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**Official Report
of Debates
(Hansard)**

**Journal
des débats
(Hansard)**

Tuesday 21 February 2006

Mardi 21 février 2006

Speaker
Honourable Michael A. Brown

Président
L'honorable Michael A. Brown

Clerk
Claude L. DesRosiers

Greffier
Claude L. DesRosiers

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LEGISLATIVE ASSEMBLY
OF ONTARIO

Tuesday 21 February 2006

ASSEMBLÉE LÉGISLATIVE
DE L'ONTARIO

Mardi 21 février 2006

*The House met at 1330.
Prayers.*

MEMBERS' STATEMENTS

ONTARIO MEDAL
FOR GOOD CITIZENSHIP

Mr. Cameron Jackson (Burlington): On February 7, the Ontario Medal for Good Citizenship was awarded here at Queen's Park to 38 outstanding individuals for their kindness and generosity. A record five recipients came from my community of Burlington.

Linda Cupido, an advocate for volunteer service, is a former vice-chair of the Ontario Trillium Foundation.

Elizabeth Ann Grandbois has spent many years raising money and awareness for ALS research.

Beverley Jacobs helped organize the Life Quilt, depicting the stories of breast cancer patients.

Bernard "Bernie" Marchildon founded the St. Patrick's Breakfast Club 14 years ago to ensure that children start their day with a nutritious meal.

Keith Strong, a tireless organizer and fundraiser, supported many projects, including the Burlington Community Foundation and Halton Women's Place.

Congratulations to all these worthy recipients on their special day, which was attended by four members of the PC caucus and one member from the government.

It is customary for the Minister of Citizenship to inform all members of this House of the names of each honoree so that their MPP can join them. It is unfortunate that the minister overlooked the time-honored traditions of sensitivity to our honourees and courtesy to all our members. When asked about this lack of notice, the minister chose to place the blame on the Office of the Lieutenant Governor instead of accepting responsibility as the head of his ministry.

In future, I'm sure that all members of the House would appreciate that our traditions and the individuals we honour are respected.

INTERNATIONAL
MOTHER LANGUAGE DAY

Mr. Khalil Ramal (London-Fanshawe): Observing February 21 as International Mother Language Day was adopted at the 30th general conference of UNESCO, held on November 17, 1999, in Paris, France. The day was

declared on subsequent proposals from the Mother Language Lovers of the World organization in Vancouver, Canada, and the government of the People's Republic of Bangladesh. Thereafter, February 21 was proclaimed as International Mother Language Day by UNESCO in 2000 to promote linguistic and cultural diversity and multiculturalism.

Language is a powerful tool. Without it we wouldn't be able to share our ideas, fears or hopes and we wouldn't be able to communicate. Language preserves our heritage and helps us define who we are. By learning about the significance of language and valuing the importance of all languages in the world, we can encourage a sense of unity based on understanding, tolerance and dialogue. We reaffirm our commitment here in the province of Ontario of celebrating language diversity, providing a society of understanding leading to peace, dignity, respect, safety and harmony.

All of us here in the Legislature join the people of the world from Bangladesh to Canada in celebrating International Mother Language Day. Merci, monsieur le Président; muchas gracias; grazie; door tse; dhanyabaad; tse tse; thank you, Mr. Speaker.

ROY GOOD

Mr. Jerry J. Ouellette (Oshawa): I rise today to pay respect to the passing of Staff Sergeant Roy Good, a respected member of the Durham Regional Police force who passed away on February 11 after a battle with cancer. I'd like to take this opportunity to express my sincere condolences and sympathy to his wife Pam, his sons Ron and Steve and daughter Kathy.

Staff Sergeant Good was one of the most familiar faces on the Durham Regional Police. In fact, he was one of the original officers hired by the force when it came into being in January, 1974. He served for almost 30 years. During those years, Roy served as community liaison officer, sitting on various boards and fundraising projects. He also helped to preserve the history of policing in the region of Durham by collecting and restoring old documents and photographs, publishing a history of the Durham Regional Police force and establishing a small museum at police headquarters to showcase it.

