I say, I don’t believe the things that are front and centre right now, I think, with the people of Ontario are addressed by the bill; and those are the enormous concerns people have—and by the way, those concerns will be really highlighted in the months ahead, particularly when the electricity rebate is announced and those 20% or 25% of people who are now on fixed contracts realize that they’re not going to participate in it.

So yes, we need to change our legislation. We need to find ways to change it much more quickly. Yes, we need to change our legislation to reflect the rapidly changing technology and the international basis on which all of our businesses are now conducted.

As I say, I think we’ve missed at least two: consumer protection from their own government action and consumer protection in the area of electricity.

Mr Kormos: I appreciate the comments of the member. I’m going to have the floor in around eight or 10 minutes’ time.

Tonight we’re debating the Safe Drinking Water Act. It is Halloween night. It’s Thursday night. It was an interesting thing because the government approached me and indicated, “Oh, it’s Halloween night, and our members don’t want to be here.” Well, that’s fine, I understand, but we’ve got business to do. The government brought a motion to sit Thursday night. Now mind you, if there aren’t enough government members around come 8 or 8:30, we may feel compelled simply to move adjournment of the debate. If they don’t want to listen to it, then we can just move right along and set it over to the next day. As it is, there’s hardly a member in here now. Mr Stockwell came to me and asked me if I’d agree, and I thought, “What would Ozzy Osbourne do?” I realized what Ozzy Osbourne would tell the government House leader, but that would be unparliamentary, so I just indicated, “No, I’m not making any deals.” It doesn’t work that way. You can’t have opposition members here speaking to an empty House.

We want safe drinking water to be debated this evening. We want as many people as possible to listen to it. So opposition members are going to be here debating it. I’m looking forward to seeing the government members here tonight too as we debate the Safe Drinking Water Act. Sauce for the goose, sauce for the gander; that’s what Ozzy would have said.
Mr Norm Miller (Parry Sound-Muskoka): On a point of order, Mr Speaker: What is that thing around the neck of the member there?

Mr Kormos: Well, that’s the way it is. I’ll be wearing the tie this evening too in celebration of Halloween.

Hon Chris Stockwell (Minister of the Environment, Government House Leader): I’d just like to say this is another indication of why it’s impossible to meet with the third party House leader. You go to him with an off-the-record conversation, to discuss the business of the House to see if we can have an agreement. Because yes, it’s true, some members have children. We have to work tonight, and we were seeing if we could make an agreement to allow them to go home and take their children out trick-or-treating, which may sound to some degree—

The Deputy Speaker: Excuse me. I think we’re off topic. I think we’re responding to the member for—

Hon Mr Stockwell: I’m responding to the member for Scarborough-Agincourt. That’s exactly what the member spoke about. I guess that’s the trouble in dealing with you, because nothing is in confidence, nothing can be discussed without you standing up here and doing what you just did, which diminishes everything. I’m not going to apologize. Yes, some people who work as politicians have children. Yes, some people in this place have responsibilities. And if one of those small responsibilities they have is to go home, hopefully, on Halloween night to go out with their children trick-or-treating, I was hoping against hope that we could somehow get some collegiality here, an agreement.

The Deputy Speaker: I think we’ll have to either get back to the—

Hon Mr Stockwell: I’m doing my best, Mr Speaker. I can only suggest to you that that was what he spoke to. I’m not sure how I’m out of order and he was in order.

Now, Mr Speaker, in closing, to comment to the member for Scarborough-Agincourt, I know him to be an honourable member, and I know others to be honourable members. That simple token of appreciation for members of all caucuses who have children could have been helpful. It’s once again an example of dealing with you, Mr Kormos: asking you in confidence and having a private discussion where you then stand up and make a pointed effort to diminish this place and diminish the hope that we could have any kind of relationship where any discussion can possibly be kept confidential. That’s why, Mr Kormos, you are the House leader from hell.

The Deputy Speaker: I don’t think that will help our deliberations here. I will ask all of you to bring your comments within the parliamentary system.

Hon Mr Stockwell: On a point of order, Mr Speaker: I would like to withdraw the comment that the member for Niagara Centre is the House leader from hell.

The Deputy Speaker: Thank you.

Mr Gerard Kennedy (Parkdale-High Park): I’d like to speak to the bill and I’d like to talk about the fact that the government has a pretty poor track record when it comes to consumer protection.

A number of years ago, they said they were going to improve protection in other areas in an omnibus bill similar to this one. Real estate, for example, they made self-regulating, and there were things like pressure devices, amusement devices and so on, and, people may not realize, the elevators they travel up and down in. For example, if you were in this building, you would have seen until about a month ago that the elevators hadn’t been inspected for about a year. The reason they weren’t inspected I guess was some technicality, but the fact is that if they were inspected, it was by an authority set up by the people who construct the elevators, the people who service the elevators.

