

No. 65B



N° 65B

ISSN 1180-2987

Legislative Assembly  
of Ontario

Third Session, 37<sup>th</sup> Parliament

Assemblée législative  
de l'Ontario

Troisième session, 37<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

**Journal  
des débats  
(Hansard)**

**Monday 2 December 2002**

**Lundi 2 décembre 2002**

Speaker  
Honourable Gary Carr

Président  
L'honorable Gary Carr

Clerk  
Claude L. DesRosiers

Greffier  
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/>

### **Index inquiries**

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.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



LEGISLATIVE ASSEMBLY  
OF ONTARIO

Monday 2 December 2002

ASSEMBLÉE LÉGISLATIVE  
DE L'ONTARIO

Lundi 2 décembre 2002

*The House met at 1845.*

**ORDERS OF THE DAY**

ELECTRICITY PRICING,  
CONSERVATION  
AND SUPPLY ACT, 2002

LOI DE 2002 SUR L'ÉTABLISSEMENT  
DU PRIX DE L'ÉLECTRICITÉ,  
LA CONSERVATION DE L'ÉLECTRICITÉ  
ET L'APPROVISIONNEMENT  
EN ÉLECTRICITÉ

Resuming the debate adjourned on November 28, 2002, on the motion for second reading of Bill 210, An Act to amend various acts in respect of the pricing, conservation and supply of electricity and in respect of other matters related to electricity / Projet de loi 210, Loi modifiant diverses lois en ce qui concerne l'établissement du prix de l'électricité, la conservation de l'électricité et l'approvisionnement en électricité et traitant d'autres questions liées à l'électricité.

**The Acting Speaker (Mr Rosario Marchese):** Further debate?

**Mr Howard Hampton (Kenora-Rainy River):** I'm pleased to continue where I left off. When I was speaking to this matter the other day, I was talking about the kinds of conservation measures that need to be put in place and that this Conservative government has not only failed to put in place but in fact eliminated upon taking power in 1995-96. They eliminated them, of course, because the private hydro companies do not want to see conservation programs. They do not want to see a deliberate and thorough strategy, in terms of conservation, implemented as a matter of public policy. What they would like to see is greater consumption of hydroelectricity at a higher price. That way, they can make a profit.

I want to now turn again to what this legislation is really all about. What it's really all about is the government's desperate attempt to hide from the public the very high cost of deregulated, privatized electricity. What people will see on their hydro bill is 4.3 cents per kilowatt hour, but because there is a deregulated wholesale market, the actual price of deregulated and privatized electricity is much higher.

Let me give you an example of what's going on. The Minister of Energy and the Premier will tell people, as they tried to tell people today in question period, that the

price now is 4.3 cents per kilowatt hour. This document I have is today's market, by the Independent Market Operator of our hydro system. This is the current price of hydroelectricity—the deregulated, privatized price. It is \$208.97 per megawatt hour or 20.9 cents per kilowatt hour. The actual cost of privatized, deregulated electricity in the province today is almost 21 cents per kilowatt hour, but the Conservative government is going to try to tell people it's only 4.3 cents, which says to us that virtually 17 cents per kilowatt hour now has to be subsidized. It is being paid, but it's being hidden from hydro ratepayers.

How is the government doing that? They're going to do it in a number of ways. One way is that they're going to force some of these costs on to municipal hydro utilities. The bodies like Toronto Hydro, Ottawa Hydro, Hamilton Hydro, Sudbury Hydro or London Hydro etc are going to have some of this cost pushed on to them. That's why the municipal hydro utilities are very angry. They were not the instigators of hydro privatization and deregulation. They were quite happy to continue working in a not-for-profit, regulated, publicly owned hydro system. It was this government that launched everyone in the province toward the hydro privatization/deregulation disaster. But now that it's becoming increasingly apparent how incredibly expensive privatized, deregulated hydro is, this government wants to force at least some of the cost of that on to the municipal utilities and put them in a very difficult financial position. That will pay for some of this nearly 17 cents per kilowatt hour that has to be subsidized today. The government is simply going to put the rest on the hydro debt.

**1850**

Speaker, I ask you and people across the province to remember that this is a government that railed and said there was a debt, and therefore they had to sell off hydro. Now, when it's apparent that privatized, deregulated hydro is going to be very expensive, that people's hydro bills could easily double in the short term but triple further on, what are they going to do? Add to the debt.

This is a repetition of Conservative government bad decisions in the past. A Conservative government decided to build the Darlington nuclear station, telling people, "It'll only cost \$4 billion." Then the final price tag comes in 11 years later, and it's \$15 billion.

This is a government that again is trying to rent a vote, trying to buy people's votes with the people's own money. And what are they going to do? They're going to jack up Hydro's debt in an attempt to do it.

But the true cost of hydroelectricity right now, as I speak in the Legislature, is 20.9 cents per kilowatt hour. That is how pricey, how expensive, how costly, private, deregulated hydro is, and this government is now trying desperately to hide that from the public.

There's some other very interesting information in this report from the IMO, and I want to quote from some of it right now. This is the system advisory summary. First of all, the operating reserve shortfall: "An operating reserve shortfall has been forecast" for market participants. "Market participants are requested to submit new/revised offers and bids that will arrest the shortfall... Mandatory bid/offer windows are now open." This was at about 5:30 this evening.

Then there's a system emergency advisory, which says, "The market is currently experiencing an operating reserve shortfall. Market participants are requested to submit new/revised offers and bids that will arrest the shortfall. The potential exists for the declaration of an emergency state."

Later on there's a system emergency advisory. The IMO says, "IMO is currently in an emergency operating state."

This is the government's own body, which it put in place. What is it telling us? It's telling us that the price of deregulated, privatized electricity right now, at 7 o'clock in the evening, is four times what the government is willing to admit to the public—more than four times what the government is willing to admit to the public. And it says, in terms of the sufficiency of supply, that Ontario "is currently in an emergency operating state."

What does that mean? It means that right now, tonight, we could have a blackout in Ontario. That's what it means. It means that the IMO, any minute, could be advising people that it is going to reduce the voltage in the lines because it cannot sustain the system. That's where this government's privatization and deregulation has gotten us. That's where eight years of telling people, "The private sector will look after you," has gotten us: higher prices and the government having to cover up the price from people just before an election, and still the IMO, at this time in the evening, says Ontario "is currently in an emergency operating state." There is a risk of a blackout.

Just to complete the picture of what the government is trying to hide, this Conservative government said, "Yes, Ontario's hydro system has a debt." Well, do you know what? All hydro systems have a debt. Do you know why? Because it costs billions of dollars to build these systems, to build the generating plants, the transmission facilities, the distribution facilities.

One of the ministers who was sitting at the cabinet table when they made the decision to build Darlington, one of the cabinet ministers who should hang his head in shame over the \$10-billion cost overrun, dares to say something tonight.

Just to illustrate the issue of debt, I want to quote from an article from Dow Jones Business News of Friday, November 8. These are the privatized, deregulated hydro

utilities in the United States: "NRG Energy Incorporated ... following months of financial triage, offered to surrender full ownership of the company to creditors in the United States through a chapter 11 bankruptcy filing, according to people familiar with the matter.

"A bankruptcy filing by the unregulated power generation subsidiary of Xcel Energy ... would be the first in what is expected to be a string of energy company bankruptcies in the coming months" in the United States.

"NRG—which owes about \$10 billion to its banks, lenders and bondholders, and has missed a string of debt payments since September—presented the proposal to its lenders and bondholders earlier this week.

"NRG, Minneapolis, is one of a slew of energy firms pushed to the brink of failure by plunging power prices, the collapse of the energy trading business"—after Enron, this government would know something about Enron; it was holding meetings with Enron. In fact, the former Minister of Energy said, "Enron was a model company." Enron helped plan the so-called privatized, deregulated market in Ontario, which the government is now trying to cover up.

"NRG, Minneapolis, is one of a slew of energy firms pushed to the brink of failure by ... the collapse of the energy trading business, and questions about the industry's accounting. It is among the most beleaguered of the unregulated utility arms set up by energy companies in the wake of deregulation to sell power into the wholesale markets." Pacific Gas and Electric Corp's "unregulated arm, National Energy Group Inc, is also in restructuring talks."

Get this, Speaker. Here's the critical part: "Earlier this week, Standard and Poor's noted that about two dozen" private "power companies" in the United States "need to refinance about \$90 billion in short-term debt by 2006, and that many won't be able to get new financing." This is just short-term debt and these characters are going under. "Among those identified by S&P as most at risk are Reliant Resources Inc ... Calpine Corp ... Mirant Corp ... and National Energy Group."

I thought this government said that the answer to having a hydro debt was to privatize. But when we look south of the border, all the companies that this government wanted to emulate, all the companies that it is so hungry to crawl into bed with, are going broke: US\$90 billion in short-term debt. That's not even their long-term debt; that's just short-term. Ninety billion dollars US: let me see. That would be C\$145 billion. But according to this government, private sector companies, private hydro providers, would get us out of debt. There's something terribly wrong with this government's story.

In the three minutes I have, let me tell what the real story was. You wanted to sell off the most fundamental part of our economy, that which underbridges everything in this province in terms of industrial and manufacturing production. You wanted to sell it off to your private corporate friends. They would make the profits, and the people of Ontario get stuck with the debt. That was your scheme. You said that it would reduce power prices. It

hasn't. If anything, if you look at what's going on in the United States, this has been a disaster financially, and in states like California, Montana, Pennsylvania or Nevada, it has been a disaster for consumers.

#### 1900

If this government wanted to do the right thing, it would admit what California has admitted, what Montana has admitted, what Nevada has admitted: deregulation of hydro doesn't work. You should never deregulate and privatize a service which is essential to the public on a daily basis. You shouldn't privatize and deregulate hydro. You shouldn't privatize and deregulate water or water-testing. Do I need to remind you again? You shouldn't be privatizing health care. You shouldn't be moving toward the privatization of education, either.

These are essentials for the public. They are essentials on a daily basis. Turning these over to private corporations that are only interested in how much money they can make, are only interested in what profits they can make and, frankly, couldn't give a hoot about the public interest, couldn't give a hoot about whether or not people receive this necessary service, to do that, to turn it over to a private, profit-driven corporation is, frankly, against the interests of the industry of this province, against the interests of consumers in this province, against the interests of the environment and, I would say, against the interests of everything the people of this province hold dear.

You people think you can cover this up. You think you can cover it up until the next election. You think you can finesse your way through Ralph Klein. I've got to tell you, from one end of the province to the other, New Democrats are going to point out that this is nothing but a cheap and cheesy scheme to rent people's votes for the next four or five months and then, should you people be re-elected, up will go the hydro bills again, up will go the hydro rates and the people will get screwed even worse. We're not going to let you do that.

**The Acting Speaker:** Questions or comments.

**Mr Garfield Dunlop (Simcoe North):** It's always a pleasure to stand and try to make a few comments on the words said by the leader.

We have lots of concerns. I'm certainly concerned about hydro prices and about how governments of all political stripes, including the New Democratic Party, have dealt with hydro over the past 30 years.

As a government, we are trying our very best to work with what we consider to be a very important issue here in Ontario. I look at the way we've tried to support the economy with the creation of tax cuts—over 200 tax cuts in the last seven years. Of course, you voted against every one of them. You know those tax cuts have generated about \$15 billion in revenue, and those revenues have created about a million jobs here in Ontario. I know you don't want to hear that. That's after these gentlemen, the NDP, have voted against every one of them. What I'm trying to say very clearly is the fact that we as a government try our very best in every decision we make to keep the economy of this province strong so that we can have the revenues to do everything we need to pay

for the medical system and the education system we have, whereas this party over here left us with a deficit of \$1 million an hour, and now we hear they're actually experts on hydro.

**Mr Mario Sergio (York West):** I have just a brief comment on the presentation by the member from Rainy River, a member who knows the hydro issue very well. He always speaks with passion when it comes to issues that affect the general public.

I think the government has finally come to realize that they couldn't hold on any more with respect to doing something about the high hydro rates, and they did—I don't know if what they did was too little, too late, but at least they have shown some sympathy for the seven years of inaction that have brought us to this particular situation.

At this time I think the general public out there—and when I say that, I mean the business community, the farmers, seniors, a range of people—want a little bit of a break, a little bit of a respite from this particular situation. They have been bombarded in the last few weeks—not even months; a few weeks—about the aggressive campaign that we have both sustained in this House with respect to the hydro situation. Now they have introduced this bill that deals with the pricing, if you will, the conservation and the supply of hydro. I don't know which one is more important than the others, but I think all three go hand in hand and I don't think we can obtain one without the support of the others.

The government must be seen to be doing something, and not just subtly by introducing another bill in this House. We would love to go out for public hearings and give the opportunity to those people out there to really have their say. But having gone through the last few weeks, I think we know extremely well, both on this side and the other side of the House, where the people stand with respect to the hydro issue. It's about time we did something about it.

**Mr Michael Prue (Beaches-East York):** I listened, as always, with great pleasure to the leader of the New Democratic Party. When he speaks about hydro issues, he always does so passionately and he does so with a knowledge that sometimes makes people on the other side uncomfortable. But the reality of what he had to say today is that the municipalities are starting to suffer. Start to listen to the mayors of some of the municipalities in the GTA, and they will tell you what is happening to their individual hydro companies. They will tell you that the profits they have made in the past are not going to be made again, they will tell you that the debt is going to accrue to them and not to you, and they will tell you as well that the profits that used to flow to the municipalities will no longer do so. This is of very grave concern to those municipalities which are suffering a great deal due to lack of financial control, which are suffering a great deal because there is no money and which are suffering a great deal because this government, and the federal government as well, will not give the necessary monies to handle the downloading of services that have been given to them.

I listened as well to the leader of the New Democratic Party talking about adding to the debt. My God, we know that we should not be adding to any debt. The debts are horrendous enough as they are, and they are the responsibility of all previous governments; not just the NDP government, as some of the hecklers opposite would say, but of your government in the past too, when bad decisions were made to build nuclear plants, and they were bad decisions. They were built at enormous cost overruns. The taxpayers will pay for them forever.

We cannot add to the debt and we should not add to the debt. Your pegging the price at 4.3 cents will only add to the debt on nights like this, when the electricity bills are going up to 20 cents. You have a choice of higher debt or higher taxes and you've obviously chosen the higher debt. You should be ashamed of what you are doing.