Roy was always giving back to the community he believed so much in. Whether it was the Parkwood Estate restoration, Cops for Cancer initiative, local Arthritis Society or Alzheimer's, Staff Sergeant Good was always involved. Even though Roy would spend hours and hours

of volunteer time for the Durham Cancer Centre or on his time with the Knights of Columbus or some of the other community activities already mentioned and so many more that weren't mentioned, Roy Good was always a father and a husband who, no matter how busy, always found the time and showed up at 5:30 for family time with the family evening meal.

As an officer, a dear friend and a devoted family man, Roy Good will be sorely missed but never forgotten.

FAMILY SERVICES HAMILTON

Ms. Andrea Horwath (Hamilton East): Family Services in Hamilton has fallen into bankruptcy, causing tremendous concern among the many in my city who rely on services formerly provided by Family Services of Hamilton over its 80-year history of community service. A year ago, I stood here urging the McGuinty government to take action and ensure the protection and delivery of these services. They are services that Hamiltonians can't do without: women, seniors, immigrants, low-income families, young people with special needs. Family Services of Hamilton provided transitional housing for women and children fleeing domestic violence. They provided the support and units even after the Mike Harris government cut their funding. They provided them even as the McGuinty Liberals refused to help.

Fortunately, the city of Hamilton will be able to save these units, but now the Liberals are content to watch Family Services disintegrate. The city, in return, needs the provincial government to fund a transitional housing worker to work with these women and children as they try to rebuild their lives. I heard the minister's fancy words, but that's all they were. She was going to fix things. She said, back in April of last year, "We understand that there's more work to do with this particular agency. We want them to be a vibrant, successful agency to be able to respond to the needs of those women who come to their doors."

Now, not only is the agency bankrupt, partially because the McGuinty Liberals refused to fund their transitional housing program, but the dedicated employees of Family Services of Hamilton have been jolted out of their jobs. The workers are out in the cold; no wages, no severance, no warning. Fancy words from the minister didn't fix a thing. The McGuinty government should provide concrete assistance plans for Family Services workers and their clients. Hamilton is currently tied with Toronto in poverty, and as the MPP for the hardest-hit area, I call on this government and this minister to take responsibility—

The Speaker (Hon. Michael A. Brown): Thank you.

1340

CANADIAN WOMEN'S OLYMPIC HOCKEY TEAM

Mr. Bruce Crozier (Essex): They say that a picture is worth a thousand words. This picture of our Canadian

women's national hockey team as Olympic champions is certainly worth that, and I'd like to add a few more.

Did you know that, of the 22-member roster of this great Olympic hockey team, 10 are from Ontario? Gillian Ferrari from Thornhill, Becky Kellar from Hagersville, Cheryl Pounder from Mississauga, Gillian Apps from Unionville, Cassie Campbell from Brampton, Jayna Hefford from Kingston, Cherie Piper from Scarborough, Vicky Sunohara from Scarborough, Katie Weatherston from Thunder Bay and, I want to add very proudly, Meghan Agosta from Ruthven, Ontario, in my riding. Ruthven is a little hamlet that's part of the town of Kingsville, and we're so very, very proud of Meghan.

Meghan scored a hat trick on her 19th birthday. She's the youngest member of the team. She's a member of the kids' line in this great, outstanding hockey team. Meghan has said it as well as any of us can. She said after the game: "Tears come to my eyes every time I think about it. I'm just so honoured to be Canadian." Meghan, we're so honoured to have you as a member of our riding. Thank you for your effort.

MINISTERIAL CONDUCT

Mr. Robert W. Runciman (Leeds-Grenville): Over the past week, the Progressive Conservative Party has insisted on continuing the debate on the Integrity Commissioner's report dealing with the activities of the Minister of Transportation, Mr. Takhar. This is a debate that, for the most part, is going unnoticed by the public, but it is an unprecedented historic debate and, attention or not, the Progressive Conservative Party will make our best efforts to see it continue. We believe this is critically important in terms of understanding just who Dalton McGuinty is and what he will do or say to get into government and stay in government.