I would say we’ll find out that the government is always pulled away from the essential thing for consumer protection, which is the public interest. The government sets up a contrast for us time after time. The private interest and the public interest are put, like magnetic forces, in the same room, and inevitably the private forces win out. That’s what we’ve seen with travel agency self-regulation in other jurisdictions and so on, and inevitably and invariably this government finds itself in that predicament.

We see that we don’t have in this bill some of the urgent consumer issues, the ones concerning hydro, for example, the ones about gasoline prices where people would like to see the government at least take an active interest and stop their only active finger pointing. We see that on the billing practices, some of the door-to-door sales practices that people have been subject to over hydro. Throughout the piece, the government has taken a laissez-faire attitude. We believe government should be there when they are needed, as a referee.

We saw the government back out of one of the biggest consumer protection things with rent controls, not being there when things are out of balance.

There may be some merit to this bill, but what’s missing is a fundamental commitment that the government can actually pull it off.

Ms Churley: I would say at the outset that we should all be home tonight shelling out candy and being with our children and grandchildren. It’s too bad that not just Tory members can’t get to go home—anyway, I’m here tonight to debate the Safe Drinking Water Act.

I want to say to the minister and to the government on this bill that in some ways it’s easy to bring in bills that protect consumers from obvious scam artists. We’ve got some obvious scam artists going around right now who are ripping off consumers on their hydro bills. So I’ve got lots of problems with the bill, and Mr Kormos will be outlining some of those issues later. Some credit should go to the government on some of this as well, but it’s very difficult to do that when you have a government that with one hand is helping out some consumers in some cases but with the other hand is hammering them with those skyrocketing hydro prices and the gas charge prices.
You talk about how this piece of legislation before us today is protecting consumers. We have been hammering you day after day after day, week after week after week, month after month after month now about what’s happening to consumers out there when it comes to their protection with their hydro bills and the scam artists that have been at their door signing them up, the fact that you guys have let these people loose on the consumers of this province. We offered a consumer protection remedy. Howard Hampton offered another one today to keep their hydro from being turned off during the winter months. Those protections that are so critical to people right now, you are ignoring, and you are not doing something for those very people.

The Deputy Speaker: The member for Scarborough-Agilcourt has two minutes to respond.

Mr Phillips: Just for the record, I never mentioned Halloween, so I was not involved in the Halloween issue. But I appreciate the comments from the members for Niagara Centre, Etobicoke Centre, Parkdale-High Park and Toronto-Danforth.

Just to say it once again, I think the public look to how we deal in legislation with the private sector, but they also have a right to say, “Well, how does the government itself handle consumer protection?” That’s why I return again to the two major issues I raised in my comments.

One is that I don’t think anyone in this Legislature can say with a straight face that the contracts that are being offered to the public out there on hydro are understandable and provide a basis for people to make an informed decision. I repeat: I honestly don’t know which is the right decision to take, even now. Yet people are being asked to sign deals that will cost them perhaps hundreds, if not thousands, of dollars over the next few years.

The second issue I raised is that the government, when they sold the 407, told the public one thing, and the 407 owners have done something completely different. As I said earlier, the average driver on the 407 who commutes is spending $2,500 a year on tolls and there is no control on it.

So I wish this bill had addressed those issues in addition to the ones it did.

The Deputy Speaker: Further debate?

Mr Kormos: I should explain at the very onset that I am, with great pleasure, subbing for our member from Hamilton West, David Christopherson, who is the critic in this area. David Christopherson had planned to be here and indeed would have here doing the leadoff participation in this debate on behalf of the New Democratic Party. Unfortunately, he had to rush back to Hamilton because today Hamilton Health Sciences announced dramatic cuts in their services. As I understand, it’s shutting down 148 beds without being sure as to where those patients are going to go, among other things because the government hasn’t flowed the dollars that were promised in the last budget to cover hospital deficits. So Mr Christopherson would have been delivering this leadoff but for his responsibility to his constituents. The critical position that this government has put Hamilton and area and the Hamilton Health Sciences in as a result of this government’s failure to deliver those health dollars to cover deficits has resulted in Hamilton Health Sciences putting at risk, serious risk, the welfare of a huge number of Hamilton and area residents. It’s unfortunate. It’s incredibly unfortunate.

I tell you that, however regrettable it is, what we witnessed in Hamilton this afternoon as a result of this government’s underfunding of health care and hospitals is at risk, and I predict will, without speedy intervention, be repeated in municipalities and with health services across this province.

Look, it’s been said, and I’ll say it again, Bill 180—Ms Churley just a few minutes ago indicated—who’s opposed? Nobody can be opposed to consumer protection. I suppose any enhancement of consumer protection is, in and of itself, a good thing.