**The Deputy Speaker (Mr Bert Johnson):** The Chair recognizes the Minister of Labour from Stormy Creek.

**Hon Brad Clark (Minister of Labour):** Stormy Creek? It's Stoney Creek.

For three and a half years now I've listened with interest to the NDP, whenever they spoke ill about privatization and how, when they came in here in the last three and a half years, it was always "Private sector: bad." Yet, when you were in government, I can recall your allowing the privatization of sewer and water treatment in Hamilton. I can recall Ruth Grier cancelling water inspection schools, the schools that actually taught water inspectors across the province. They eliminated that. I remember these things vividly, but for some reason, when they're no longer in government and they're in opposition, they stop thinking rationally and pragmatically. They start thinking like the opposition and they just criticize everything.

But I will give you credit. You've been consistent on hydro since day one, consistently there with your position on hydro, travelling around in your environmentally friendly bus—I'm sure it's environmentally friendly; I have no doubt it's environmentally friendly—travelling all over the province, scaring people, telling them all summer long that the lights were going to go out and there were going to be brownouts, blackouts and the world was coming to an end. You didn't offer any solutions other than going back to the past.

Yet on this side of the House, where the Liberals are, they didn't have any solutions at all. As a matter of fact, the day we rolled out our solution of a rebate, the day we rolled out our solution of a price cap, the day we rolled out our solution of conservation and investment incentives, what did the leader of the loyal opposition say on 900 CHML? He said, "It's better to do nothing than to do what they've done." He'd rather have higher prices. He would rather have the consumers paying through the nose. That's what he wanted. He didn't have any solutions. All he wanted to do was criticize. He had nothing to offer. At least they give you consistency.

1910

**The Deputy Speaker:** The leader of the third party from Kenora-Rainy River has two minutes to respond.

**Mr Hampton:** I want to thank all members for their comments. I want to go back to the IMO report, the Independent Electricity Market Operator's report, on today's market. I want to read just a couple of other things into the record.

"Adequacy note": this is the IMO talking about, first of all, the capacity shortfall in terms of electricity supply. The IMO says that capacity shortfalls for the hours of 5 pm, 6 pm and up to 10 pm are 322 megawatt hours. Then in another adequacy note they note an "energy shortfall of up to 391" megawatt hours in hours 6 pm until 10 pm. This should cause great alarm to people. What the IMO is essentially saying is that there is not the transmission capacity right now and there is not the generation capacity to meet demand. In other words, Ontario's hydroelectric system, as we meet here in the Legislature tonight, is, as the IMO says, operating in a state of emergency.

In some parts of the province tonight it is more than 20 below Celsius. People who have to rely upon electric heat or people who need to rely upon access to electricity in order to ensure that the natural gas system works or the oil system works are at risk tonight. That is what this government is trying to hide. I say to this government that it is still not too late. Do the right thing: cancel deregulation and privatization outright instead of trying to—

**The Deputy Speaker:** Thank you. Moving in rotation for debate, the Chair recognizes the member for Bramalea-Gore-Malton-Springdale.

**Mr Raminder Gill (Bramalea-Gore-Malton-Springdale):** Thank you. In fact, it is a pleasure to speak on this bill, which is on electricity prices and consumer protection. We have spoken to our constituents. I'm sure your constituents called you and I'm sure every member of provincial Parliament had calls and it was important to take a decision. I stand before the House to address an issue that has been, and continues to be, on the minds of many Ontarians: the price of electricity in our province.

Over the past four months many Ontario families, farmers and small businesses have experienced significant increases in their hydro bills. I think we, all of us, as consumers have also felt the same. The government is listening. They have listened. We've always put electricity customers first, from designing our new electricity market to consumer protection to safeguarding our future electricity supply, thereby ensuring that safe, reliable power will continue to be supplied to consumers. With this in mind, the government has introduced this proposed legislation to lower hydro bills.

We have certainly heard from people. They were quite anxious, and they were waiting to see if the government was going to do the right thing. I'm pleased to report that people are happy. No matter where they stood on the spectrum of things, they're quite happy with the proposed legislation.

This proposed legislation, if passed, would lower the price that families, farmers and small businesses pay for power to 4.3 cents per kilowatt hour, effective December

1, 2002, and freeze it there until at least 2006. Many people in the opposition have sort of accused us, as they always do, that perhaps this is a smokescreen. Somebody could construe that to be so if this was a temporary, one- or two-month measure. It's not. It's a long-term, well-thought-out solution up to at least 2006, and it could go on.

*Interjection.*

**Mr Gill:** I think the member for Trinity-Spadina even agrees with that. He knows it's not a temporary solution. It says it could go on further.

Four point three cents per kilowatt hour is the price consumers were paying before May 1, 2002. In fact, depending on what day of the week or month it is, Liberals have been all over the place in their position, but I think they also accept now that 4.3 cents per kilowatt hour is the right price, and they agree with that. Now, tomorrow they might change their minds; I don't know.

We have also proposed to refund the difference between the 4.3 cents and what consumers actually paid, retroactive to May 1, 2002. Just a few minutes ago in what we call two-minute hits, the member for Beaches-East York—I was going to say Beaches-Woodbine, but I guess that has changed—was saying that because we are going to be regulating the price at 4.3 cents, municipalities may not be able to make a profit. That was quite interesting, because it may be about the only time he's said profit is good. He always thinks profit is a bad thing in Ontario. He's saying municipalities should be able to make a profit. We're saying the same thing. We're saying that if they want to, they should come forward and say, "Do you know what? We're going to run our utilities for a profit."

We've heard the concerns of some who were afraid their power would be disconnected because they couldn't pay their bills. Should this proposed legislation be passed, no one would have their power disconnected until March 31 next year, 2003, for failure to pay their hydro bills. There was another issue the other day that people thought they could get away with not paying their bill. As I understand it, they must live up to their obligations. If they have the means to pay, I certainly urge them not to go into any kind of arrears, because that means more interest charges. They're not going to be able to get away with it anyway.

Anyone disconnected after November 11 would have to be reconnected at the utility's expense, and the utility would have to pay any direct costs incurred by the consumer as a result of the disconnection.

We are putting forward these measures to protect the consumers of Ontario. Under this proposed legislation, not only the price of the power itself but the price consumers pay for delivery of electricity would not be increased beyond current levels. Many people have asked, "Why should I pay a monthly charge just for being a customer?" I suppose that's a good question. Why do fixed monthly charges for residential electricity consumers range from \$5 to \$25 per month?

*Interjection.*

**The Deputy Speaker:** Order. I wonder, member for Trinity-Spadina, if you have your Christmas cards or something that can keep you otherwise engaged, because I'd like you to stay around. But you're testing my patience. Get somebody to get your Christmas cards or something. I'd like you to stay around.

**1920**

**Mr Gill:** I guess you're a little further away than I am. He is writing Christmas cards. He is doing that. Maybe somebody can pass him more of them. He's going to leave now, I guess. He's going to see me on television.

To answer this question, to ensure charges are reasonable, the government is ordering an independent review of how the charges on electricity bills are calculated.

Somebody said to me the other day—and this is something for the government, the utility companies and power distribution companies to think about—that perhaps there's too much information on the electricity bill. Even though the purpose of having enough information is so that the consumers understand what they're really paying for, many people have complained that maybe there's too much information.

It's like going to a garage to get your car fixed. You look at the bill and say, "Well, \$20 for an oil change, \$40 for tire installation, \$2 each for tire disposal, \$1.50 for the environmental fee to dispose of the oil." A lot of times consumers say, "I don't need to know. Just tell me what my bill is: \$85, \$90, \$100." Sometimes, with that much of a breakdown, people say, "I don't know if I'm being burdened by all this," even though the intent is quite the opposite. The intent is that consumers should know what they're paying for.

We have listened to the people of Ontario and recognize that there's confusion regarding the format of electricity bills. In order to remedy that situation, we would create a standard province-wide electricity bill that all of us could read and understand, just like we did with school report cards. I think that's a very important point.

Just a few minutes ago, I had the pleasure of meeting people from the Ontario universities. Minister Dianne Cunningham is having some working meetings with these people. A lot of members opposite have been fear-mongering, as they have been about electricity. Even when we gave back \$200 to each taxpaying consumer, they didn't like that.

In this particular meeting with the Ontario universities, naturally the question about the double cohort came up. As I've said many times before, my daughter Sonja is part of the double cohort. She's quite enthusiastic. She's not at all concerned or confused or scared about getting into university.

I was quite fortunate that I was serving as parliamentary assistant to the Minister of Training, Colleges and Universities when this whole issue of the double cohort was going on. So I'm quite happy that directly from the university presidents just a few minutes ago, at about 6:45 pm this evening, we heard that the situation is fully under control, and each and every child who wants

to go to university and is eligible to go to university will be able to go to university.

Our long-term plan will include measures such as tax incentives and tax holidays to promote conservation, encourage alternative fuels and support clean electricity production. I'll be very honest with you, Mr Speaker, as you know I always am. We at home—I think it was my fault—would always be flicking on the switch to make sure there was plenty of light in the house—the house should look lived in. But ever since we realized that resources are limited, they're scarce, and you don't want to be overusing them, I'm the first one to make sure that if electricity is not needed, then the lights are off. I'm quite happy to say that right from school-age children to parents to seniors, people are now starting to realize, as people all over the world already knew, that we must conserve and that we must look at alternate types of fuels—hydrogen fuels, battery-powered cars. I was quite pleased in the summertime to unveil, with the help of Ford Motor Co, one of their hybrid cars. With the prices going up, I think more and more of that kind of energy will be used.

Our approach is to protect Ontario's electricity consumer in the short term, while at the same time, continuing to work toward a longer-term solution that keeps prices reasonable and ensures a stable supply of electricity in Ontario. Some of the measures I've mentioned, such as sales tax rebates for consumers on certain energy-efficient appliances and solar panels, are also included in this bill.

There are a lot of things people can do without, but electricity, unfortunately, is not one of them. It has become a necessity—including businesses. To grow, businesses must have the required power. Ontarians rely on having a safe, secure and plentiful supply of electricity. Just as other necessities such as groceries aren't taxed, we don't charge provincial sales tax on electricity. We believe that the federal government shouldn't tax it, either. Ottawa must remove the GST from our hydro bills. I think that is a fair concern, a fair thing to ask from the federal government. This federal policy is gouging Ontario consumers every month. The people of Ontario have told us they resent being gouged. We will continue to pressure Ottawa to remove the GST from electricity. However, the people of Ontario need the help of the Liberal members opposite to bring sense on this issue to their federal colleagues. I have not heard much from the members opposite that they have been pressuring the federal government, which by the way, needless to say, has the surplus funds, including funds from EI. As you know, EI insurance is based on need. You should only be taking in the premiums you need in case you have to pay out some money. But they have been accumulating, and I believe it's now a \$7 billion or more surplus, and small businesses have told us that it is affecting them when they make their hiring decisions. Once they realize the taxes over and above that they have to pay to the federal government, they decide to perhaps postpone some of these permanent hirings. So it's important for us to put

pressure upon the federal government to only take in just enough money for EI and not to tax the people of Ontario more than they need to.

Our government has acted to correct the mistakes of previous administrations. As a fiscally responsible government, we will continue to repay the \$38-billion debt created by mismanagement and inefficiency at the old Ontario Hydro. We plan to accelerate payments as soon as new supplies of electricity are on stream. I have been talking to companies like Sithe Energy, originally based out of Oswego, New York, which is planning to build an electricity plant in my riding of Bramalea-Gore-Malton-Springdale at a cost of \$1 billion Canadian. That is a great sum of money. I'm glad the plant was planned in my riding for the benefit my constituents as well as for the benefit of all Ontarians. I think it's very important. I'm pleased that they are planning to have more electricity on-line, because consumers need it, small businesses need it and big businesses need it. We have to have an ample supply.

### 1930

When both oppositions, the official opposition and the third party, fearmonger that there'll be brownouts and blackouts—they've been saying that for about a year now, and that did not happen. As soon as the Pickering nuclear station comes back on-line, we're going to have plenty of power, as well as from the companies that are starting to produce more electricity. Also, when we start producing more electricity, slowly we're going to phase in clean power and phase out the coal-burning generating capacity. But we have to balance that. I think when you are in opposition, you can promise all kinds of things. Within the next few minutes, they're going to get up and say, "It's not soon enough. We will be stopping the coal-burning power-generating stations next year." Then again, they change because they realize that there won't be enough power. Then they realize that it'll be them whose policies really mean brownouts or blackouts.

I just mentioned briefly the \$38-billion debt. I think it's fair for the people of Ontario to know who's responsible for that debt. Obviously, responsibility lies with successive governments and management teams who operated Ontario Hydro in the red. But we too as individuals bear some responsibility to fix the problem. After all, every one of us who has used electricity in the past decades was using power paid for by credit card. This government took action to restructure the old Ontario Hydro so this would never happen again. But the billions on Ontario Hydro's old credit card still need to be paid off. We can't just ignore that \$38-billion debt. Not only do we have a debt repayment plan, but in the medium term we hope to accelerate repayments as soon as new supply is on stream. We've listened to the people of Ontario and no one has told us that they wish to go further into collective debt. Reducing and eliminating this debt is an important priority for creating Ontario's future electricity system.

The proposed legislation I've just outlined describes our government's plan to provide relief to Ontario's



electricity consumers in the short and medium term, but we're not stopping there. Our government is also taking a long-term systematic approach to ensuring that the supply of electrical power in the province of Ontario is abundant, stable, secure and accessible to everyone.

**The Deputy Speaker:** Comments and questions?

**Mr Pat Hoy (Chatham-Kent Essex):** I'm pleased to make comment on Bill 210 here this evening. My voice is a little bit challenged; I have a sore throat and a cold going here. But I do want to speak up on behalf of comments made by constituents in my riding. Certainly they feel, I say to the member opposite, that the GST should not be charged on this particular part of the billing that is coming forth from this government. I know that the government opposite will say to us, "You should speak to your federal member." If I thought for one moment they would not be partisan about that, we would say that perhaps in certain cases we have. But I think the government would spin that result most conclusively. They would say, "Well, the members opposite think that the federal government is bad," and if we do not say anything, they will say, "The members opposite think that the federal government is bad." The point here is that this government had a choice in how they determined this would be applied to the billing, and they chose not to do the right thing. Therefore, the federal government was only applying what was natural in that case: to have the GST put on. This government should remove that from those billings.

I have to say that my constituents have called me swiftly, vigorously and most negatively on the mismanagement this government has put in place in terms of hydro. Mr Eves, on occasions, was going to sell Hydro One, then selling Hydro One was not going to occur, then Hydro One was going to be back on the table for some kind of discussion, then he wanted Bay Street to figure it out for him, then he wanted to keep it a public corporation, then the Premier introduced legislation to sell Hydro One, then he wanted an income trust, then he killed the IPO option and finally he literally sawed Hydro off and decided to sell it.