In opposition, Mr. McGuinty was vicious and unrelenting in his personal attacks against good people, members of the Progressive Conservative cabinet, for much less offensive activities than those engaged in by Minister Takhar. In opposition, Mr. McGuinty told the people of Ontario what his standards for ministerial integrity were, and now, in government, he's turning his back on his own words and breaching the trust of Ontarians.

This debate is critically important with respect to the character, judgment and standards of Dalton McGuinty, the man currently leading this province. The Progressive Conservative Party, under the honest leadership of John Tory, will not give in. This is a fight worth fighting.

UNIVERSITY OF GUELPH

Mrs. Liz Sandals (Guelph-Wellington): Recently, I was pleased to join with Dr. Alastair Summerlee, president of the University of Guelph, to announce that the university is receiving \$5 million from our government's quality improvement fund. Thanks to the McGuinty government's unprecedented \$6.2-billion investment in

post-secondary education, we have created the new \$211-million quality improvement fund for colleges and universities.

The University of Guelph, one of Canada's finest universities, is using its \$5 million to provide students with a higher quality of education by hiring 35 additional full-time, tenured faculty; improving access to educational resources by investing in library acquisitions and extending library hours; and responding to increased demand for student services by investing in student counselling, student tutoring, the Centre for Students with Disabilities and student health services. President Summerlee said, "We are very grateful to have this funding confirmed and for the government's ongoing commitment to addressing quality improvement at Ontario's universities."

Students are our most valuable asset. The McGuinty government is rebuilding post-secondary education so that students in Guelph-Wellington and around the province get the very best education possible.

OMERS PENSION FUND

Mr. Tony Ruprecht (Davenport): There is something that is getting lost in all the attention being paid to the illegal strike that CUPE Ontario is threatening. We seem to have forgotten that one of the key portions of this bill is the part that will give police officers and firefighters the ability to negotiate supplemental plans with the municipality that employs them. This will potentially allow them to retire earlier and with more security.

Yesterday morning in Niagara Falls over 100 leaders of the Police Association of Ontario met and expressed their support for Bill 206. Since they put the need for this bill so well, permit me to quote them. The Police Association of Ontario's president, Bob Baltin, said, "We believe that Bill 206 will enhance policing and community safety and would urge its swift passage." The CAO of the police association, Bruce Miller, said, "The consultations and hearings since the bill was introduced were extensive. A clear and fair process was laid out and followed. We believe that it is time to move this bill forward." We think they are right.

Mr. Ernie Parsons (Prince Edward-Hastings): I rise today to recognize the work that police officers do in keeping our communities safe. Every time police officers put on their uniforms and go out on the job, they are putting themselves in harm's way. We think it's important, worthy and right that we recognize that these men and women assume special responsibilities, that they assume great risk and danger every day as part of their job.

As such, we think it's only fair that we give them the opportunity to negotiate supplemental retirement benefits with the municipalities that employ them, and we're doing it in a way that's fair to everyone. Any supplemental benefits that police officers do get will be paid on a 50-50 basis by them and their employers, and no one else. No existing pensions will be affected, and any other

group that wants to negotiate a supplemental plan can do so.

I think it's only fair that we as a society should recognize the sacrifices that police officers make. Bill 206 does exactly that. I urge all members of this House to show their support for police officers and other public safety workers by helping to pass Bill 206.

VISITORS

The Speaker (Hon. Michael A. Brown): I would like to welcome to the Legislature this afternoon in my gallery the mayor of Dubreuilville, Réjean Raymond; the mayor of Manitouwadge, Darrell Chisholm; and a councillor in the fine town of Manitouwadge, Randy Barnes.