I want to reiterate our regret about the lack of consultation. We’ve got a copy of the letter that Professor Ziegel sent to Mr Hudak, the minister. Professor Ziegel, who’s known to many of us, certainly known to Ms Churley, known to myself, is an expert. He’s over at the University of Toronto law school. He’s an expert in the area of consumer protection and has made himself available for consultation free of charge. This is what I can’t understand. I was shocked to read this recent letter from Professor Ziegel, wherein he wasn’t even made aware of the legislation being drafted, never mind presented for first reading. He found out about it because a colleague up at Osgoode Hall Law School encountered Bill 180 on the Internet.

Professor Ziegel, in his letter to the minister—and he has provided other people with copies of it, not inappropriately—effectively not only offers up his services in terms of consultation, but calls upon the minister, “Please, let myself”—Professor Ziegel—“and other experts get involved.”

I want to tell the minister that he would be incredibly ill-advised, and has been ill-advised if in fact it was the advice that was given to him, yes, to exclude Professor Ziegel and others of that calibre from a consultation process.

My fear, my suspicion, is that this bill won’t go to committee, and if it does, it’ll be for the briefest of times, one of those slam-bam committee processes where it’s in committee, then at 4 o’clock all those questions that have to be called are deemed to be called and it’s put to a vote so the government majority rams it through.

Is there anything in and of itself offensive in the bill? Well, at the end of the day, no, because I suppose one of the observations that’s so readily made is that in so many respects there’s not a whole lot new in the bill. This is not just a redrafting but simply a reassembling of a whole lot of existing common law, some existing statute law and some minor tweaking here and there.

I put to the minister, and I welcome his response in this regard: I want to talk about some of the scams that are performed on the folks down where I come from,
where my constituency office gets involved and where I’ve been involved.

Let me tell you one of the biggest scams. I appreciate that it’s not within provincial jurisdiction, but I’d be interested to hear what this minister has had to say to the federal government about the scams that the banks do on customers on a daily basis. In my own personal experience one of the biggest offenders is the Toronto-Dominion Bank, where they’ve actually stolen people’s money. They nickel-and-dime accounts, drain accounts with charges. Maybe I go back too far and approach these things a little bit simply.

I had a Toronto-Dominion Bank account here in the city of Toronto. I’ve talked about it in the Legislature before. Yes, I guess it had acquired the status of a dormant account. The money just sat there. I figured the money was safe in the bank. The bank was enjoying the use of my money. You understand what I’m saying? The bank was enjoying the use of my money, but they nickel-and-dimed me out of several hundred dollars. By the time I finally went to that bank and said, “I’d like to withdraw a couple of hundred bucks,” I was told that I owed the bank money. That’s a scam.

There used to be a time way back in the 1920s, especially in the United States, when banks were going belly-up in the Depression, where people acquired a great distrust for banks. Now, with any number of insurance schemes and so on, people have been reassured of the confidence they can have in banks. But at the end of the day you’ve got banks still taking people left and right: new charges and nickel-and-diming people with but savings accounts. I would urge people, if they’ve got money in the Toronto-Dominion Bank, to pull it out as quickly as possible before the Toronto-Dominion Bank does to them what they did to me. I don’t trust the Toronto-Dominion Bank. I’ve got no reason to and I’ve got every reason not to.

In fact, I’m a fan of credit unions. This last weekend I was down at the 50th anniversary of the Canal City credit union in Welland, formerly Page-Hersey employees’ credit union. If you want to avoid bank scams, if you want to avoid banks ripping you off, if you want to avoid banks nickel-and-diming you, then the real consumer protection there is to get people into credit unions. I appreciate that the matter of banking is a federal matter and the minister couldn’t have included that in this legislation even if he had wanted to. I’d be interested in knowing whether or not he wanted to and whether his confidence in banks is somewhat greater than mine. But maybe he’s never had a bank rob his money; maybe he’s never had a bank steal money from him. I’ve never had that done to me by a credit union, not by a long shot.

The other area of consumer protection that of course can’t be canvassed here because it’s a matter of federal jurisdiction is cable television. You’ve heard me talk about that before too. How those bandits get away with what they’re doing just rots my socks. It is incomprehensible. Cable television operators persist in this province in underservicing the province; in other words, there’s nowhere near a guarantee of 100% coverage, not 90% coverage, probably not even 80% coverage. They deliver an incredibly poor quality signal and yet they charge a literal arm and a leg for their so-called services.

Try getting hold of a cable company when you’ve had a breakdown or a lapse in cable provision to your home. You get put on hold and on wait and you’ve got voice mail and electronic voices and mechanical voices and “Press button 1” and “Press button 2” and you wait forever. Then you’re told to stay home during a workday, as if you could be there, because the fact that you work and try to eke out a few bucks a week is what enables you to pay for the cable. I’d dearly love to see somebody get tough with the cable companies in terms of some basic consumer protection.