**Mr Prue:** In case the member from Bramalea-Gore-Malton-Springdale thinks I believe that "profit" is a new word, suddenly discovered since I have been sitting in this seat, I want to tell him he does not know history very well. He should know that, as the mayor of East York, I went through five successive budgets with no tax increase, built the only factory in all of Metropolitan Toronto in those days during the recession, had work being done and debts being paid off so that by the time I left after but five years the debt had been reduced from some \$12 million to less than \$4 million and would have been completely finished had we not been suffering the ignominy of amalgamation.

I want to tell the member opposite as well that when I was sitting on the board of East York Hydro we used every single cent to put up new light standards and rebuild the system until it was in absolutely excellent condition. It was this government, though, after amal-

gamation and after downloading, that asked the municipalities to restructure and start to make profits, and you will see that today Mississauga Hydro is required to make a profit, as is Toronto Hydro, as are all the Hydros. It was this government and their bill that did it.

Since amalgamation, municipalities have come to rely on the monies from those profits. It's one of the ways they have used not to increase taxes. They have done it in your own riding. That is where the money comes from, in Mississauga and in Brampton, so that taxes have not had to be raised. You cannot suddenly take that money away without expecting the municipalities to pay.

I am suggesting to you that it is a wrong-headed solution. "Profit" is not a dirty word. "Profit" is a good word when it is used for the benefit of the people. It is a bad word when it is used to the detriment of the people, as you are attempting to do in this very misguided Hydro fiasco.

**Hon Frank Klees (Minister of Tourism and Recreation):** I just want to compliment my colleague on what I thought was a very reasoned contribution to the debate on this bill. He spoke to a number of issues that I believe are important to people in the province: first of all, the reason for having to take this step. He also spoke, I think, very practically to the responsibility all of us have in the province to deal with the reality that for many years governments of all political stripes have, quite frankly, not had the courage to do the right thing relative to the energy file. The fact is that successive governments have allowed the debt to continue to build up simply because, as I said before, they didn't have the courage to go to the people and say, "Look, we have a problem. You have to pay more for your energy."

When you compare what Ontario has been paying with other jurisdictions, whether that is in Canada, in the neighbouring United States or anywhere else, we have been getting a good deal. In fact, we've been getting too good a deal. We have been paying far below the cost we should have been paying all along. Governments have allowed the debt to build and have been pulling the wool over the eyes of consumers.

Finally, what we're able to do now is at least begin to meet this issue head-on. For the first time, consumers understand we have an issue that has to be dealt with. This bill is beginning to deal with the issue. It is only the beginning, because the day will come when the people of this province have security of supply at a competitive rate that is the true cost of delivering this essential commodity.

1940

**Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington):** I'm happy to have an opportunity to comment for a couple of minutes on the remarks made by the member from Bramalea-Gore-Malton-Springdale. I find it interesting that earlier in the debate this evening the Minister of Labour talked in rather glowing terms about all this government was doing to address this issue. What I think is really important for all of us here this evening to remember, for the people

who are listening to these proceedings, is who created the problem. This is the government that created the problem. This is the government that, on May 1 this year, opened the market. Certainly there were very serious warnings on this side of the Legislature that there was not a secure supply that would make that a safe venture.

Obviously, over the course of the summer we were able to see what happens when there is not a sufficient supply in the market. It means that during those peak periods, we consumers, the people of Ontario, are required to pay the peak price per kilowatt hour. The consequence of that is that in September and October our constituents let us know the result. They were seeing that in their hydro bills. So of course the government was sent scrambling.

The member did mention in his remarks that he has spoken with constituents. I would suggest that he heard from constituents. He didn't go out looking for it; they went looking for him, as they did for every other member of this Legislature. That's what this bill is all about.

The Minister of Tourism, I'm very surprised, indicated in his remarks that Ontarians have been getting too good a deal, and that's what this legislation is all about. This problem is not over. The opposition is not fearmongering, and I do believe we continue to have a serious supply problem in Ontario.

**The Deputy Speaker:** The member for Bramalea-Gore-Malton-Springdale has two minutes to respond.

**Mr Gill:** I want to sincerely thank the members who took part in responding to my comments. I think it's essential that they not only listen, but try to fathom what's said. Maybe some of them weren't listening intently, because I don't think when they answered back they quite—

One of the things the member for Chatham-Kent Essex said was that he agrees with us on the GST. I think that's a good thing. It's not about being partisan or non-partisan. If it's the right thing to do, then I certainly urge the member to go back to his federal counterparts and say, "Listen, we have to stop this."

It's the same with Mr Romanow's report, which came out the other day. It talked about the transfer of health care dollars. We've been saying for years and years that it used to be a 50-50 proposition; then it became 18 cents; then it became 14 cents. We're urging the federal government to pony up.

The member from Beaches-East York talked about profit. It really is the first time I've heard him talk about profit as a good thing. I agree with him. I think it's a very good thing. I think people have to make money so they can set up their shops and set up their businesses, and we have to have a competitive marketplace. That's why we want to make sure the supply of electricity is ample.

I also want to thank the Minister of Tourism, who took time out of his busy schedule to talk about issues. He said that perhaps every government has had responsibility. I know the member from Beaches-East York forgot to mention that it was under his government in 1990 that the debt went to \$29.4 billion. I think they have to own up to that.

**The Deputy Speaker:** Further debate?

**Mr Ernie Parsons (Prince Edward-Hastings):** I'm pleased to speak to this bill. I was shook up a little bit a few minutes earlier, though, when the member for Bramalea-Gore-Malton-Springdale accused this side of the House of fearmongering. That rattled me, because I know each one on this side came to contribute positively to every minute of the debate. So I went and checked the dictionary at the back of the House. If what we say actually comes true, then it's not fearmongering, so I feel much better, because I know members on this side of the House have said for months and months, or indeed years, that if you implement the hydro plan you want, prices will go up. Well, you may have accused us of fearmongering, but the prices did go up, and that's why we're here this evening. Ten years ago no one would have envisioned this debate taking place.

I have a four-year-old at home who, no matter what mechanical toy I give him, takes it apart immediately and then sees if he can put it back together. Although that's amusing with a little wooden toy issue, at the provincial level you people are taking education apart and then you're trying to see if you can put it back together, but you've got some pieces left over. You took health care apart and then you're trying to see if you can put it together. You want credit for trying to put it together, but you don't want credit for taking it apart. You took Hydro apart. I mean, yes, this is your bill trying to fix your mistakes, but you took Hydro apart with no planning. To you, this province is a giant science lab. "Let's try something. Let's see what happens if we do this."

**Ms Caroline Di Cocco (Sarnia-Lambton):** It's experimentation.

**Mr Parsons:** It's experimentation. It's of interest to see what actually makes this thing work. "Let's take it apart, and after we've taken it apart, then we'll put it back together. Then we'll do a study to see what will happen if we take it apart and then put it back together." Every government prior to you did the planning before, did a study before and said, "What happens if we do this?" You do the opposite and say, "Let do it, and then let's study and see what we did." The people of Ontario paid a very dear price for that.

I would like to paraphrase a statement, though, that was made earlier: you as a government had the courage to do the wrong thing. You have done that over and over. There is concern about Hydro's debt. I believe I am correct that at this very instant the debt continues to increase. You did all of this to tackle the debt, but the debt continues to increase. Please explain to me the logic that would have caused all the pain and suffering and unnecessary expenditure and yet the debt continues to increase.

As always, we've got to find someone else to blame for the problem: the whole problem of electricity rates in Ontario is the GST that the federal government collects. So, first of all, we're really looking at the 7% on just the debt portion. But even that 7% on the debt portion is an unnecessary expense.

You passed the Taxpayer Protection Act. That was one of the cornerstones of your legislation. Granted, you broke it in the budget this spring, when you deferred tax cuts, but a promise made is only a promise kept for a certain number of months. So you broke it once. I suggest you break it again, because your unwillingness to break it is causing every citizen in Ontario to pay GST if you don't. If a government takes and extracts money from citizens to pay off a debt, that's a tax. Try saying that word to yourselves, maybe all alone and then gradually in groups. It's a tax. The money you're collecting is a tax to pay down the debt. All you have to do is acknowledge that, because the GST is not charged on a tax. It is your unwillingness to set it up properly that causes that GST to be collected. You could fix it without any involvement from any other party. You could fix it by simply admitting that you have levied a tax and you have got to charge taxpayers money to pay it down. Just do it.

We've heard the comments from members on the other side that there will be no disconnect taking place until the end of March, but people had better pay or else. You're in the same calling as I am: people want to do the right thing in Ontario. Our citizens want to do the right thing. But what you have lost touch with is some of the incredible poverty that exists in this province, poverty that in many ways you created. Ontarians who are on the disability support plan, who've not had an increase in 10 years, are faced right now with decisions such as, "Do we have a Christmas for our children or do we pay the electricity bill? Do we buy heating oil? Do we buy food?" The absolute maximum that a person on ODSP receives is \$930, and with the increases that have taken place—I mean, yes, you've frozen the cost of electricity at 4.3 cents a kilowatt hour, but you've also frozen the delivery charges at the highest rate that they've ever been in history. There are people in this Ontario, people you either don't know about or choose not to know about, who can't pay their bills.

#### 1950

Your plan will get them through the winter. That will get them to the end of March. I would suggest to each and every one of you that a person will do what they have to do to buy food and clothing for their children and to provide shelter. I am concerned, and I believe that there will be people who do not pay their electricity bill, not because they're bums, not because they're trying to skip their obligations, but because in these winter months they've valued a coat for their children higher than they have electricity. Electricity can be put off until the end of March.

I challenge you, what's your plan at the end of March for the people who have been unable to pay their electricity bill over the winter? What are you going to do? Are you going to set up extra money with the social services departments? Are you going to put them out on the street? Are you going to disconnect? Even the spirit: people thought you meant no disconnects as of a certain date. We're still hearing about people having their

electricity cut off in temperatures of minus 18 and minus 20 degrees.

I challenge you, what are you going to do? These aren't numbers. These aren't a small percentage of the people. These are real, honest-to-goodness men, women and children who, come the end of March, are going to have a major struggle to pay their electricity bill. You don't plan ahead, but I'm asking you in this case to please do that. Please make a provision that no child spends a night in a house without light or heat, or is thrown out on to the street. I'm imploring you to think about that.

I applaud the standard bills. I think we had it best exemplified when the Minister of Energy couldn't read the bills, as they come now to understand the complexity of them. Let's get a bill that the Ministry of Energy can read and then we'll be OK. But that isn't the problem. I haven't got a lot of calls from people saying, "I can't read my bill," because they sure could read the bottom number. In the bottom number, the fixed costs alone were more than their total bill used to be. That's the issue.

You can so easily lose touch by being here in Queen's Park with what the real issues are out on the street and in the communities. As people have done very well in this province for the last seven years, others have done very poorly. Working families in Ontario have struggled over the last seven and a half years. Yes, make the bill standard, but make it so they can afford to pay it.

The rebates: everybody is counting on the rebates. The rebates are to help people with their electricity bill. It's going to come right before Christmas, when there will be severe temptations to spend it on other things. Am I correct that the Premier said it would cost about \$4 million to process the cheques and sent them out; \$4 million for paperwork? You people have a Red Tape Commission. You need to talk to it once in a while and say, "We've finally found an example of blatant waste in red tape and paperwork, and it's mailing out." Actually, it's not the first one. I guess the first blatant waste would have been the \$200 cheques that went out a couple of years ago.

If you want to help the people with an electricity bill, credit their bill with the money. You don't have to do all of the mailing; you don't have to process all the cheques or do all the envelopes. This surely can't be an election ploy on your part, just to get a cheque with the Premier's name on the bottom when it goes to a house. I'd like to think that you really, genuinely wanted to lower electricity costs. Take it and credit it against the bill, where it really and truly belongs, and have that done with.

You talk about capping the price at 4.3 cents. You didn't cap the price; you froze it. You froze it at 4.3 cents. I have an analogy to that: one of the struggles of farmers is always that you have to pay whatever others charge you if you want to buy equipment, a milk tank or anything. Others set the price when you buy the feed and the fertilizer and then others set the price when you go and sell your product. You're caught in between. Others tell you what the milk and cattle are worth. Farmers are in the dilemma of not having total control over the prices.

You've now got control of what you sell it at; you're going to sell it at 4.3 cents, but you don't have control over what you're buying yet. The fundamental problem, the problem that you knew about or should have known about, is that there is not enough electricity produced in Ontario. It's as simple as that.

I cannot comprehend how a government could proceed forward in the belief that their energy is sufficient when their appointed individuals did not tell them that the nuclear plants are not all up and running. We have a contract that this province has signed with British Energy. I don't know if it's fully public. One of the reasons you people privatize is to remove documents from freedom of information. It isn't to save money; it is to take things behind closed doors. But surely you were sharp enough when you did the contract with Bruce nuclear to put a clause in there that said, "You should mention to us if your plant's not producing electricity any more." Regardless, I would have thought the Independent Market Operator would have noticed there was no electricity coming out of there for months. That would be a clue. If you don't get power from it, it's probably not working.

*Interjection.*

**Mr Parsons:** The minister didn't know about it; no. No one told him. But the Independent Market Operator, who was very independent on this, chose to tell no one that Bruce nuclear in fact wasn't producing power.

You don't have control over what you buy electricity at. You can only control what you're selling. Don't even try to tell me you're buying it at 4.3 cents or less. Don't even start to go down that road, because you're paying more.

You don't have to be a very sophisticated business person to know that if you're buying it for more than you're selling it, there has to be something come in between. Are you going to put up taxes? Are you going to add to the debt? I haven't seen a lot of that in your press releases as to exactly where that difference would come from. I think the people in Ontario are pretty interested because you're continuing to run up the debt that our children, grandchildren and great-grandchildren will pay for.

When you first started with your hare-brained scheme to totally deregulate it while you're short of electricity, you put not just families, businesses, small corner stores and large industry at risk; you put the entire economy of Ontario at risk for your little experiment. Thank goodness you got caught before we got through the winter and you acknowledged you had to do something. Most people in Ontario are suspicious that your solution is a political solution and not a long-term engineering solution to address it.

You've made utilities restructure. If you examined municipalities in Ontario, particularly in rural Ontario, you would have found that their public utility commissions, by and large, were extremely efficient. In fact, in many cases we could say the smaller the utility, the more efficient it is. You told them they had to sell out or

you're going to slam them with a tax of 75% or something by a certain date. It was all artificial to force them.