MOTIONS

HOUSE SITTINGS

Hon. Christopher Bentley (Minister of Training, Colleges and Universities): I move that, pursuant to standing order 9(c)(i), the House shall meet from 6:45 p.m. to 9:30 p.m. on Tuesday, February 21, 2006, for the purpose of considering government business.

The Speaker (Hon. Michael A. Brown): Is it the pleasure of the House that the motion carry?

All in favour will say "aye."

All opposed will say "nay."

In my opinion, the ayes have it.

Call in the members. This will be a five-minute bell.

The division bells rang from 1349 to 1354.

The Speaker: All those in favour will stand one at a time and be recognized by the Clerk.

Ayes

Arnott, Ted	Kennedy, Gerard	Qaadri, Shafiq
Arthurs, Wayne	Klees, Frank	Racco, Mario G.
Balkissoon, Bas	Kwinter, Monte	Ramal, Khalil
Barrett, Toby	Levac, Dave	Runciman, Robert W.
Bartolucci, Rick	Martiniuk, Gerry	Ruprecht, Tony
Bentley, Christopher	Matthews, Deborah	Sandals, Liz
Berardinetti, Lorenzo	Mauro, Bill	Scott, Laurie
Bountroggianni, Marie	McGuinty, Dalton	Sergio, Mario
Bryant, Michael	McMeekin, Ted	Smith, Monique
Cansfield, Donna H.	Meilleur, Madeleine	Smitherman, George
Chudleigh, Ted	Miller, Norm	Sorbara, Gregory S.
Colle, Mike	Mossop, Jennifer F.	Tasca, Joseph N.
Crozier, Bruce	Munro, Julia	Watson, Jim
Delaney, Bob	O'Toole, John	Wilkinson, John
Dombrowsky, Leona	Oraziotti, David	Witmer, Elizabeth
Duguid, Brad	Ouellette, Jerry J.	Wong, Tony C.
Flynn, Kevin Daniel	Parsons, Ernie	Wynne, Kathleen O.
Gerretsen, John	Peters, Steve	Yakabuski, John
Jackson, Cameron	Phillips, Gerry	Zimmer, David
Jeffrey, Linda	Pupatello, Sandra	

The Speaker: All those opposed will please rise one at a time and be recognized by the Clerk.

Nays

Bisson, Gilles
Horwath, Andrea
Kormos, Peter

Marchese, Rosario
Martel, Shelley
Murdoch, Bill

Prue, Michael

The Clerk of the Assembly (Mr. Claude L. DesRosiers): The ayes are 59; the nays are 7.

The Speaker: I declare the motion carried.

ORAL QUESTIONS**OMERS PENSION FUND**

Mr. Robert W. Runciman (Leeds–Grenville): My question is for the Premier and deals with the government's decision to call Bill 206 this afternoon. Premier, you have not, in our view and in the view of many Ontarians, taken the time to fix what many believe is flawed legislation. In opposition, you talked about a new way of doing business in this place. The leader of the Progressive Conservative Party, John Tory, has suggested to you on a number of occasions that you go that extra mile, sit down with Mr. Tory, Mr. Hampton and others who are impacted by this legislation to try to find a middle ground, try to find a resolution. Instead, you're going down a road that could cause significant disruption to the province and hurt families throughout Ontario.

Premier, why are you taking the province down what we would describe—and I think many would share this view—as an irresponsible road?

Hon. Dalton McGuinty (Premier, Minister of Research and Innovation): The member of the official opposition tells us that he is in disagreement with this legislation. His only suggestion is that we should find a way to come together. But what they have failed to do is put forward any positive, constructive proposal related specifically to the legislation itself. In fact, the Conservative Party introduced a total of four amendments to the legislation. They then withdrew two.

We are happy to say that we have spent a great deal of time and put a great deal of effort into ensuring that we get this bill right. It has now been the subject of an eight-month process; it has been about eight months since it was introduced in this Legislature. It's been through two rounds of committee hearings. We've had 11 days of committee hearings, in fact, and we've heard from countless presenters—

The Speaker (Hon. Michael A. Brown): Thank you. Supplementary?