The other thing that really ticks me off about cable—and I’ve had calls in my constituency office and Jim Bradley has raised it any number of times here, as have I—is when the cable company, Cogeco, down in Niagara, put the legislative channel up into the high numbers so that a whole lot of people with the old television tuners that don’t go all the way up to number 59, or whatever the heck it is, literally can’t access it. I appreciate it’s not in the minister’s bailiwick, not in his jurisdiction, but I’d like to hear the minister at least talk tough about the cable companies. I’d like to hear John Tory. John Tory apparently is going to be a potential candidate for the leadership of the federal Conservative Party. I’d like to hear John Tory campaigning, among other things, on a plan to get tough with cable companies. Do you think John Tory is capable of it? Boy, he’d show his stuff were he to do that.

Yet, one more area of consumer protection is very much related to this bill. Reference has already been made to the fine print elements of both advertising and contracts. I’d like the minister to tell us where in this bill there is some protection for consumers against the hyperfine print. It’s not as if Bell telephone has got anything good to say about it, because what they’ve done is reduce the size of the print in their phone books over the course of the last several years so that anybody who is over 40—not anybody, but the biggest chunk of people over 40—has the hardest time finding numbers, never mind once you reach 50 or beyond. But it’s that same sort of fine print that finds its way into any number of so-called otherwise legitimate consumer contracts. Take a look at the print and you’ll notice that it’s not written in hard black and white. It’s usually printed in grey so that it becomes but a blur to most readers of it.

I’d be interested in seeing this go to committee because I’d be interested in seeing this government respond to a proposition around some amendments to literally eliminate the fine print. If it’s good enough to be said or written, say it audibly or write it legibly so that consumers can read what they have an entitlement to read.

That takes us to yet another issue, and that’s plain language, plain-language requirements. Plain-language
legislation has advanced a long, long way. A whole lot of US jurisdictions have plain-language requirements. There are all sorts of readily available standards for the utilization of plain language; and plain language would go a long way toward giving the consumers power in their own right to determine what kind of agreements they are getting into.

I want to talk about some of the scams that I have encountered down where I come from. My concern is that this bill does not address what are prevalent scams down where I come from, down where the Minister comes from too—down where he’s set up his new home, in a rather nice part of Niagara region, which may well become a part of the riding of Niagara Centre in due course. I have asked him already if he’s going to be good for a sign location. He said he’s undecided; he has to ask his spouse.

One of the scams that we’ve had to deal with, and I’m sure other constituency offices as well—and again, this is where the bill falls short because I don’t see anything in the bill that is going to address this: the driveway paving operations. How many times has my constituency office received a call—and the interesting thing is that many—I’m sure other constituency offices as well—and again, this is the fact: access to hotlines giving people advice on how to deal with these things; access to written material in any number of languages that would enable people to do some basic homework and research; access to registries of bad operators.

So what happens—and it’s usually an out-of-towner. They can come from any part of Ontario or even beyond; they can come from Quebec as well. They pull into town—a couple of dump trucks as a local asphalt provider, a flatbed with some heavy rollers—and go door to door marketing asphalt paving for drivers. And not all the time—I’m not going to suggest that everyone of them is a bad operator—but more often than not you end up with a job that is incredibly deficient. The foundation hasn’t been properly laid; there hasn’t been proper excavation and removal of the previous asphalt driveway, which has buckled and caved in and rotted away from water and gasoline and oil; there hasn’t been sufficient or adequate preparation of the foundation or removal of the old asphalt driveway; and if that was done, the surface of asphalt that is laid down is far too thin to be effective for more than about a day or two. In fact, it is only effective for so long as that period of time that they ask you to keep you car off the asphalt, because the minute you start driving a car—and never mind a heavier vehicle, let’s say an SUV or a full-size pickup—the asphalt literally starts giving away underneath the tires of that vehicle.

My office has dealt with those situations countless numbers of times. Can you sue the operator? Yes, if you can find him or her, or it if it’s a corporation—and usually they are. Can you be successful? Yes, more often than not, because most of the time these operators merely default in terms of providing a statement of defence and let you get default judgment. But is the judgment, which has already cost you a few hundred bucks in court fees alone in Small Claims Court, worth the paper it’s written on? Because when you try to execute or have it executed, that corporation either is inexigible or has folded and the operator has rolled the assets, usually the equipment itself, into another corporation; or if it’s an individual, that individual is not just the defendant in your case and that individual in inexigible.

I don’t see anything in this bill that protects my folks against the driveway paving scams that are perpetrated literally every summer, and there are things that could be done: a hot list of bad operators. We’ve supported this government’s efforts to register, in some areas, areas of highly dangerous criminals. I see that the Ministry of Consumer and Commercial Relations, as it once was called, could do an outstanding service if it had an accessible registry of bad operators.