Remember Hydro One that we've talked about being in debt? You allowed them to borrow \$500 million to buy the small, efficient PUCs in order to consolidate into large, inefficient Hydro One units that now have one central number that's not answered. We've had ice storms in our area, and the police report that the phone just rings and rings, rather than the old model where you could contact someone locally to solve the problem.

You allowed these things to increase and you said to them, "Make a profit." In fact I think you said, "You make a profit up to"—I believe—"9.8%." You encouraged them to make a profit. You encouraged them to restructure. As you downloaded things—"OK, you've got social housing and you've got ambulances, you've got roads, you've got bridges, but you're going to be able to make money on your hydro unit, on the delivery of electricity." You told them that. You said, "Go make some money. We want you to make nearly a 10% return." Actually a 9.8% return is far above average for any other business. Most businesses would be delighted. You said, "Go and make 9.8%."

Who are they making it off? They're making it off our citizens. It's not mythical profit ripped out of the air. You said to these companies, "Go and get more money off our citizens." When you said, "We have a Taxpayer Protection Act," what you really said was, "We're going to get others to collect the taxes for us." PUCs were put into that position.

Now you've taken and frozen—and I don't know exactly where you're going with this and they don't know. Are you going to make them non-profit? If you do that, are you going to take back some of the downloading? Talk about lack of planning. It's an absolute disgrace.

**2000**

We need more electricity. I said earlier, that's a fundamental problem. How are we going to do that?

Well, there's probably a combination. For most complex issues, there isn't one simple answer. There may be four or five or 10 or 15 really good things that work together to solve it. So, how do we get more electricity?

The Ontario Liberals have said very clearly that there's capacity for another generating plant in Niagara, a Beck 3. We've touted that. The member from St Catharines has raised that issue a couple of times a week in this House for as long as I've been here. There's capacity for us to produce more electricity.

I understand your reluctance. If it's publicly owned, it's bad. That does scare me because you're the crew that wanted to sell our water systems next. If we look at your track record on electricity, I fear for where we're going with our water systems. But that's going to be another debate.

You don't want a publicly owned generating station in Niagara Falls, but the people of Ontario do. They want cheap, clean electricity. Is there a role for the private sector in generating electricity? There has always been

some, but who in the world would want to come to Ontario and invest when we have a Premier who says—on April 26, Premier Eves said, “It’s important Hydro One be privatized.” Then on May 2 he said, “It’s in jeopardy; it’s off the table for the time being.” So, if you’re going to invest \$1 billion—maybe it’s going to be privatized, maybe it’s not. I noticed he took it off the market the day before two by-elections, one of which was his, so there may be a connection on that one. On May 8, six days later—he has had six days to think it over—he said that it’s back on the table but he doesn’t want to put timeline on it.

On May 15 he—and I’m paraphrasing, I’m sure you’ll forgive me—he essentially said, “I don’t know what I’m doing, and I’d like to hear from investment firms what to do.” On May 16 he said, “We’re going to make it a public corporation.” On May 30, he introduced legislation to sell it. On June 7, he said, “I want it to be an income trust.” Kind of like a wind vane up there, the direction he’s going, he’s twirling. On June 3, he killed the IPO proposal for the private sector, and then on July 6, he decided that the best compromise is to sell half. “We’ll keep half public; we’ll sell half.”

The private sector cannot even consider investing money into a scheme such as that. Dalton McGuinty and the Ontario Liberals have recognized that it is important that there be some stability, that there be some regulation brought to this and there’d be some planning—not on the back of an envelope; not on the spur of the moment; not based on the latest poll. The people of Ontario deserve the best. We deserve the best in health care, in education, in long-term care, in clean water and in electricity. For our livelihood, for our safety, for our health, affordable electricity is important, and an assured supply is equally important.

Industry would not even consider operating in this province if there’s a possibility of brownouts. At the risk of saying that I’m fearmongering, there’s a very real risk of brownouts in this province. When we had the price cap fixed, we know the amount of money we’d have to spend and we don’t have control over what we’re going to have to pay. A brownout or two in this province would destroy our reputation as a magnet to attract or to keep industries such as auto plants. In a just-in-time system, they cannot allow the line to be shut down. This plan that you have put forward will cause industry to have other sources of energy provided to them.

I’m running out of time and I really wanted to talk about conservation because we’ve had a lot of rhetoric about energy conservation, but we haven’t really seen any realistic plan for it.

This government broke it and is not capable of fixing it.

**The Speaker (Hon Gary Carr):** Questions and comments?

**Mr Rosario Marchese (Trinity-Spadina):** Just a couple of minutes to the member from Prince Edward-Hastings and a little reminder, perhaps, because when the Tories say the opposition is fearmongering, I don’t think

they meant you. They meant the NDP. I think you can be relieved about that. Because, if I recall, it wasn’t the Liberals with a bus going across Ontario saying, “Ho, ho. Privatization is a problem. Rates are going to go up. Be guaranteed of that.” In fact, the Liberals’ lips were sealed.

**Mr Parsons:** I didn’t attack you; I’ve been very good.

**Mr Marchese:** No, your lips were sealed for a whole year. You, Dalton McGuinty, your buddies beside you, your women friends beside you, for a whole year you guys zipped. You could hardly be fearmongering if you don’t say a word in a whole year on the issue of deregulation and privatization—please. Those of you watching, take comfort. It was not the Liberals who were fearmongering about the increase in rates. In fact, Monsieur Dalton McGuinty has been quoted as saying on Focus Ontario, June 1, 2002, “I am in favour of privatization, both in terms of the transmission and the generation.” The reason they were quiet all along and not fearmongering was because they jumped on the wagon with you Tories. It wasn’t them. I don’t remember the Liberals once saying, “Oh, my God, lo and behold, privatization and deregulation is going to hurt. It’s going to hurt you consumers and it’s going to hurt you big.” I don’t remember them saying it once. And all of a sudden, when things go sour, the Liberals are saying, “Oh, my God, you were incompetent.” Boy, if the Liberals were in power, they would have done it right, but the Tories, they just don’t know how to do it. Tell them that.

By the way, I’ll have more to say later.

**Mr John O’Toole (Durham):** I always hate to stand up after the member from Trinity-Spadina because he provides a tremendous amount of energized comment with respect to the issue before us. But Bill 210, for those viewing tonight, is a bill that, if you stay tuned, I’ll be speaking on in a very few moments.

The member from Prince Edward-Hastings took most of the time talking about other things and it’s unfortunate because the viewer wants concrete, substantive debate. The member from Trinity-Spadina is right. This government tried—I will provide some background to this in my comments, but in all fairness, the NDP here on this particular topic have been consistent at least. Some would say consistently wrong, but they have been consistent.

There’s enough time. I can introduce to the anticipated viewer at home this report that I’m going to be discussing at some length, an independent report. It’s the Market Surveillance Panel monitoring report on the IMO administration of the electricity market for the first four months, from May through August 2002. This report was submitted on October 7 and it’s a very, very comprehensive review of a very, very complex situation. I will try, for my constituents and those viewing, to bring some light to the context of the debate, starting with the Macdonald commission report in 1995. NAOP, the nuclear asset optimization all-party committee that looked at nuclear assets and how optimum they were—it’ll actually talk about the opening of the market, the market design committee and some of the design failures.

It's a very complex issue. This government stood up and defended the consumers at the end of the day. This is a government that's prepared to listen and prepared to act.

**Mr Ted McMeekin (Ancaster-Dundas-Flamborough-Aldershot):** I hesitate to wade in when one is referencing a book that is hard to pick up once you've put it down. In any event, it's been said that good judgment is based on experience and experience invariably on bad judgment. My mother cleaned it up a bit. She said, "When you mess up, fess up." I think there's a fair bit of fessing up that members from all three persuasions in this House could, on a good day, learn something from.

What I'm hearing from people in my riding—and I think the member from Prince Edward-Hastings spoke around it—is that they expect their government—they have a relationship of trust and motive. On a good day, the people I represent really believe that we're actually here doing the work of the people, trying to defend the common good. To do that, as I talk to my folk about that, their expectations, they say, "Look, if you're going to have that relationship of trust and motive, there are some fundamental things that need to happen." I think this is instructive. You need to be straightforward. When you blow it—and we blow it over here and you blow it over there; fess up to that—you've got to do your homework. They expect that we're going to do our homework here. They expect that we're not going to rush ahead. They expect that an important part of what we do here is listening, not just listening but hearing what's being said, and from that hearing, moving forward in a focused way to make sure that the common good is attained.

**2010**

I'm pleased with much of what's in the bill. I can tell you one thing I am very, very concerned about, a suggestion I made in a letter to the Premier: that we ought to return to a select hydro committee—I'd go beyond that: a select energy committee, because I think the gas rebates are another big issue—where we can set the partisan stuff aside and begin to work together for the common good.

**The Speaker:** Further questions or comments?

**Mr Prue:** I listened to the speaker from Prince Edward-Hastings, and actually I'm going to say some good things. I cannot help but say that in the 14 or 15 months now that I have been in this Legislature, I have seen certain members of the Liberal Party flip and flop on this issue to a great extent, and I have seen positions change literally overnight. Sometimes I have seen positions change right in the middle of the scrum. But I am going to say to the member from Prince Edward-Hastings that he has got it right. He has finally seen the light, just then. I'm hoping the other side is the same.

**Hon Mr Clark:** Hallelujah.

**Mr Prue:** Yes, a modern-day Elmer Gantry over there. He's seen the light.

This whole privatization scheme is doomed to failure. From the very beginning, you started it, and it is doomed to failure today.

As the member from Prince Edward-Hastings said, the fixed charges are now in some cases as much as the cost of the electricity. You have allowed people to take their little slices seven or eight times so that people who conserve energy find that they are paying money for a product they aren't even using. It is going into the hands of people who are gouging them.

There is nothing wrong with profit, but there is something wrong with profit when it gouges ordinary people who have no choice but to buy their electricity. They have no choice in a modern society except to use it.

The member from Prince Edward-Hastings also talked about the disabled, and I'm glad he included them, because these people in this province, who have such a difficult time on the pittance you give them, the pittance that you refuse to raise even though inflation has risen, the pittance you give them even though electricity costs are going up, need to be helped. You should be doing something for them that is separate and apart from electricity, because food and electricity and everything else they need cost more.

**Mr Parsons:** To the members for Trinity-Spadina, Durham, Ancaster-Dundas-Flamborough-Aldershot and Beaches-East York, I thank you. I enjoyed each and every one of you, some when you started, some when you quit. But I got some enjoyment out of each and every one.

The reality is that this situation didn't need to get broken. Things had to be fixed. There was a debt. The debt wasn't terribly unusual, in view of the magnitude of the capital investments.

What we needed was a plan to address the debt. That's what we needed. We needed a plan to address the debt. We needed a plan to have more electricity generated. We didn't need a plan to sell Hydro One to your friends. We didn't need a plan to let generation of electricity go out of the control of the people in Ontario. You undertook a massive reorganization that in 1999 you never breathed a word about to the electors. You didn't give them any warning or caution whatsoever that this is what you were considering.

This is a government that preached and said that you believe in referendums, you believe in power to people. You have stripped all the power that you can away from people. You have had more time allocation motions than all governments previous to this put together. You have rammed through all of your legislation. When you do something as fundamental as electricity supply, water supply or education, you should be upfront about it and talk about it during the election.

You talk taxes, taxes, taxes. Your Taxpayer Protection Act requires that you divulge during the campaign what you do in the way of taxes. It should be much more than that. A government or a political party should have to divulge what they're planning to do with health care. What are you planning to do with the costs for our seniors to live in long-term home care? What are you planning to do to our road system? What are you planning to do to the electricity system? Be up front right

from square one, rather than sneaking everything in through the back door through omnibus bills or simply trying to do it without legislation.

**The Speaker:** Further debate?

**Mr Ted Arnott (Waterloo-Wellington):** I am very pleased to have this opportunity to speak tonight to Bill 210, An Act to amend various Acts in respect of the pricing, conservation and supply of electricity and in respect of other matters related to electricity. This bill was introduced by the Honourable John Baird, Minister of Energy, on November 25, 2002. The short title of this bill is the Electricity Pricing, Conservation and Supply Act.

This bill contains a number of tax incentives to encourage the development of new sources of supply of electricity—energy—particularly from environmentally friendly sources, and to encourage energy conservation. This package is part of a responsible plan for promoting conservation and clean electricity from alternative and renewable sources of power.

The proposed tax incentives are part of a long-term plan not only to increase the supply of energy and encourage conservation, but also to promote clean air in Ontario. We are aiming for green energy, and the proposed measures, including tax incentives and tax holidays, present such an opportunity. It will benefit all Ontarians.

As part of a comprehensive long-term plan to promote environmentally friendly energy, the government is proposing the following tax measures:

(1) A 10-year corporate income tax holiday for new electricity generation from clean, alternative or renewable energy sources, including natural gas, hydroelectric, solar, wind, biomass, hydrogen fuel cell and co-generation. The corporate income tax holiday would be available once the project has been completed and the corporation has begun selling the new electricity supply that it has generated.

(2) A 10-year property tax holiday for newly created assets that generate electricity from clean, alternative or renewable sources, with compensation to municipalities for lost or forgone property taxes. The tax exemption would begin on the date that the eligible facility commences generation of electricity.

(3) A 100% corporate tax write-off in the year of acquisition for the cost of newly acquired assets used to generate electricity from clean, alternative or renewable sources, to be incorporated in planned regulation.

**Mr Marchese:** Good stuff.

**Mr Arnott:** Yes, it is good stuff.

The write-off would be available for corporations that purchase eligible assets after November 5, 2002, and before January 1, 2008. There will be a capital tax exemption, if this bill is passed, for newly acquired assets used to generate electricity from alternative or renewable sources. Corporations that purchase eligible assets after November 25, 2002, and before January 1, 2008, would qualify.

(4) A full retail sales tax rebate for eligible businesses for building materials purchased and incorporated into

clean, alternative or renewable electricity generation facilities and materials used to construct deep lake water cooling systems. The rebate would be in effect for building materials that are purchased and incorporated into the electricity generating facility after November 25, 2002, and prior to January 1, 2008.

We are also promoting energy conservation through the following proposed measures:

(1) A proposed regulation to provide a 100% corporate income tax write-off in the year of acquisition for new investments in qualifying electrical energy-efficient equipment. The write-off would be available for corporations that purchase eligible assets after November 5, 2002, and before January 1, 2008.

(2) Tax rebates to support conservation of energy by the people of Ontario, including retail sales tax rebates on the cost of solar panels and systems purchased and incorporated into residential premises, and a retail sales tax rebate for consumers who buy energy star-rated appliances, including refrigerators, clothes washers and dishwashers after November 25, 2002, and before November 26, 2003.