Mr. Runciman: Unlike the government, we didn't want to suggest that we know what's best for the people who hold these pensions, whose future depends on these pensions, which you are making decisions about on their behalf. What you're doing, really, is provoking a strike by poking a stick into an open wound here. The Premier made promises about OMERS to get elected. You're keeping one, which we don't disagree with, and showing contempt for the other. I ask the Premier to tell the peo-

ple who believed your promises why you're not keeping them. You are essentially telling them to rub salt. That isn't leadership; it's the arrogance of power. Why haven't you gone the extra mile to find a solution? Why haven't you done that?

1400

Hon. Mr. McGuinty: The member of the official opposition may not want to recognize this, but the fact is that we respect the process. We introduced a bill in this House. After first reading, it went out to committee hearings, which is a rather extraordinary event. After second reading, it again went out for committee hearings. We heard from 54 presenters. We received 141 separate submissions. We adopted three separate NDP amendments.

We now look forward to calling the bill once more and getting on with it. We have worked as hard as we could to reconcile what in many cases are irreconcilable differences between the municipalities and the employees. The municipalities say they want 100% agreement before they can make changes to the pension plan. Some employee groups said no, that we should only require 50% agreement in that regard. We feel that we have come down—

The Speaker: Thank you. Final supplementary.

Mr. Runciman: This legislation is irresponsible, for a number of reasons. The government doesn't have any idea what this will cost municipalities and, ultimately, taxpayers. You don't know what you're going to do if there is a province-wide strike. If you've got a plan, I would suggest that it should be shared with the assembly, that it should be shared with the people of Ontario. I ask the Premier to show us this isn't just another ill-thought-out initiative driven by short-term political gain, to show us he has a plan to go forward—he certainly hasn't been responding to many concerns across this province—to show how he can deal with this going forward. Tell us today.

Hon. Mr. McGuinty: I'm going to say something that I am confident Ontarians would fully agree with, and I think it will be interesting to learn whether or not the Conservative Party agrees with this. Ontarians have every right to protest their government, but they shouldn't break the law in doing so. I think the people of Ontario deserve to know where the Conservative Party stands on this issue. The time is here. I believe that CUPE in particular has every right, and I fully respect and support that right, to protest any action on the part of our government, but at the same time, I think it is wrong to engage in an illegal activity to register that protest. I think it's wrong, because you're angry with the government, to take it out on Ontario families. I think it's wrong, because you're angry with the government, to keep kids out of school. I think it's wrong, because you're angry with the government, to stop plowing our roads. I think it's wrong, because you're angry with the government, to stop picking up our garbage. I think it's wrong, because you're angry with the government, to stop providing those important services we all count on.

Interjections.

The Speaker: Order, the Minister of Community and Social Services and the member for Leeds–Grenville. Order.

New question.

Mr. Frank Klees (Oak Ridges): My question is to the Premier as well. We agree that it's wrong to have an illegal strike, but I can tell you that we also believe it's fundamentally wrong that the one person who can avoid that illegal strike—namely, the Premier—has failed to do so. He either—

Interjections.

The Speaker: The member for Oak Ridges is attempting to ask a question. He deserves your attention as he does that. Only one member has the floor at a time.

The member for Oak Ridges.

Mr. Klees: There is only one person in this province who could have avoided the illegal strike, and that is the Premier. He either was incapable of doing that or, somehow, a province-wide strike served his political purposes.

Knowing that for weeks now we have been warning, and he has been warned, that there will be an illegal strike, I would like to ask at least this on behalf of parents and students across the province: Knowing that the strike is coming, what directive has he given to school boards to prepare for this inevitable event?

Hon. Mr. McGuinty: Let me just tell you a little bit about this government's record when it comes to averting strikes and working with a genuine sense of goodwill with our labour partners in Ontario. We have achieved a four-year collective agreement with our teachers. That has never happened before. We have achieved a four-year agreement with our own employees, OPSEU workers, who are second to none in Canada when it comes to public services. We have achieved a four-and-a-half-year deal with Ontario doctors. Again, that has never been seen before in the history of this province.