One of the problems with the ministry, and it’s interesting, because I’m sure when Ms Churley speaks to this bill she may also—

Ms Churley: If I get a chance, if it’s not time-allocated.

Mr Kormos: If Ms Churley gets a chance, if it’s not time-allocated and the opportunity to speak to it is stolen from her, Ms Churley has expertise and experience in this area from a whole pile of arenas, among other things her participation in the ministry for some significant period of time, much longer than myself.

One of the things Ms Churley has commented on, and I’m sure will do again if she’s given a chance to speak to the bill, is the gutting of the ministry. All of us—I shouldn’t say all of us. I know most of this caucus, the NDP caucus, has made efforts, for instance, to telephone the ministry to look up various enforcement branches either to obtain information or to report perceived infractions for the purpose of investigation. There’s nobody left there. It’s an empty building. The halls must ring with the footsteps of the one or two people who work in the ministry. There’s no longer an effective enforcement branch. There’s certainly no consumer protection branch from the point of view of preliminary protection.
A couple of times the constituency office down in Welland, and I'm sure others, be it here in Toronto at Broadview-Greenwood or Toronto-Danforth, has been successful in using, perhaps, the leverage of the press or commentary here in the Legislature to cajole or coerce a return of money by an operator, but that certainly doesn't do the job for subsequent victims of that operator's rip-off schemes or scams, does it?

I'm afraid this consumer protection act isn't going to do very much from my point of view, subject to what the minister may say to make me feel more comfortable, more at ease, for victims of driveway paving rip-offs. He can say, “Sue.” I can say, “Sue what?” Because you can sue until the cows come home, but the goal should be to protect people before they get victimized. I say that the Ministry of Consumer and Commercial Relations, and I think most people in this province would agree with me, ought to be out there protecting people against the scams in the first place, instead of standing by for them to get ripped off and then providing directions to the small claims court registry office, where you've got to start laying down a few hundred bucks even to get the whole thing proceeded with, commenced, initiated.

Scam number two: the vacuum cleaner scam. It's incredible that these scam artists are still working the streets. That's the inevitably out-of-town-based, and sometimes out-of-province-based, door-to-door retailer of ultra-high-priced vacuums. You check Consumer Reports magazine—again, people might want to go on the Web, consumerreports.org, and you can see any number of candid tests—unbiased; no commercial affiliation by that association—of vacuum cleaners. At the end of the day, those multi-thousand-dollar vacuum cleaners inevitably are not only not superior to any number of domestic North American or offshore-made vacuum cleaners, but are in fact inferior.

We've dealt with folks down in Niagara Centre who have been scammed, and of course the vacuum cleaner salesperson takes away the old vacuum as a trade-in and then it becomes even more difficult for that person because they argue, “Oh, no, that's gone off to the processor.” Do you know what they do with the old vacuums? They throw them in the dump. It’s all part of the scam, because you don't have a vacuum any more if you really insist on returning the rip-off vacuum you just bought, with some exotic name and a few straps of chrome around the same otherwise plastic body.

We've had some success in using any number of coercive tactics like using the press or the threat of speaking to the matter here in the Legislature in terms of getting people's money back, but the fact is a whole lot of people don’t even bother reporting it because, quite frankly, they're embarrassed. It’s usually older folks who get scammed because the salespeople around these things—shame on them—exploit many times the isolation of older people, very much exploit older folks’ pride in their home, in the cleanliness of it and the orderliness of it—again, homes that are far cleaner and far more orderly than mine ever has been or ever will be.

I don’t see anything here that protects consumers against the door-to-door vacuum cleaner scam. You see, the other problem is, be it the vacuum cleaner and most other consumer products that are sold door to door, the assignment of the paper, because these items are sold on time—first off, they’re sold cash. Then you’ve got to tell your constituent, “Wow, that’s even riskier because you paid cash up front.” It’s gone. Tracking those artists down is going to be a formidable task. But when your constituent tells you, “Oh, but I’ve got a time payment program; you know, $500 down, $200 a month for the rest of my life,” there’s a glimmer of hope and you say, “Oh, well, we’ll default on the payment.”

But what these operators inevitably do is sell the paper. They assign that credit note to a third party, who then has no relationship with the otherwise scammy product. Whether it's a finance company of the old school ilk—inevitably it’s interest rates that start at 18% and go up to around 29.5% or more, or so much as the Criminal Code allows—you’ve got no rights as against the holder of that paper. So I would prevail upon the minister to start engaging in some programs that provide outright education to stop these scam artists in their tracks, protect people from the scam in the first place and ride the scam artists out of this province on a rail.

If you want to make reference to the tie I’m wearing, Speaker, it’s very Halloweeny. Michael Prue had one just like it, you might have noticed.