## 2020

The Electricity Pricing, Conservation and Supply Act, 2002, is part of the government's commitment to protect Ontario's families and businesses. The government remains committed to lower taxes to encourage growth and job creation. That's how we've been able to invest in public education and health care. I'm advised that the economic activity spurred by tax reductions has helped Ontario achieve a total of over one million net new jobs since our government's first throne speech in 1995. In October, employment rose by over 20,000 new jobs. In fact, since reaching the first target that we set for ourselves of 725,000 new jobs in the year 2000, another 283,000 net new jobs have been created in the province.

We know that economic prosperity cannot be taken for granted. That's why we're always looking for new ways to promote economic growth throughout the province. We want to maintain the momentum caused by increased economic activity. The proposed tax measures to increase the supply of electricity and energy in Ontario and encourage energy conservation send a clear message to our consumers and potential investors. The government plans to continue to focus on sound fundamentals such as lower taxes to promote growth and opportunity in the province. Just as we're committed to protecting the people who live and work in Ontario, we also want to attract new investment to our province. These tax initiatives would make Ontario an even more attractive location for investment, and we believe that the proposed energy tax incentive package will stimulate new generation, encourage alternative fuels and support clean energy production.

The government will set the example for the greening of Ontario energy. The government is committed to purchasing green electricity. As an example, we intend to target 20% of the provincial government's electricity usage from renewable sources. We're also committed to

the goal of ensuring that every newly constructed government and other institutional building be energy self-sufficient, using alternative or clean sources of energy.

I want to urge all members of this House to support the Electricity Pricing, Conservation and Supply Act, 2002, Bill 210. We need the support of legislation to stimulate the new investment and supply of electricity, particularly electricity from clean, alternative and renewable energy sources. We need to ensure a continued supply of clean and affordable electricity from renewable resources to our Ontario consumers and businesses. We need to promote conservation and encourage investment in alternative fuel technology. The Legislature's select committee on alternative fuel sources has identified clean electricity sources. We would like to focus on those recommendations while continuing to preserve Ontario's overall electricity supply. Electricity is the most vital form of energy, without which a modern economy could not function. The stability of electricity supply has become even more important now than in the past with the advent of technology and our reliance on electronic data systems.

What we are attempting to do, then, is to make sure that the tax system does not act as a barrier to investment aimed at creating new electricity supply. That is the purpose of this Bill 210. The Ontario government is as committed as ever to bringing stability of electricity supply to the people of Ontario. We know how vital electricity is to Ontario's economy, and that's why we're taking appropriate action to respond to the challenge of investing in new technologies for electricity generation. Once again, I urge all members of this House to support Bill 210.

**The Speaker:** Questions and comments?

**Mr Dave Levac (Brant):** This is a two-minuter, I'm assuming. One of the things I hope the member opposite is taking good note of is the fact that since they announced the tax breaks for energy efficient home appliances, there has been a deluge from that moment on, and it continues today, where an awful lot of people are returning the appliances they just bought. They're causing an awful lot of concern and problems with the industry right now, because they assume that the appliances they've purchased will not qualify for that tax break. So they're causing quite a bit of a problem to the appliance dealers in Ontario. I would hope that this government would take a look at that immediately, and I don't mean wait for any other discussion, but act immediately on this to ensure that the public are receiving the energy-efficient appliances they're already paying for, and to look at a little bit of retroactivity so we can stop this deluge of equipment going back into those stores again and causing an awful lot of flip-flop of those appliances.

I'm going to talk a little about this in my presentation, if I have time at the end of the evening: the old Ontario Hydro stopped, prevented and shut down about 250,000 megawatts of hydro energy creation. It simply bought those little tiny places across the province that were

generating electricity in a very efficient and very impressive way: 250,000 megawatts got shut down by Ontario Hydro. I wonder whether the government is aware of all these places. They're still in place; they just don't have the generators at present. I would suggest to the government if they don't look at that they're making a very big mistake. Quite frankly, we have an opportunity to create about 10% of our power needs, so I encourage the government, which it hasn't done to this point, to reinvest a little bit of that energy that they're spewing at this moment, to look at all those different power plants that were shut down by Ontario Hydro to the tune of 250,000 megawatts of power, approximately 10% of the power that we need today.

**Mr Marchese:** First of all, I can't believe the member for Waterloo-Wellington gave up, surrendered 10 minutes of his time. This is precious time that I would never ever give up in this place. He gave up 10 minutes of his time. Can you believe it?

**Hon David H. Tsubouchi (Chair of the Management Board of Cabinet, Minister of Culture):** Stick to the issue.

**Mr Marchese:** I'm just trying to be helpful, David, so the public understands. Me, I value my time. I want every minute I can get in this place, 20 minutes, one hour, and I don't want to share it with my friends. I'm not a socialist in that regard. I don't want to share my time with my colleagues. This is my time.

They should have Ted, the member for Waterloo, stand up each and every time because—you notice how his voice is mellifluous, certainly not malodorous. He's the kind of messenger you want to stand up there and deliver a message on environmentalism. Did you hear? His voice is so sweet, and he was talking about the environment and all the good things this bill has in it. Give me a break, Ted.

This is about sending a cheque before Christmas to appease, assuage, the people out there, the taxpayers and the citizens who are really, really angry about your energy policy. That's what it's about. It's not about doing a tax—like a credit. No, they need a cheque in their pocket, and they need it before Christmas, Ted. I want you to get angry when you stand up. Don't give me that sweet mellifluous voice and talk about how you're going to fix the environment and come up with some good ideas. Don't give me that. OK? I don't want to hear that. I want you to stand up for this government, stand up and say, "Yeah, we love privatization and deregulation, and we're going to do that after the next election." Stand up and say it. That's what I want to hear. There's no shame in that.

**Hon Norman W. Sterling (Minister of Transportation):** It really is amazing that some of the more experienced and long-serving members of the Legislature somehow feel that the longer you speak the better you are. In other words, volume is all, but salient points to the particular issue, as Ted Arnott has put forward here, don't count. I thought he showed a great deal of grace and integrity, which this member continues to show in



this Legislature by reserving some time for other members to put their points forward.

When I was the House leader some time ago, I suggested to all members that we keep all speeches to 10 minutes. If you can't say something in 10 minutes, you probably haven't got a lot to put forward. Now there are some exceptions, a few exceptions.

This is typical, of course, of the NDP party. They feel that if you have a discussion, you lengthen the discussion, you have more meetings and you have more people talking at the meetings, and you don't resolve anything except when to have the next meeting, you've accomplished something at the end of the day.

2030

**Mr Marchese:** So this is about meetings.

**Hon Mr Sterling:** We're talking about talk. We're talking about more and more talk.

I really find that the member opposite criticizing a member for being salient, to the point, talking about the legislation and showing his unmitigated support for this legislation is really specious. Therefore, I will end early as well.

**The Deputy Speaker:** Comments and questions? The member for Waterloo-Wellington has two minutes to respond.

**Mr Arnott:** It's nice to have two minutes to respond to some of the comments that have been made. I appreciated the comment from the member for Brant. He talked about the issue that's being brought to his attention by people who are selling appliances. I hope he doesn't object to the tax reductions and the tax rebates that we're proposing. I'm not fully aware of what his objection is, but I hope that the government will indeed review the concern that he expressed.

The member for Trinity-Spadina indicated that I have a mellifluous voice, and I appreciate that. I think you have one too. I just offer that compliment in return to you. Yes, I left some time at the end of my speech. I had about 10 minutes prepared to speak, and 10 minutes remained for other members, as the Minister of Transportation pointed out. I do appreciate hearing from other members too.

I have a perspective and a voice as a representative of the people who have sent me here from Waterloo-Wellington, but I also know, Rosario, there are 102 other members of this House who have a perspective and a voice, and should be given an opportunity to speak.

I didn't come in here tonight to filibuster this bill. I came here to offer my suggestions and my views on the bill and certainly—

*Applause.*

**Mr Arnott:** Thank you, to my colleagues over here, some of whom will want to have something to say as well.

The Minister of Transportation offered his view that there's a lot that can be said in 10 minutes. I would remind the member opposite the Gettysburg address was about two minutes long, and it's one they talk about well over 100 years later. So I think there is a lot that can be

said in a short period of time. I left you 19 seconds, Rosario, for your speech later on.

**The Deputy Speaker:** Further debate?

**Mr Jean-Marc Lalonde (Glengarry-Prescott-Russell):** I'll be addressing this House in English this evening. Let me say that I'm quite pleased to be able to speak on this very important bill. I do believe a lot of Ontarians are watching this debate tonight, because we really don't know where we're going with this bill.

It's well known that I don't like to criticize. I have to say there are good parts of this bill, definitely, like the tax incentive, the cap, also the rebate or the exemption of the energy-efficient appliances. Those are good parts of the bill.

But when we introduced this bill on November 25—I was expecting to see this bill presented in this House a week prior to November 25, because on November 11 the Premier had said it was a very important bill and we had to rush it through before it was too late. Why did he say "before it was too late"? Because we knew that small businesses and small families with the average revenue really could not afford those high bills they were receiving.

This government, with this announcement, is saving \$50 million. How do I come up with the \$50 million? According to the Minister of Energy, it is going to cost this government \$700 million to refund or to proceed with the rebate. But when we look at the rebate, at the present time the cap is at 4.3. Just remember, on May 1 we said that anyone who was paying over 3.8 cents after a year, in May 2003, would receive the difference that they have paid over the 3.8.

We remember about two months ago Hydro One proceeded with a request to the OEB asking that the rebate be reduced by 20%. What we did when we made this announcement on November 11 was exactly what we said we would not accept. This rebate from anything over 3.8 cents was going to go back to the consumers—which at this time it is not, because the cap is at 4.3 cents.

When this announcement was made at this Mississauga home, the person who owned this house said, "I will be receiving a rebate of approximately \$150." I have news for the Toronto residents: there will be no rebate for them because they have never paid over 4.3 cents per kilowatt hour. If everyone in Toronto expects to receive this in the mail—it's not refundable, so they will never receive any rebate here in Toronto. Mind you, in the 100 kilometres around the GTA, we have a total of 60 MPPs. We haven't seen the rest of it.

We remember that Toronto Hydro made a request to OEB to increase their hydro rate, which they have kept at 4.3 cents. They have never gone through the increase that has occurred in the rest of the province. We have reached the increase right up to 9.3 cents, 9.4 cents per kilowatt hour. But here in Toronto, we kept it at 4.3 cents. Toronto Hydro has a receivable account of over \$600 million. They said, "We cannot afford this any more."

At this point, I have to say, yes, there are good points in it, but what are we going to do with our local

municipal hydro? Nobody can answer that at this present time. We know that some areas have not been able to meet the requirement ever since they faced this huge increase in the bills they were receiving from Hydro One, because they had to bill the customers according to what they were paying. At the present time, there are some areas where the receivable account is 30% over what it used to be.

In my own area, for example, at Hawkesbury Hydro, Alfred-Plantagenet Hydro, Embrun Hydro and also Ottawa Hydro, the accounts receivable they have are really high. The Minister of Energy said those municipal hydros were just money grabs. I can tell you now that we have evidence that in the city of Ottawa at the present time, ever since the amalgamation—the city of Ottawa does include Sarsfield, Navan, Cumberland, Vars, Lanark, Osgoode. All those small places are still with Hydro One. They would like to join Ottawa Hydro, but according to the law, they cannot proceed with the purchase of Hydro One. The average cost for each of those residents outside the former city of Ottawa is around \$250 a year.

I was talking to a farmer just lately, Denis Perrault. He is a big farmer. He said, “If I was with Ottawa Hydro, my savings would be at least \$3,000 a year.”

I really don't know what's going to happen with this procedure that we are going to go through with this bill. I was talking to a bank manager from Casselman just last Thursday. He said, “Jean-Marc, we just can't figure out now how we should set up the costs or the payment for mortgages, because whenever we sell a house, we have to look at how much it is going to cost for the heating and for the hydro, but today we just can't figure out how much it is going to cost for the hydro.” We're in a complete mess at the present time. When are we going to know if there is going to be a cap? We are debating the bill at the present time.

**2040**

Another point that has occurred: this person from Vankleek Hill has good reason for complaining because he's saying, “I am on a budget plan of \$149 per month.” And not only is this gentleman on a budget plan; last Thursday, when he called me, he said, “I just got a bill of \$1,648 and they asked me to increase my budget plan by \$100, which will be \$249 per month.” And he has to pay that \$1,648 immediately.

We know that the government wants to put on a cap. Why are we not telling Hydro One at the present time not to proceed with those increased budget plans they are planning because of the huge increase that occurred during this past summer? We know that there will be no 6.9, 9.8 or 9.3 cents per kilowatt hour. This government has to advise Hydro One not to proceed with the increases of budget plans that those people cannot afford. They are telling me now that their hydro bill is higher than the mortgage fee they have to pay. Something has to be done.

I was looking at this poor lady from St Isidore here; I have her bill. She used to pay \$106 or \$111 per month.

All of a sudden, she got a bill of \$513. She's an 85-year-old lady receiving a small pension of \$845. She has to pay rent. It's not that much down there, but it's high enough: \$550. With just the hydro bill and her rent, there's no money left for her regular expenses such as groceries.

I have the Glengarry golf course. It's a small golf course. They received a bill of \$7,400. Why have they received this bill of \$7,400? The Hydro One meter reader knew that there are times during the year—September and August—when the hydro rate was going to be high. When July came he went over and took the reading: it was a zero reading. That was an estimated reading he said they got, but they knew that in the previous year that golf course definitely used some kilowatt hours. For two months in a row, they reported zero as an estimated reading. All of a sudden, they got the invoice: \$7,400.

I've got Maxville Manor here. Their increase in September was \$6,542.50. That is when we say, “Heating or the three meals.” Those nursing home operators have to make a decision, because we know in all the nursing homes in Ontario the allocation for meals is \$4.49 per day. That's all they get for all the residents of a nursing home. Shame.

Also, at the Maxville Manor that I have here, they have a well. The water is polluted, apparently; they can't use the well. They took the reading: \$15.03 of electricity. Their bill is over \$300. It's the other costs. At the present time, even though we are saying that there is going to be a cap on the hydro—the energy or the commodity, whatever they want to call it—it's the other costs.

I'm looking here at Rocker's Ben Café. His bill was \$1,700.92. The other costs are \$766. I have a lot of examples like this. I've got this one here: it's Pack All Manufacturing, and their bill was \$8,940, an increase of \$2,300 last month.