I'm also very proud to say that our investments have led to about 5,000 new CUPE members being hired in Ontario schools and about 200 new CUPE members being hired in our child care centres and our children's aid societies. So if the member opposite is suggesting that somehow we are trying to foment some kind of dissent when it comes to positive labour relations, he should really take a very good look at our record. It's a record we're proud of.

Mr. Klees: It's not the record I'm talking about; it's what is about to happen in this province, which is a province-wide strike that has been threatened for weeks. We've been calling on the Premier to show leadership to avoid that, to bring the parties to the table and find a resolution. The Premier has failed in doing that.

I ask the question again: Knowing that the province-wide strike is coming, knowing the hardship it's going to mean for parents and students, what direction has the Premier given to school boards and parents to prepare for this inevitable event?

Hon. Mr. McGuinty: I'm not as fatalistic as the member opposite. I believe that people of goodwill, when

apprised of the facts, will understand that it would be, at best, inappropriate, but at most, outright wrong, to withdraw services given these circumstances. It is surprising to hear from the member opposite, as a representative of that party, that somehow he believes that if the government pursues a lawful process, introduces a bill and follows the committee procedures and the debates as required by law, and if somebody—anybody—stands up in the province of Ontario and says, "I'm going to protest that illegally if you pursue that," this member opposite says then that that party, were they serving in government, would buckle.

We disagree with that. There is a matter of the greater public interest that is at stake here. The people of Ontario are entitled to know that their government will not buckle in the face of a threat of an illegal protest. We will do what we think is right. We will do what we think is best. We will uphold the public interest.

Mr. Klees: Either the Premier is not hearing me or the briefing notes he is getting are incongruous with my question. As the education critic, I'm asking a very specific question about what preparation he or his Minister of Education has given to school boards and parents across the province to prepare for what he knows is going to happen within the next few hours. Services will be withdrawn from schools. Special-needs students across the province won't have teaching assistants. What, if any, directive has been given to school boards or parents to prepare?

Hon. Mr. McGuinty: The member opposite knows very well where I stand on this issue, as do Ontarians. I've said it before: CUPE has every right, and I fully support that right, to protest the actions of their government here in Ontario. But I don't support the right of any particular group to protest in an illegal fashion. That's where we stand.

What the members opposite need to know is that Ontarians also want to hear from them: Where do they stand on this particular issue? Do they support an illegal strike or not? Do they support our police, who are here today, or not? Do they support our firefighters or not?

1410

Mr. Klees: No.

Hon. Mr. McGuinty: He's saying no. Then he should listen what John O'Toole said just recently. The Ontario Professional Fire Fighters Association supports an autonomous governance structure. I've heard from John O'Toole, I've heard from Joe Tascona, I've heard from Ernie Hardeman, beyond that I've heard from Ted Arnott and Elizabeth Witmer, all in support of what we're doing for firefighters and police. Maybe they should get their act together over there.

Interjections.

The Speaker: Stop the clock. Order. Member for Oak Ridges.

New question, the leader of the third party.

Mr. Howard Hampton (Kenora–Rainy River): Premier, you have created the OMERS pension fiasco. Instead of working with stakeholders to bring in pension

legislation which is acceptable for everyone, you have brought in a flawed bill which has divided people. Instead of trying to bring people together, you have taken a confrontational approach which has in fact increased the conflict.

We believe that the best thing you could do as Premier for worried working families across this province is to stop the confrontation, bring the stakeholders together and start serious discussion to find common ground. Will you do that?

Hon. Mr. McGuinty: If it's helpful to the leader of the NDP, I will repeat the process that we've gone through with this particular bill. It was introduced almost eight months ago. It flows from a specific commitment we made as part of our campaign platform. The bill has gone through two rounds of committee hearings. Those in fact consisted of 11 days of committee hearings. There were 141 submissions and 54 separate presentations. The NDP introduced a number of amendments, three of which we have adopted because we generally feel that they improve the quality of the bill.