**Ms Churley:** Yes, he did.

**Mr Kormos:** Michael Prue had a tie identical to mine and I want to commend his wife for buying him his.

**Ms Churley:** Who bought you yours?

**Mr Kormos:** The fact is, I have to have it back to the store by 10 o’clock tonight. But it’s very in the Halloween spirit that I, with great pleasure, wear this gesture of goodwill toward so many youngsters tonight. Perhaps some of the children of the members of this assembly will be out there with their folks—except, well, we are sitting Thursday night. They’re called evening sittings. It happens to be Halloween. I understand.

I’ll tell you one more scam. This one’s not really a scam; it’s just half a scam. One of the problems I have is we get a whole lot of complaints about overselling—and the minister might want to respond to this. Again, as often as not, it’s senior citizens who have become a little bit isolated from time to time and certainly are regarded and seen as prey by the perpetrators.

One is the steel roof scam. There’s nothing wrong with steel roofs—nothing whatsoever. They’re incredibly expensive. They have an incredible lifespan. But I’ve got folks who called me up—I had one just a year ago. They’re 75 years old and they’ve got something like a $15,000 tab to pay for a steel roof when an asphalt shingle roof would have cost them maybe $2,500. They’ve rethought it and said, “Well, maybe we can’t afford to spend that.” With an asphalt shingle roof you can get a 25-year warranty or a 30-year warranty but, they were explaining, they bought the steel roof because it had a 50-year warranty. I said, “But you’re 75 years
old.” What is somebody doing selling you a $15,000 steel roof and using as the selling point that it’s got a 50-year warranty? My friends, trust me, you’ll do fine with a 30-year shingle at a fraction of the price.

Is there anything illegal about that conduct? No. Is there something unsavoury about that type of overselling? Yes. Is there any protection in this legislation? Well, but for the cooling-off period, once again, no. Is the protection going to be contained in a statutory structure that merely provides penalties after the fact? I suggest not. I suggest that the protection is more significantly going to be contained in educational programs, in 1-800 lines that provide advice and counsel to consumers so they can protect themselves before the fact. An awareness on the part of consumers that there would be a hotline available at the Ministry of Consumer and Business Services to talk about roofing, driveway paving, basement waterproofing. Again, unlike the steel roofs, which as I say are merely unsavoury in terms of overselling, because steel roofs do have incredibly long lifespans—and if you’re 25 years old building a house, it may well be a suitable roofing application, or if you’re in parts of Ontario where the climate is particularly tough on asphalt shingles, it may be a particularly wise investment.

1750

You see, basement waterproofing is almost inevitably an out-and-out scam, because there’s no such thing as waterproofing a basement without excavation. You can’t waterproof a basement from the inside. You can dig a trench around the inside so that the water drains out, but there’s no such thing as waterproofing a basement from the inside. The hydraulic pressure is simply too strong.

Ms Churley: I didn’t know that. I bet lots of people don’t know that.

Mr Kormos: That’s right. But they get scammed: a coat of tar, some fancy tinfoil type of flashing glued to the inside of the wall of the basement. The water’s coming from the outside. You’ve got to inhibit the water at the point of entry, not at the point of exit where it comes into the basement. So again, I want our Ministry of Consumer and Commercial Relations to have programs available. Does this cost a few bucks? Yeah. But as a taxpayer I’m prepared to invest in these kinds of things, specifically in these kinds of things.

I want to get down to automobiles. Again, I’ve got no quarrel with the legislation, most of it recycled but somewhat tweaked, in terms of motor vehicle repair standards and controls. Is it adequate to protect people against scams? I say no. There’s all sorts of good car repair places across this province, I have no doubt about it. Regrettably, the privately owned garage service station is becoming an increasing rarity, yet at the same time, historically, it was one of the most reputable places for car repair. It’s true. But because of the oil companies and how they operate gas stations versus service stations, and the gas bars, many of those mechanics are out of business. But I encourage people to develop a relationship with people like young Fralik up on Niagara Street in Welland. The Sunoco station up in Welland just before the 406, they’re incredibly reputable people; or Lee’s, again a similar Sunoco station over on Prince Charles Drive.

One of the places, not the only place in town, to get competent, trustworthy, reliable repair work—I use a unionized shop, David Chev Olds. Its mechanics are members of the Canadian Auto Workers. They’re unionized and that provides me, quite frankly, with a level of comfort, not only knowing that they provide very good and reliable service and wouldn’t scam you if their lives depended on it; I know that as unionized workers those mechanics are paid well. They don’t have to do piecework, they don’t have to rush jobs through because they’re on flat rate, so I take comfort in the fact that a unionized shop is a safe place to get your car repaired. And that’s not to say it has to be unionized, because obviously most of the smaller, independently run service station garages aren’t unionized because its owner-operator. So Fralik on Niagara Street, Lee’s Sunoco and any number of other places are going to serve people just fine.