We ask, is this supposed to be helping the small businesses, the farmers, at the present time? I had farmers that came to one of my meetings. By the way, I had six public meetings during constituency week and I was hearing what people had to say. Some of the seniors came down in tears. They didn't know what to do with the hydro bill that they received. Some of the farmers also came over with a \$2,100 increase. The first thing that I asked was, “Have you installed air conditioning in your barn?” He says, “Are you crazy? A \$2,100 increase. I will have to either sell some of my quota or sell some of my cows to be able to pay that hydro bill.” I have a lot of examples, let me tell you.

I did spend four days with the Minister of Finance from Manitoba. He told me, “Jean-Marc, two weeks prior to May 1, not only us, but a lot of other people from the States and from this beautiful country have advised the Premier of Ontario not to go ahead with deregulation.” He decided to go ahead just the same.

Manitoba offered some hydro, some electricity, to the Ontario government. They turned it down. I have the letter here, which I did follow up after I spent four days with him. This letter was written to me on November 19.

He says, "At any time we are open to sell hydro to Ontario." Ontario didn't want to buy anything from Manitoba. So Manitoba turned around and sold some hydro to Minnesota; then we turned around and we bought it from Minnesota at the American rate.

**Mr Bruce Crozier (Essex):** That's outrageous

**Mr Lalonde:** It's outrageous, definitely. We know at the present time that we Liberals under Dalton McGuinty are the ones that found that fiasco this government has gone through. When we know that there's been three ministers of energy in the last nine months, it's because someone hasn't done his job. Really, it's the Premier who is to blame for this. The Premier knew all along. He used to be the Minister of Finance and today is the Premier of Ontario. They didn't want to listen to anyone in Ontario. We were telling them not to do it because we knew what happened in Alberta, we knew what happened in California. We said that if you went ahead with your deregulation, we'd be facing the same problem. And today we are stuck with this. We have to try and remedy this fiasco that we are in at the present time. This government is trying to reimburse or pay out the \$38 billion that we are in debt in about 10 to 12 years.

This debt was created, most of it, by the Tory government, who have been in power for 41 years out of 50. Eighty-two per cent of the time, Ontario Hydro was supervised or managed by a Conservative government, and today they're trying to say that we, the Liberals and the NDP, are responsible. I would be very sorry to say you're wrong on this. You're wrong because this fiasco was created by you people and you're now trying to solve it. Solve it not the way your doing it.

Before you decide to go ahead with the corporation tax break, the personal tax break, please pay your debt. If we don't pay this debt, you are going to take away the money that the Romanow commission has recommended be transferred to the province. I can tell you that I'm going to stand up any time that the money the federals transfer to the province—whenever it's money for the purchasing of equipment for hospitals, it should be paid directly to hospitals, not to this province, because this province will use it for their tax breaks.

**2050**

I remember, going back a couple of years ago, that the government had decided—I believe it was \$1.2 billion the federal government had said that we would transfer to the provincial government to buy new equipment. We gave out—we gave out—to diagnostic care, \$9 million, because they had 140-some X-ray clinics in Ontario. They turned around, they sold their clinics and they kept that \$9 million they got. Today we're in a similar fiasco with what's happening with Hydro One.

I could speak for hours on this because, as I've said, we have gone through the sixth meeting. My next one is this Thursday night at the Cumberland Maple Hall, and you can rest assured that we are going to have a packed house in there because the seniors really don't know what they are going to do.

While I had this meeting in VanKleek Hill, this poor family man came over, he said, "Mr Lalonde, I had to

unplug my Frigidaire and put everything—my bottle of milk—outside in a cardboard box, because I could not afford to pay the hydro bill." This is the situation in rural areas.

I had other people, really, who came down and told me: at the present time this small store in St-Bernardin, Ontario—she said, "Mr Lalonde, if something is not done quickly, I am closing my corner store." A corner store of approximately 150 square metres. She's paying over \$1,800 in electricity for one month. This is what we are hit with in the rural sector. Can you tell me how the municipal hydro commission will be able to send out that \$75 rebate and then, after that, when May comes, to pay the balance?

There was a poor lady who was down in my office. I did the calculation of how much rebate she would be getting, and I told her, "Your rebate will be approximately \$259." But this will have to come from a local municipal hydro. This is the way it is all over in municipal hydro. Those municipal hydros just won't be able to meet the requirement. They will have to go to the municipal council and make sure that the municipal council supports their loan that they would sign at the bank.

**Mr Prue:** I listened with great intent to the member from Glengarry-Prescott-Russell, and I would like to thank him, living in and representing an area so far away from Toronto, for thinking about the poor people of this city, because, as he quite so succinctly set out, there will be no rebates in Toronto. There will be no rebates because Toronto Hydro made what was thought to be a fairly good business decision at the start of all of this turmoil that we've had around electricity and electricity rates: to just simply charge 4.3 cents and hope that in the long term things would even out. They didn't want to see spikes in rates for the consumers in this city.

However, Toronto Hydro, because they were unanimous, or perhaps because they weren't the best business people—one could put their own spin on it, I'm sure—has now found that they are in financial difficulty—in fact, financial difficulty to such an extent that their credit rating may be at risk. They went before the OEB along with seven other municipal hydro facilities and asked that the rate be structured and changed but they were denied. In fact, they are starting to look now at financial difficulties. They are looking at costs of going beyond their abilities to pay and municipalities that had come to rely on the monies of those hydroelectric facilities, municipalities like Toronto and Mississauga and a great many others, are finding that the money simply is not going to be there. Those same municipalities, as the speaker said, may have to raise taxes.

Then there is the additional cost: that all of these municipalities will be required to send out cheques, and those cheques will cost a lot of money to print and to mail. Really, the only purpose that I can see is that this government wants the cheques to be there so that their name can be all over it. The reality is that this is a rebate for hydro; it should come right off and be done at considerably less expense.

**Mr Gill:** It is a pleasure again to say my piece about the member from Glengarry-Prescott as well as the member for Beaches-East York.

I think the member from Glengarry-Prescott tried to blame as to whose fault it was for the \$38 billion in debt. We can do all the finger-pointing we want, but I think it is the governments that have to make important, difficult, but necessary decisions. It has always been this government that has been able to make the decisions.

Earlier, I touched on the double cohort. For years and years, every government said, "You know what? Kids are going to high school for five years. It should be four." But nobody was willing or had the fortitude to make that decision. They were afraid to make a decision, because once you do that, you are certainly going to upset the norm or the status quo. But it is this government, and those are the bold steps.

The member for Beaches-East York was talking about the \$75 rebate that people are going to be getting. He was talking in a sort of complaining mode, saying maybe they shouldn't be getting it. Well, I say they deserve and they need all the help they can get.

If people didn't pay any more than 4.3 cents, does that mean they should be getting rebates too? I don't think so. I don't think they should be getting rebates. At the same time, it's the same members who complained earlier on, a couple of years ago, when we realized that we had taken in \$1 billion extra—of whose money? people's money—and we wanted to send it back to them because they had paid us more than they really deserved to pay. So we were happy to give those cheques, and even at that time, these people complained.

**Mr James J. Bradley (St Catharines):** The member for Glengarry-Prescott-Russell I think enunciated many of the problems that his constituents have had with the government policy over the past period of time. They may like the new government policy better than they liked the government policy before November 11.

One of the things I have to say when I look through the legislation, and I think the member noted this, is that there are a number of ideas that have been lifted from the official opposition, so therefore I can't be critical of that. When you talk about some measures that you're moving forward with in terms of conservation, how can I be critical of that? We've been advocating that for some period of time.

My friend Mr Hastings, who was on the committee, will recall us talking about that on that occasion on that committee. I know he will want to give full credit to the official opposition, as only he will, for those purposes. So I can't complain about that.

We brought day after day to the attention of this House that people were being badly hurt by the huge increases they were seeing in their bills. The government has attempted to address this particular problem, perhaps in the long run not as adequately as it might, but certainly in the short run. I was one of the few people who thought the government would actually come forward with this conversion on the road to Damascus, a conversion which

has been quite prevalent in this Legislature, I might add, to be fair.

I heard my colleague as well mention that Manitoba contract that got cancelled. I think it was about four cents a kilowatt hour. For the life of me, I don't know who cancelled that contract, but—

**Mr Lalonde:** It's 3.2.

**Mr Bradley:** It's 3.2 cents per kilowatt hour: a great contract from the province of Manitoba, and somebody cut that contract. I always know the enemy's on the other side, so I don't say who it was, but it happened in the early 1990s.

**The Deputy Speaker:** The member for Glengarry-Prescott-Russell has two minutes to respond.

**Mr Lalonde:** I really thank the members for their comments, but I'd just like to bring up the comments that were brought by the member for Bramalea-Gore-Malton-Springdale. Let me tell you that when we're talking about the 4.3-cent rebate for Toronto, you are already screaming in Toronto because of the high rate for delivery, transportation, the volume charge, the GST, and also the service charge. We've been hit with the high hydro rate and also all the other costs.

**2100**

I just wonder what this government is planning to do with those who have signed contracts with retailers. Who is going to reimburse the retailers the amount of money that will be rebated from the contracts they have signed? The same day as the Premier announced the 4.3 cap, people were knocking on doors selling electricity at 6.75 cents per kilowatt hour. I have a copy of the contract. I don't know. According to this bill, anyone who signed a contract after the passing of this bill would be eligible to pay what they have signed for. You should stop those contracts because they are cheating the customers. I'm told that at the present time there should be a real cleanup at Hydro One with what they're doing. And also at the OEB. OEB is not doing its job when they are giving licences to those guys to knock on doors, harassing people to sign. If they don't sign within 20 minutes, they say they're going to get their power cut off.

This is what we are experiencing in the rural areas at the present time. You have a duty. You should stop all those retailers from knocking on doors.

**The Deputy Speaker:** In rotation, we now begin the 10-minute speeches. I'm looking to the third party.

**Mr Bradley:** I was hoping for 20 minutes, Rosario.

**Mr Marchese:** Me too, Jim. Ten minutes—you know how hard it is.

The Minister of Transportation says, "You can do it in 10 minutes." I can't. I know that he can, but I can't because it takes me a longer time to talk to the citizens who watch this channel. You can't just say all that you want to say in 10 minutes; you just can't. The Tories want to limit me, circumscribe me as best they can. That's why they introduce closure motions, to circumscribe our ability to speak. That's what it's about. It's about strangulating debate. Ten minutes to speak on this bill, when there is so much to say?

The member from Bramalea-Gore says to the public, "You good citizens need the 75 bucks we're going to give you so you can pay for your children's tuition fees." Seventy-five bucks is not going to do anything for the tuition nightmare that students are facing and have faced since you people came into government. Tuition fees have gone up 60%.

Let me explain it to you. In university, it used to be \$2,000 and now it's \$4,500. In college, apparently it used to be \$1,000 and now it's \$2,000-something. I'm telling you that when the member from Bramalea-Gore says this rebate is going to help some poor young man or woman pay for their tuition, it's so laughable I don't even want to talk about it.

*Interjection.*

**Mr Marchese:** But you need to spend the time because when members say this kind of stuff—75 bucks to pay for skyrocketing tuition. It's not very smart, right? You know that. You know that nobody will be fooled, and you'll have two minutes to respond.

If you are in a deregulated program like medicine, dentistry or law, tuition fees have gone up 500%. Oh sure, the 75 bucks is going to help that young man and/or woman. You understand what I'm saying, right? The tuition fee in law now is 12,000 bucks; 75 bucks out of 12,000 is not going to go too far. That's just to talk about tuition.

But let's get back to the issue of hydro, eh, Ted? The mellifluous Ted Arnott talked about how wonderful this bill is going to be. I want to talk about the mess that you people created ever since you came into power—the ideological mess you've caused—because of the ideology that you subscribe to. You love the idea of selling off whatever we own to the private sector. You love selling it off and you people make no bones about it—none of you, the whole lot of you.

The Minister of Labour loves privatization. He's going to get up and speak next, and we're going to hear him, about his love of selling off Ontario Hydro and deregulating. Now let me tell you what deregulation means, Minister of Labour. What it means is you're allowing predators out there, a whole lot of predators, to come to your door, sell you a whole pile of goods, with a contract you can barely understand, usually incomprehensible, most of the time who knows what the hell they tell you, and you've got to pay, good taxpayer. You've got to pay for the mess that John loves. He loves to sell off whatever it is that's public.

He loves to deregulate to the private predators who come to suck the money away that's yours and ought to stay in your pocket, but they, the Tories—Minister Stockwell and others—love to give it away.

*Interjection.*

**Mr Marchese:** Well, because you're part of them and you're here. If you weren't here I wouldn't have mentioned you. I would have talked about the Minister of Labour, somebody else.

**Hon Chris Stockwell (Minister of the Environment, Government House Leader):** Stand up, Rosie.

**Mr Marchese:** I am standing. I am short. I make no bones about that.

**Mr Bradley:** Not short on words.

**Mr Marchese:** In fact, we have a good repertoire on this side of the House. Chris, you were there: do you remember when our leader used to say, "Prices are going to shoot up the roof as soon as you deregulate and privatize"? Chris used to be on the other end, and saying of Howard that he's funny, that he's lying, that he doesn't know what he's talking about.

**Hon Mr Stockwell:** I never said that.

**Mr Marchese:** You wouldn't say that. No, no, no, you didn't say that.

**The Deputy Speaker:** I'm saying you can't say it either.

**Mr Marchese:** He is misinformed. He used to tell our leader, "No, he's wrong, he's always wrong."

Why do you have this bill in front of us then if he was wrong? Why would you give people a rebate if Howard Hampton was wrong when he told you, for two years now, rates would shoot right up?

The Minister of Labour is going to speak after me and others. They're so cozy in their ideological smugness. No, the rates could not go up. They just couldn't. Oh yes, of course, they went up in California and other places in the US. They even went up, good heavens, here in Alberta, but it couldn't happen under the graceful, skilful watch of my friend Chris Stockwell, because he said so. He told us Howard was wrong. It was not going to happen.

The rates have gone just like a snake's ladder, constantly climbing up. You don't hear Chris Stockwell saying any more to Howard Hampton, "You were wrong." He don't say that no more.

**Hon Mr Clark:** It's "any more."

**Mr Marchese:** Oh, you guys are so literate; all graduates of English literature, each and every one of you.

**Hon Mr Tsubouchi:** I am. That's my undergraduate.

**Mr Marchese:** It's your field? Beautiful.

Chris doesn't say any more, "Howard Hampton was wrong"—not he, not anyone else.