The leader of the NDP may feel that we somehow have not respected the process, that we somehow have not attempted to reach out to all the parties involved in this, but I would of course argue otherwise.

Mr. Hampton: In fact, Premier, your bill was so flawed, it had to be amended dozens of times. In fact, New Democrats brought forward over 100 amendments, of which you accepted only three. But the reality persists: You do not have legislation here that is going to speak to all the stakeholders. It's going to be very unfair to women workers and lower-paid workers generally.

What people are asking you to do is to show some leadership instead of ratcheting up the tension, instead of throwing down a gauntlet and instead of talking about work stoppage. What people are asking you to do is show leadership, bring the stakeholders together and look for that common ground. Are you prepared to show that leadership, Premier, or do you really want a work stoppage?

Hon. Mr. McGuinty: I can tell you that there's one thing that the parties—by “parties” I mean AMO and employee groups—agree upon: that they should have control over their own pension plan. There's complete agreement on that score. The challenge, of course, comes beyond that, in reconciling the irreconcilable differences in terms of the positions that were put forward by AMO and the employee groups. AMO in particular said that they need 100% agreement before any changes might be made to the plan. CUPE in particular said, “No, all we want is 50% agreement before we can make changes to the plan.” What we said was, and we tried to come somewhere in between, “Look, it's going to have to be 50% plus one to move on to mediation and binding arbitration.”

Neither side is particularly happy with that. Mr. Hampton is suggesting I do something that would be completely rejected by AMO. We have tried to be as fair as we possibly can in this matter. The parties still want us

to transfer control of the plan to them, and we are doing that.

Mr. Hampton: This is not about transferring the plan to the parties; this is about the fact that some of the lowest-paid workers, many of them women workers in this province, will not have the same opportunities in terms of pension as other workers who are much better paid. This is a fundamental issue of fairness, and what people expect of you in this situation is to show leadership, to bring stakeholders together and look for that common ground. In fact, what you've done, after creating a flawed bill, is to look for every opportunity to promote confrontation and conflict.

I'm going to ask you again, Premier: Are you prepared to lower the language tone, to lower the volume? Are you prepared to bring the stakeholders together and look for a common solution, or do you really want a work stoppage in this province?

Hon. Mr. McGuinty: The leader of the NDP continues to perpetuate a myth that somehow plan members beyond police and firefighters are going to be disadvantaged as a result of the proposal that is before this House, and nothing could be further from the truth. More specifically, we adopted an amendment put forward by the NDP that provides protection to ensure that nothing that is associated with what is happening for police and firefighters—I'm delighted to welcome police to the Legislature today and I'm delighted to be representing a government that recognizes the special challenges they have as part of their line of work. Again, notwithstanding Mr. Hampton's assertions to the contrary, nothing in this bill is acting in any kind of way to disadvantage plan members.

HEALTH CARE

Mr. Howard Hampton (Kenora–Rainy River): My question is to the Premier. In Bill 36, your local health integration network legislation, which I understand you want to introduce for third reading tonight, there are some big problems. In the election, you told voters to choose “between the failed policies of privatization or leadership that will protect and improve medicare.” In committee, we introduced an amendment to your LHINs bill that would ban cutthroat bidding; in other words, private delivery of health care services through cutthroat bidding. We want to keep the delivery of health care services public and stop privatization, but your members on the committee voted down the amendment. Premier, why did members of your government vote down a safeguard to protect and improve medicare and guard against privatization of health care services?

Hon. Dalton McGuinty (Premier, Minister of Research and Innovation): I'll refer this to the Minister of Health.

Hon. George Smitherman (Minister of Health and Long-Term Care): I'm delighted to have an opportunity to talk about Bill 36 and to answer very directly to the honourable member.