I’d like to see some educational material from the ministry. I know that from time to time—and more often it’s the newspapers, it’s the Toronto Star car section that does it before the ministry does, goes out there doing stings, testing car repair operators to see how effective the diagnosis is and whether it constitutes an outright rip-off or merely lack of knowledge on the part of the mechanic. But I tell you, one of the most important things I think this ministry could be doing would be to educate people about how to identify a competent, reliable repair shop, how to find one and how to maintain a relationship with one.

One of the resources that I use, quite frankly, in view of how this government—and I trust it still does, I could be corrected—the Consumers’ Association of Canada is a pretty toothless consumer protection organization, and quite frankly will do the government’s bidding as long as the government continues to fund it. But a group like the Automobile Protection Association here in Toronto, which is independent of the government or of any other retailer, does an excellent job of giving people advice around car rip-offs or on where to get your car repaired. They’re the people that referred me to Krown Rust Control. It was the Automobile Protection Association that referred me to Krown Rust Control, which I’ve used for all my vehicles for a good chunk of time. Krown Rust Control, in my view, merits the high approval rating that the Automobile Protection Association gives it. I encourage people to call the Automobile Protection Association. Another one is the Automobile Consumer Coalition, which is a similar, parallel organization. So the Automobile Protection Association, the APA, and the Automobile Consumer Coalition—my good friend Mohamed operates that. Both of those places will provide people with outstanding advice in terms of where to get good repairs, excellent advice on how to avoid scams, excellent advice on where to get the best rustproofing for your
car. One thing people have to avoid is the dealer-provided rustproofing. That’s a scam. I’m sorry; that’s a scam.

It’s like when you go to the haberdasher, as some of my colleagues are inclined to do, and they sell you a suit, but then they want you to buy the tie, the belt and the shirts to match. They don’t make the money on the suit as much as they do on the tie, the belt and the shoes.

Automobile dealers do the same thing. Nobody in their right mind should get rustproofing, when they buy a new car, from the automobile dealer. It’s overpriced and quite frankly most dealers don’t have the facilities to properly apply it. Call the Automobile Protection Association, call the Automobile Consumer Coalition; they’ll send you to Krown Rust Control, where you have a product that works and a service that is definitely not a scam.

I’d like to see the Ministry of Consumer and Commercial Relations giving people some of the same counsel and advice. I’m not sure the Automobile Protection Association or the Automobile Consumer Coalition would like to see the Ministry of Consumer and Commercial Relations subsidize them to the same point that they have, at least historically, subsidized the Consumer Association of Canada, because the APA, the Automobile Protection Association, and the Automobile Consumer Coalition provide a whole lot more consumer services for car owners vis-à-vis used purchases, new purchases, repairs and rustproofing than the Consumer Association of Canada ever has for consumers at any point in its history.

I tell you that this ministry could be proactive in the area of consumer protection. I tell you that this ministry and this minister could be telling us about restoring the level of staffing, especially in terms of investigative staff, because even when that ministry was fully staffed, the investigative staff were hard-pressed to undertake the investigations and subsequent prosecutions that they were called upon to do. Now that it’s gutted, it’s not just hard-pressed, it’s impossible for the Ministry of Consumer and Commercial Relations to conduct investigations and provide meaningful, hands-on consumer protection.

I’m far more interested in protecting consumers before the fact from scams and rip-offs than I am in providing them with an expensive and complex courtroom remedy after the fact, or in providing the province with statutes and infractions that the province is ill-equipped to prosecute because it doesn’t have the investigative and prosecutorial staff and because we’ve got a province where this government has created a reputation more for plea bargaining and letting people off the hook, whether it’s Ministry of Labour prosecutions, whether it’s Ministry of the Environment prosecutions or others.

The Deputy Speaker: It being 6 o’clock, this House stands adjourned until 6:45.

The House adjourned at 1759.

Evening meeting continued in volume B.
TABLE DES MATIÈRES

Jeudi 31 octobre 2002

AFFAIRES D’INTÉRÊT PUBLIC
ÉMANANT DES DÉPUTÉS

Loi de 2002 modifiant la Loi sur les renseignements concernant le consommateur, projet de loi 158, M. Cordiano
Adoptée...................................... 2676

PREMIÈRE LECTURE

Loi de 2002 modifiant la Loi sur la protection de l’environnement (installations industrielles), projet de loi 202, M. Levac
Adoptée...................................... 2680

Loi de 2002 modifiant la Loi sur le Programme ontarien de soutien aux personnes handicapées, projet de loi 203, M. Parsons
Adoptée...................................... 2680