When Howard Hampton says these days, "We're going to face blackouts," you have the same riposte by the Minister of Labour and others saying, "Oh, there he goes again, fearmongering. He's wrong." I think we have foreseen what happened on the rates. Howard is predicting that we're going to see blackouts, but Chris smiles and says, "No, no, no, no, it ain't goin' to happen here"—

**Hon Mr Stockwell:** Do the "foreseen" again. That was good.

**Mr Marchese:** "Because we're English professors on this side of the House and it's not going to happen."

It's good to see you, Chris. So they say, Chris Stockwell then and Baird now, "We had a debt before. We had a problem, and the NDP caused it." The Tories didn't cause a thing. They were in power for so long—merciless times—for so long. They introduced Darlington. The Minister of Transportation says, "No, no, no. It

was the Liberals.” They take no responsibility for any deficiency.

*Interjection.*

**Mr Marchese:** I know. You didn’t do nuthin’, Jim. It’s all somebody else. Nothing happened in California; nothing happened there. Jim, do you remember when you used to tell them about California dreaming, how beautiful California—

**Hon Jim Wilson (Minister of Northern Development and Mines):** His predictions were so broad they could have come true at any time.

**Mr Marchese:** There’s no what?

*Interjections.*

**Mr Marchese:** Yes. I remember Jim saying, “California dreaming, yeah, yeah.” Do you remember that song? Jim used to sing it all the time. He ain’t singin’ that song no more.

**Hon Mr Stockwell:** Any more.

2110

**Mr Marchese:** Thanks. No, you’re good, Chris. Klein is good too. Klein came over here and met with Ernie and said, “Ernie, look. I’ve got some good news for you. We’ve got a heritage fund in Alberta. That’s a problem because this heritage fund builds billions and billions out of the oil reserves. I know you guys don’t have any, but do you know what? When we gave them a rebate, it worked. It got us re-elected. You can do the same, Ernie. But don’t tell it like that. Don’t say it like that. Just say that you listened to the constituents, rates are skyrocketing, even for those people who use less energy, and what you’ve got to tell the good taxpayers is you’ve got to give them some money back and send them the cheque—hey, no credit. Send them the cheque. Put it in the mail, because people love getting a cheque.”

But you, Chris, you guys are good. What foreshadowed higher rates will also foreshadow the blackouts that Howard Hampton is predicting.

**Hon Mr Stockwell:** I know, I know.

**Mr Marchese:** It can’t happen here, Chris, because it didn’t happen before. “That’s why you, taxpayers, are getting this rebate, this cash in the mail to help you out through the winter. By the way, hopefully you’ll feel good because the election is coming in April or May. Please love us.” They fixed the water. They’re going to tell you they fixed the water. It’s the cleanest water in the world.

**Hon Mr Stockwell:** It is.

**Mr Marchese:** Yeah, baby. And now we’re going to fix hydro rates, because you’re getting a little cheque back in the mail. Then they’re going to fix education with Rozanski coming and lobbying you a couple of hundred million. Then the election is coming and Ernie Eves says, “Elect us. We are good again.”

The public won’t be fooled, Chris. You guys are in deep trouble, deep doo-doo.

**The Deputy Speaker:** I don’t think that’s parliamentary.

**Mr Marchese:** Speaker, would you like me to withdraw the word “doo-doo”?

**The Deputy Speaker:** Yes, please.

**Mr Marchese:** I withdraw the word and replace it with “septic tank.”

**The Deputy Speaker:** No, you can’t replace it with anything. But we will have comments and questions.

**Mr Bradley:** Always entertaining, whether one agrees or disagrees, and I happen to agree with what the member had to say in his speech this evening. He is always entertaining for those of us who are here. He tries to involve members of the government. He tries to involve other members of the Legislature. He doesn’t simply look at a television camera and speak. He doesn’t get up and read the notes that Guy Giorno has prepared for whoever it is who has to read those.

I want to compliment the member on his speech this evening, which not only is entertaining but contains many prognostications which might well come true. He has somewhat of a record to this point in time on his pronouncements and on his prognostications, and I think it may well be that he could be right. There’s a possibility, at least. He raises the possibility. He doesn’t necessarily say that it’s going to happen, but he raises the strong possibility of brownouts in the province during this summer.

Even though the assurance was given—the member knows that the nuclear reactors would be up and running at Pickering, that Bruce was going to be fine; now that Bruce Energy was brought in there was going to be all kinds of supply available to us—we’re hoping that there’s not a very cold winter in Ontario or an extremely hot summer. The cold winter could be a political problem. My suggestion to this House is that a hot summer won’t be because there will be an event that takes place before the hot summer—just at the time those cheques are coming out and a lot of other goodies are being delivered. I think that will be before the summer and I think his predictions will certainly come true.

**Mr Prue:** It’s always entertaining, although I am the one person in this place who cannot get to see the speaker’s face. But he turns around from time to time and he waves his hands. I have to take my water off the table to make sure that it is not spilled. But I thank him very much because, even from the back, it is entertaining. He really knows how to capture an audience.

The member covered all the basics in his speech. Although he may have deviated in his first three minutes, talking more about education than he did about hydro, he quickly got back on track. He captured it all in the last few minutes when he was talking about the rebate of these cheques. This \$75 that’s being sent out, not in the form of a rebate off your bill, which was the logical and cheapest way to do it, but in the form of a cheque, is really not an economic act of this government. It is a political act of this government. It is designed to garner votes. It is designed to fool the public, who think they are getting some kind of gift from this government when in fact all they are getting is their own money back at an enormous cost.

We have said on this side of the House, and in this party in particular, that the costs of electricity would go

up hugely and exponentially as a result of your privatization scheme, and we were laughed at. I remember sitting here and watching Chris Stockwell laugh. Mr Baird laughed and the Premier laughed. Everybody on that side laughed. They were all saying, "The rates are going down. They're going down." This was in the first few months, around May, but it didn't take very long for that whole process to curve up. It's continued to curve up in September and October. Here we are at the beginning of December with the highest rates in the province again. Quite frankly, if we prognosticate about potential brownouts, I think you should be listening over there.

**Hon Mr Stockwell:** My concern in this place always is that those who get up and flail their arms and express outrage through theatrics don't really have any content to their particular position. It's very clear the member opposite is offering up a kind of theatrics rather than content. He waves his arms and expresses concern, but the reality is that that is just a cover for someone who doesn't really have anything concrete to say.

As a minister of the crown, I have generally tried to contain myself and offer up reasoned and thoughtful positions without bluster.

**Mr Bradley:** Starting when?

**Hon Mr Stockwell:** I know Mr Bradley from St Catharines, who blusters regularly in this House, as well as Mr Marchese, who thinks that by simply offering up these theatrics he can substitute that for content, which is not the way to go. The way to go is simply this: we must take a reasoned and thoughtful approach to public policy. Public policy is an intent that we sit down and analyze all the issues before the government and address them in the proper and effective way.

I take great exception to the member opposite taking my name, as well as many others, in vain, prancing about his chair, waving his arms, trying to mimic the member for St Catharines. I think that's unacceptable and no way to behave in this House.

**Mr Levac:** I appreciate the opportunity—oh, forget it. The real Slim Shady, stand up.

What the member was talking about was some of the concerns he's expressing regarding the rebates and the idea that this \$75 is miraculously going to solve the problems of Ontario Hydro. The members on the other side would remember the \$200 cheques that were delivered, to the tune of about \$1.2 billion worth of taxpayers' money that could have been used for health care, the environment, education, and in this case a combination of the environment and energy production.

There's a concern that 250,000 megawatts of power were not tapped into by Ontario Hydro. If we did a little research—and I know the member opposite made notes of that when he made his deputation—we might have the possibility to generate some energy here. There's about 10% of that power that's waiting for us to tap it. In most of the cases, when I did my research project on this, I found out that those particular places still exist in Ontario and we're still waiting for somebody to hook up some generators to that, so that we can generate approximately

10% of the power that's necessary to have; 250,000 megawatts of power that Ontario Hydro shut down. They purchased it and then shut it down because they wanted to do the nuclear power experiment. And that water that could be used to generate is still there and those dams are still there, just waiting for us to put some generators to work to generate about 10% of the power, 250,000 megawatts. I don't know that hasn't been spoken of and I don't know why the government is so slow to figure that out. That generation is here, it's available and we better start using it. This rebate situation hasn't been discussed with the municipalities. They've got an awful lot to say, and I don't know if the government has listened very well to the municipalities concerned about this particular scheme that they've got working.

**2120**

**The Deputy Speaker:** The member for Trinity-Spadina has two minutes to respond.

**Mr Marchese:** I compliment my friends, including my foe Mr Stockwell, who made a very complimentary kind of performance. I loved it; it was beautiful.

But I want to say a couple of things because I've got two minutes. First of all, on the debt, this is the government that said they wanted to fix the debt. Have they fixed the debt? They haven't. What problem did they actually fix? We don't know. We know the problems they've caused, but we don't know what problem they're trying to fix. They're trying to fix a debt that's spiralling because of, first, their incompetence; and, secondly, their privatization sell-off of Ontario Hydro, including the deregulation of the marketplace to the predators these people so love because the pecunia follows them around big time. They haven't solved any debt problem: they've increased it. To solve it you've got to slowly pay it off.

They're going to increase the debt by \$1 billion because of this cheque that they're going to send to the taxpayers of Ontario in the next little while. This reptilian cheque that is going before Christmas to appease them won't sell. People like British Energy must be laughing away in Britain and here. These people they leased Bruce for \$750 million; they want to sell it off for \$1.2 billion. They're going to make a half a billion bucks—predators who are sucking away our energy, making a whole heap of money and taking it away from you as this government increases the debt. This bill is about you getting a cheque to appease you, and I hope you will not be fools enough to accept this bribe from this government, because that's all it is. It's a reptilian bribe before Christmas and it will fail.

**The Deputy Speaker:** Further debate?

**Hon Mr Clark:** I'll be sharing my time with the member for Peterborough.

**Mr Crozier:** What a night, they've got ministers speaking.

**Hon Mr Clark:** Well, thank you for that clarion welcome.

I want to back up a little bit.

**Hon Mr Klees:** Not too far.

**Hon Mr Clark:** Not too far; just a little bit; back to around the summer time when the prices started to inch up. As the prices started to inch up, we started to hear from the opposition. To be fair, the NDP were crying about blackouts, brownouts, that the world was coming to an end. Apocalyptic is how you were sounding. And when we came into September and the consumers started to get hit with high prices, and then the opposition, the loyal opposition, started to go apocalyptic. They caught on to Howie; they caught on to the bus.

**Hon Mr Tsubouchi:** They were the fifth horseman.

**Hon Mr Clark:** The fifth horseman of the apocalypse, that's right. Then they started squealing about high prices—

**Mr Bradley:** Actually, you did that.

**Hon Mr Clark:** —but offered no solutions. The member for St Catharines says, "Wait a minute, you did that." Actually, the member for St Catharines is correct, because what happened is that there was a constituency meeting—see, what we do on this side of the House is we actually meet with our constituents—in my riding. I had asked them, as I normally do when constituents are complaining about things, to offer some solutions in terms of what I can suggest to my colleagues. Constituents, let me tell you, contrary to the member over there who said, "Don't be fooled and don't be stupid," are very smart; they elected us twice. Constituents are very smart. They offered four solutions to me: rebate; cap the prices; somehow encourage power generators to come on-line and invest; and conservation.

**Mr Bradley:** Name names.

**Hon Mr Clark:** Name names? Councillor Dave Mitchell from Hamilton. Thank you to the member for St Catharines. The councillor brought these suggestions to me and I came here. Lo and behold, the opposition, "Oh, the cabinet's divided because Minister Clark's out there talking about suggestions. Oh, woe is us." There was no division in cabinet. There was no division in caucus. We were doing what we were charged to do: come up with solutions.

We're still waiting for solutions from the Liberals. They didn't have any. As a matter of fact, the government came out with the solution which the constituents have embraced. The phones have gone silent. The constituents are writing letters thanking us for what we did.

What did the leader of the loyal opposition say on 900 CHML? "Mr Green, you might as well have done nothing as do this." Do nothing? He wanted to do nothing. He wanted the prices to stay high because they wanted to run on an election about high hydro prices. We saw the machiavellian strategy of Warren Kinsella and David Axelrod. The Liberals will be running on the strategy "Working for the working families who the terrible Tories are gouging."

Do you know what? We listened to the constituents because it is a democratic society. They offered us solutions in terms of how we could fix the problem and, lo and behold, we did. As soon as we did that, Mr McGuinty had nothing. His pockets were bare; he had nothing. He didn't have a bus. You guys had a bus. You've still got the bus. He had nothing and he was caught. What did he have? First he said, "Do nothing," and then he turned around and said, "Oh, this is going to kill the province. Investment is done. The market is dead. It's all over."

Then the press started asking questions. I couldn't believe that in a press scrum, a reporter left and came back and said, "I was gone for a couple of minutes; have you changed your mind?" I couldn't believe it. Ow, that one's got to hurt.

The policy was stripped off the Web page and then, in a few days, the policy is back on the Web page. But read the policy carefully because there is nothing there but platitudes, panaceas and placebos, all sugar-coated things and, "The bad Tories, but we're going to be different."

Do you know what? It was the Conservative government that fixed it, that satisfied—

*Laughter.*

**Hon Mr Clark:** The member from St Catharines is laughing, but his constituents are no longer calling him. It wasn't his leader that came up with any options—no solutions, no options. We did it. That's why the phones have gone quiet in your office and in mine.

I'm pleased about Bill 210 and I would suspect we'll find that the Liberals will end up supporting it.

**The Deputy Speaker:** It seems like a good time to take a look at the clock and reflect that we've had enough for this evening. It being nearly 9:30, this House stands adjourned until 1:30 tomorrow.