Loi de 2002 sur le maintien de l’approvisionnement en électricité et en gaz (modification de la Loi sur la Commission de l’énergie de l’Ontario), projet de loi 204, M. Hampton
Adoptée...................................... 2680

DEUXIÈME LECTURE

Loi de 2002 modifiant des lois en ce qui concerne la protection du consommateur, projet de loi 180, M. Hudak
Débat présomé ajourné.............. 2716
CONTENTS

Thursday 31 October 2002

PRIVATE MEMBERS’
PUBLIC BUSINESS

Slot Machines, private members’ notice
of motion number 17, Mr Kwinter
Mr Kwinter .................. 2661, 2663, 2669
Mr Flaherty .................. 2662
Mr Bisson .................... 2665
Mr Guzzo ..................... 2666
Ms Churley ................ 2667
Negatived .......... 2677

Consumer Reporting Amendment
Act, 2002, Bill 158, Mr Cordiano
Mr Cordiano .... 2669, 2671, 2676
Mr Tascona .................. 2670
Ms Churley ........ 2672
Mr Dunlop ........ 2674
Mr Sergio ........ 2675
Mr Gill ............ 2675
Agreed to .......... 2676

MEMBERS’ STATEMENTS

Hydro rates
Mr Levac ...................... 2677

Social assistance
Mr Martin .................. 2677

Diwali
Mr Gill ...................... 2677

New Democratic Party
Mr Crozier .................. 2678

Hall of Distinction Business
Excellence Awards
Mrs Munro .................. 2678

Government’s record
Mr Smitherman ........ 2678

Terry Harkins
Mr Dunlop .................. 2678

Racial profiling
Mr Phillips .................. 2679

Ontario Volunteer Awards
Mr Maves .......... 2679

FIRST READINGS

Environmental Protection
Amendment Act
(Industrial Facilities), 2002,
Bill 202, Mr Levac
Agreed to .................. 2680
Mr Levac ........ 2680

Ontario Disability Support Program
Amendment Act, 2002, Bill 203,
Mr Parsons
Agreed to .......... 2680
Mr Parsons ........ 2680

No Freezing in the Dark Act
(Ontario Energy Board
Amendment Act), 2002,
Bill 204, Mr Hampton
Agreed to .......... 2680
Mr Hampton .......... 2680

ORAL QUESTIONS

Electricity supply and demand
Mr Conway ........ 2680
Mr Baird ........ 2681

Hydro One
Mr Phillips ........ 2681
Mrs Ecker .......... 2682, 2684
Mr Bryant .......... 2684

Hydro rates
Mr Hampton ........ 2682, 2683
Mr Baird .......... 2682, 2683, 2687
Mr Peters .......... 2687
Mrs Dombrorsky ........ 2687

Firefighters
Mr Arnott .......... 2684
Mr Runciman ........ 2684

Natural gas rates
Mr Duncan .......... 2685
Mr Baird .......... 2685

Elder abuse
Mrs Munro .......... 2686
Mr DeFaria .......... 2686

Cochlear implants
Ms Martel .......... 2686
Mr Clement .......... 2686

Flu immunization
Ms Mushinskiska .......... 2688
Mr Clement .......... 2688

School boards
Mr Kennedy .......... 2688
Mrs Witmer .......... 2688

Child and family services
Mr Gill .......... 2689
Mrs Elliott .......... 2689

Racial profiling
Mr Prue .......... 2689
Mr Runciman ........ 2690

PETITIONS

Water extraction
Mrs Dombrorsky ........ 2691

Adoption disclosure
Ms Churley ........ 2691, 2692

Long-term care
Mrs Dombrorsky ........ 2691
Mr Bradley .......... 2693

Education funding
Mrs Dombrorsky ........ 2692
Ms Churley .......... 2692

Competitive electricity market
Mr Kornos .......... 2693

SECOND READINGS

Consumer Protection Statute Law
Amendment Act, 2002,
Bill 180, Mr Hudak
Mrs Elliott ........ 2693, 2695
Mr Bradley .......... 2694
Mr Kornos .......... 2694, 2698, 2702,
2709, 2711
Mr Dunlop .......... 2694, 2706
Mr Prue ........ 2695
Mr Agostino .......... 2698, 2702
Mr Klees .......... 2699
Mr Kwinter .......... 2699
Mr Colle .......... 2699, 2703
Mr McDonald .......... 2702, 2703, 2707
Ms Churley .......... 2703, 2706, 2710
Mr Bryant .......... 2706
Mr Conway .......... 2706
Mr Phillips .......... 2707, 2711
Mr Stockwell .......... 2710
Mr Kennedy .......... 2710
Debate deemed adjourned .......... 2716

OTHER BUSINESS

Business of the House
Mr Stockwell .......... 2690

Visitors
Mr Phillips .......... 2690

Continued overleaf