*The House adjourned at 2128.*



**LEGISLATIVE ASSEMBLY OF ONTARIO**  
**ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO**

Lieutenant Governor / Lieutenant-gouverneur: Hon / L'hon James K. Bartleman

Speaker / Président: Hon / L'hon Gary Carr

Clerk / Greffier: Claude L. DesRosiers

Deputy Clerk / sous-greffière: Deborah Deller

Clerks at the Table / Greffiers parlementaires: Todd Decker, Lisa Freedman

Sergeant-at-Arms / Sergent d'armes: Dennis Clark

Constituency Circonscription	Member/Party Député(e) / Parti	Constituency Circonscription	Member/Party Député(e) / Parti
Algoma-Manitoulin	Brown, Michael A. (L)	Haldimand-Norfolk-Brant	Barrett, Toby (PC)
Ancaster-Dundas- Flamborough-Aldershot	McMeekin, Ted (L)	Haliburton-Victoria-Brock	<b>Hodgson, Hon / L'hon Chris</b> (PC) Minister of Municipal Affairs and Housing / ministre des Affaires municipales et du Logement
Barrie-Simcoe-Bradford	Tascona, Joseph N. (PC)		
Beaches-East York	Prue, Michael (ND)	Halton	Chudleigh, Ted (PC)
Bramalea-Gore-Malton- Springdale	Gill, Raminder (PC)	Hamilton East / -Est	Agostino, Dominic (L)
Brampton Centre / -Centre	Spina, Joseph (PC)	Hamilton Mountain	Bountrogianni, Marie (L)
Brampton West-Mississauga / Brampton-Ouest-Mississauga	<b>Clement, Hon / L'hon Tony</b> (PC) Minister of Health and Long-Term Care / ministre de la Santé et des Soins de longue durée	Hamilton West / -Ouest	Christopherson, David (ND)
Brant	Levac, Dave (L)	Hastings-Frontenac- Lennox and Addington	Dombrowsky, Leona (L)
Bruce-Grey-Owen Sound	Murdoch, Bill (PC)	Huron-Bruce	<b>Johns, Hon / L'hon Helen</b> (PC) Minister of Agriculture and Food / ministre de l'Agriculture et de l'Alimentation
Burlington	Jackson, Cameron (PC)		
Cambridge	Martiniuk, Gerry (PC)	Kenora-Rainy River	Hampton, Howard (ND) Leader of the New Democratic Party / chef du Nouveau Parti démocratique
Chatham-Kent Essex	Hoy, Pat (L)		Gerretsen, John (L)
Davenport	Ruprecht, Tony (L)	Kingston and the Islands / Kingston et les îles	
Don Valley East / -Est	Caplan, David (L)	Kitchener Centre / -Centre	Wetlaufer, Wayne (PC)
Don Valley West / -Ouest	<b>Turnbull, Hon / L'hon David</b> (PC) Associate Minister of Enterprise, Opportunity and Innovation / ministre associé de l'Entreprise, des Débouchés et de l'Innovation	Kitchener-Waterloo	<b>Witmer, Hon / L'hon Elizabeth</b> (PC) Deputy Premier, Minister of Education / vice-première ministre, ministre de l'Éducation
Dufferin-Peel- Wellington-Grey	<b>Eves, Hon / L'hon Ernie</b> (PC) Premier and President of the Executive Council, Minister of Intergovernmental Affairs / premier ministre et président du Conseil exécutif, ministre des Affaires intergouvernementales	Lambton-Kent-Middlesex	Beaubien, Marcel (PC)
Durham	O'Toole, John R. (PC)	Lanark-Carleton	<b>Sterling, Hon / L'hon Norman W.</b> (PC) Minister of Transportation / ministre des Transports
Eglinton-Lawrence	Colle, Mike (L)		
Elgin-Middlesex-London	Peters, Steve (L)	Leeds-Grenville	<b>Runciman, Hon / L'hon Robert W.</b> (PC) Minister of Public Safety and Security / ministre de la Sécurité et de la Sécurité publique
Erie-Lincoln	<b>Hudak, Hon / L'hon Tim</b> (PC) Minister of Consumer and Business Services / ministre des Services aux consommateurs et aux entreprises	London North Centre / London-Centre-Nord	<b>Cunningham, Hon / L'hon Dianne</b> (PC) Minister of Training, Colleges and Universities, minister responsible for women's issues / ministre de la Formation et des Collèges et Universités, ministre déléguée à la Condition féminine
Essex	Crozier, Bruce (L)		
Etobicoke Centre / -Centre	<b>Stockwell, Hon / L'hon Chris</b> (PC) Minister of the Environment, government House leader / ministre de l'Environnement, leader parlementaire du gouvernement	London West / -Ouest	Wood, Bob (PC)
Etobicoke North / -Nord	Hastings, John (PC)	London-Fanshawe	Mazzilli, Frank (PC)
Etobicoke-Lakeshore	Kells, Morley (PC)	Markham	<b>Tsubouchi, Hon / L'hon David H.</b> (PC) Chair of the Management Board of Cabinet, Minister of Culture / président du Conseil de gestion du gouvernement, ministre de la Culture
Glengarry-Prescott-Russell	Lalonde, Jean-Marc (L)		
Guelph-Wellington	<b>Elliott, Hon / L'hon Brenda</b> (PC) Minister of Community, Family and Children's Services / ministre des Services à la collectivité, à la famille et à l'enfance	Mississauga Centre / -Centre	Sampson, Rob (PC)

Constituency Circonscription	Member/Party Député(e) / Parti	Constituency Circonscription	Member/Party Député(e) / Parti
Mississauga East / -Est	<b>DeFaria, Hon / L'hon Carl</b> (PC) Minister of Citizenship, minister responsible for seniors / ministre des Affaires civiques, ministre délégué aux Affaires des personnes âgées	Scarborough Centre / -Centre	Mushinski, Marilyn (PC)
Mississauga South / -Sud	Marland, Margaret (PC)	Scarborough East / -Est	Gilchrist, Steve (PC)
Mississauga West / -Ouest	Snobelen, John (PC)	Scarborough Southwest / -Sud-Ouest	<b>Newman, Hon / L'hon Dan</b> (PC) Associate Minister of Health and Long-Term Care / ministre associé de la Santé et des Soins de longue durée
Nepean-Carleton	<b>Baird, Hon / L'hon John R.</b> (PC) Minister of Energy, Minister responsible for francophone affairs, deputy House leader / ministre de l'Énergie, ministre délégué aux Affaires francophones, leader parlementaire adjoint	Scarborough-Agincourt	Phillips, Gerry (L)
Niagara Centre / -Centre	Kormos, Peter (ND)	Scarborough-Rouge River	Curling, Alvin (L)
Niagara Falls	Maves, Bart (PC)	Simcoe North / -Nord	Dunlop, Garfield (PC)
Nickel Belt	Martel, Shelley (ND)	Simcoe-Grey	<b>Wilson, Hon / L'hon Jim</b> (PC) Minister of Northern Development and Mines / ministre du Développement du Nord et des Mines
Nipissing	McDonald, AL (PC)	St Catharines	Bradley, James J. (L)
Northumberland	<b>Galt, Hon / L'hon Doug</b> (PC) Minister without Portfolio, chief government whip / Ministre sans portefeuille, whip en chef du gouvernement	St Paul's	Bryant, Michael (L)
Oak Ridges	<b>Klees, Hon / L'hon Frank</b> (PC) Minister of Tourism and Recreation / ministre du Tourisme et des Loisirs	Stoney Creek	<b>Clark, Hon / L'hon Brad</b> (PC) Minister of Labour / ministre du Travail
Oakville	<b>Carr, Hon / L'hon Gary</b> (PC) Speaker / Président	Stormont-Dundas-Charlottenburgh	Cleary, John C. (L)
Oshawa	<b>Ouellette, Hon / L'hon Jerry J.</b> (PC) Minister of Natural Resources / ministre des Richesses naturelles	Sudbury	Bartolucci, Rick (L)
Ottawa Centre / -Centre	Patten, Richard (L)	Thornhill	<b>Molinari, Hon / L'hon Tina R.</b> (PC) Associate Minister of Municipal Affairs and Housing / ministre associée des Affaires municipales et du Logement
Ottawa-Orléans	<b>Coburn, Hon / L'hon Brian</b> (PC) Associate Minister of Municipal Affairs and Housing / ministre associé des Affaires municipales et du Logement	Thunder Bay-Atikokan	McLeod, Lyn (L)
Ottawa South / -Sud	McGuinty, Dalton (L) Leader of the Opposition / chef de l'opposition	Thunder Bay-Superior North / -Nord	Gravelle, Michael (L)
Ottawa West-Nepean / Ottawa-Ouest-Nepean	Guzzo, Garry J. (PC)	Timiskaming-Cochrane	Ramsay, David (L)
Ottawa-Vanier	Boyer, Claudette (Ind)	Timmins-James Bay / Timmins-Baie James	Bisson, Gilles (ND)
Oxford	Hardeman, Ernie (PC)	Toronto Centre-Rosedale / Toronto-Centre-Rosedale	Smitherman, George (L)
Parkdale-High Park	Kennedy, Gerard (L)	Toronto-Danforth	Churley, Marilyn (ND)
Parry Sound-Muskoka	Miller, Norm (PC)	Trinity-Spadina	Marchese, Rosario (ND)
Perth-Middlesex	Johnson, Bert (PC)	Vaughan-King-Aurora	Sorbara, Greg (L)
Peterborough	Stewart, R. Gary (PC)	Waterloo-Wellington	Arnott, Ted (PC)
Pickering-Ajax-Uxbridge	<b>Ecker, Hon / L'hon Janet</b> (PC) Minister of Finance / ministre des Finances	Whitby-Ajax	<b>Flaherty, Hon / L'hon Jim</b> (PC) Minister of Enterprise, Opportunity and Innovation / ministre de l'Entreprise, des Débouchés et de l'Innovation
Prince Edward-Hastings	Parsons, Ernie (L)	Willowdale	<b>Young, Hon / L'hon David</b> (PC) Attorney General, minister responsible for native affairs / procureur général, ministre délégué aux Affaires autochtones
Renfrew-Nipissing-Pembroke	Conway, Sean G. (L)	Windsor West / -Ouest	Pupatello, Sandra (L)
Sarnia-Lambton	Di Cocco, Caroline (L)	Windsor-St Clair	Duncan, Dwight (L)
Sault Ste Marie	Martin, Tony (ND)	York Centre / -Centre	Kwinter, Monte (L)
		York North / -Nord	Munro, Julia (PC)
		York South-Weston / York-Sud-Weston	Cordiano, Joseph (L)
		York West / -Ouest	Sergio, Mario (L)

A list arranged by members' surnames and including all responsibilities of each member appears in the first and last issues of each session and on the first Monday of each month.

Une liste alphabétique des noms des députés, comprenant toutes les responsabilités de chaque député, figure dans les premier et dernier numéros de chaque session et le premier lundi de chaque mois.

**STANDING COMMITTEES OF THE LEGISLATIVE ASSEMBLY  
COMITÉS PERMANENTS DE L'ASSEMBLÉE LÉGISLATIVE**

**Estimates / Budgets des dépenses**

Chair / Président: Gerard Kennedy  
Vice-Chair / Vice-Président: Alvin Curling  
Gilles Bisson, Ted Chudleigh, Alvin Curling,  
Gerard Kennedy, Frank Mazzilli, Norm Miller,  
John R. O'Toole, Steve Peters  
Clerk / Greffier: Trevor Day

**Finance and economic affairs /  
Finances et affaires économiques**

Chair / Président: Joseph Spina  
Vice-Chair / Vice-Président: Ted Arnott  
Ted Arnott, Marcel Beaubien,  
David Christopherson, Monte Kwinter,  
John O'Toole, Gerry Phillips,  
Rob Sampson, Joseph Spina  
Clerk / Greffier: Katch Koch

**General government / Affaires gouvernementales**

Chair / Président: Steve Gilchrist  
Vice-Chair / Vice-Président: Norm Miller  
Marilyn Churley, Mike Colle,  
Garfield Dunlop, Steve Gilchrist, Dave Levac,  
Norm Miller, R. Gary Stewart, Wayne Wettlaufer  
Clerk / Greffière: Tonia Grannum

**Government agencies / Organismes gouvernementaux**

Chair / Président: James J. Bradley  
Vice-Chair / Vice-Président: Michael Gravelle  
James J. Bradley, Leona Dombrowsky, Michael Gravelle,  
Bert Johnson, Tony Martin, Frank Mazzilli,  
Wayne Wettlaufer, Bob Wood  
Clerk / Greffière: Anne Stokes

**Justice and Social Policy / Justice et affaires sociales**

Chair / Présidente: Toby Barrett  
Vice-Chair / Vice-Président: AL McDonald  
Toby Barrett, Marcel Beaubien, Michael Bryant,  
Garry J. Guzzo, Ernie Hardeman,  
Peter Kormos, AL McDonald, Lyn McLeod  
Clerk / Greffière: Susan Sourial

**Legislative Assembly / Assemblée législative**

Chair / Présidente: Margaret Marland  
Vice-Chair / Vice-Président: Julia Munro  
Caroline Di Cocco, Jean-Marc Lalonde,  
Margaret Marland, Bart Maves,  
Julia Munro, Marilyn Mushinski,  
Michael Prue, Joseph N. Tascona  
Clerk / Greffier: Douglas Arnott

**Public accounts / Comptes publics**

Chair / Président: John Gerretsen  
Vice-Chair / Vice-Président: Bruce Crozier  
Bruce Crozier, John Gerretsen,  
Steve Gilchrist, Raminder Gill,  
John Hastings, Shelley Martel,  
AL McDonald, Richard Patten,  
Clerk / Greffière: Anne Stokes

**Regulations and private bills /  
Règlements et projets de loi d'intérêt privé**

Chair / Président: Rosario Marchese  
Vice-Chair / Vice-Président: Garfield Dunlop  
Gilles Bisson, Claudette Boyer, Garfield Dunlop,  
Raminder Gill, Pat Hoy, Morley Kells, Rosario Marchese, Ted  
McMeekin, Bill Murdoch, Wayne Wettlaufer  
Clerk / Greffier: Katch Koch

## CONTENTS

**Monday 2 December 2002**

### SECOND READINGS

<b>Electricity Pricing, Conservation and Supply Act, 2002, Bill 210, <i>Mr Baird</i></b>	
Mr Hampton .....	3461, 3464
Mr Dunlop .....	3463
Mr Sergio .....	3463
Mr Prue .....	3463, 3467, 3472, 3477 3480
Mr Clark .....	3464, 3482
Mr Gill .....	3464, 3468, 3478
Mr Hoy .....	3467
Mr Klees .....	3467
Mrs Dombrowsky .....	3467
Mr Parsons .....	3468, 3472
Mr Marchese .....	3471, 3474, 3478 3481
Mr O'Toole .....	3471
Mr McMeekin .....	3472
Mr Arnott .....	3473, 3475
Mr Levac .....	3474, 3481
Mr Sterling .....	3474
Mr Lalonde .....	3475 3478
Mr Bradley .....	3478, 3480
Mr Stockwell .....	3481
Debate deemed adjourned .....	3482

## TABLE DES MATIÈRES

**Lundi 2 décembre 2002**

### DEUXIÈME LECTURE

<b>Loi de 2002 sur l'établissement du prix de l'électricité et l'approvisionnement en électricité, projet de loi 210, <i>M. Baird</i></b>	
Débat présumé ajourné .....	3482