The clause his party brought forward in committee would have the effect of making sure that the Ontario health care system was obligated in every instance to pay the highest possible cost. As a government, we came to find that when we asked hospitals what they could provide a cataract surgery for, the range in price offered from the same Ontario health care system was from \$450 an eye to more than \$2,000 an eye. By moving forward on the basis that that party recommended in committee, the Ontario health care system would have been obligated at all times to accept the service on the price that it was offered, regardless of where that price was. We're talking about services provided in the public health care system by public institutions, but they don't all provide that at the same cost.

Mr. Hampton: Well, you can tell your version. Our amendment would have simply stipulated that there would be no further movement to the private delivery of health care services in Ontario, and your members voted it down. What you're really opening the door to is the kind of cutthroat bidding that we see in home care, where the wages, benefits and pensions of nurses are cut. For patients, it often means lower-quality services: private delivery, lower wages, lower benefits and less service for patients. We think you should fix your bill before you proceed to third reading. Are you prepared to stop the cutthroat bidding, the further privatization of health care services in Ontario?

1420

Hon. Mr. Smitherman: I find it interesting every day to hear the honourable member advance on behalf of the public health care system and the public sector providers, especially in the home care sector, that they're losers, that invariably the system is stacked against them and that the circumstances are such that only the private providers will win out.

But in offering up that rhetorical explanation, the honourable member does not apprise himself of the facts. The reality is that under the model the member talks about, public sector providers—Saint Elizabeth Health Care, a not-for-profit provider, and a variety of the VON agencies across the breadth of this province—have demonstrated tremendous capacity, resilience and dedication to patient service to the extent that they have won back in area after area after area the provision of these really, really crucial and important services to Ontarians. We believe in the public health care system, and we believe in those not-for-profit and public providers and in their capacity to deliver excellence to the patients of this province, and that is what this—

The Speaker (Hon. Michael A. Brown): Thank you. Final supplementary.

Mr. Hampton: Your bill is about duplicating in hospitals what cutthroat bidding has done in home care. The not-for-profit providers have come forward time and again and said the only way that they could continue to offer services is by cutting wages, by cutting benefits, by cutting pensions, by in fact delivering a lower quality of service. That's what you're driving toward.

So I'm going to ask you again: Instead of putting in place a system that will move more and more to private delivery, more and more to private corporations, cutting wages, cutting benefits, cutting the quality of work, don't you think it's time that your government should actually honour its promise and speak up for medicare, speak up for a public system and speak up for better health services for patients instead of racing to the bottom?

Hon. Mr. Smitherman: The honourable member wants to stand on his high perch and talk about these things and neglect the fact that when he was part of a government, they oversaw the privatization of services in Ontario hospitals. All across the landscape, in hospitals up and down University Avenue, services that were provided by the public sector were privatized while that member stood silent. And now he makes his big speeches.

We're the government that repatriated MRIs to the not-for-profit sector. We're the government that's moving forward with community health centres, with palliative care strategies to support home hospice, with more resources for midwives, with primary care reform in the form of family health teams coming to life all across the breadth of this province, with a wait-time strategy that has awakened the capacity of the public health care system; and that is committed to excellence and is going to demonstrate to the taxpayers of this province continuous quality improvement. That is the vision for health care.

OMERS PENSION FUND

Mrs. Elizabeth Witmer (Kitchener–Waterloo): My question is to the Premier. No one denies the challenges that our firefighters and police officers face in this province. However, today our concern is focused on your refusal to respond to the request of our leader, John Tory, for further dialogue in order to avert an illegal strike. We now know that a province-wide strike is going to be coming. We also know that it is going to have a very detrimental impact on patients in our hospitals. So my question to you today is, what contingency plan have you put in place to ensure patient safety in our hospitals?

Hon. Dalton McGuinty (Premier, Minister of Research and Innovation): The Minister of Municipal Affairs and Housing.

Hon. John Gerretsen (Minister of Municipal Affairs and Housing): Let me just say I find it rather interesting that this question should come from the member opposite, whom I've respected over the years. She well knows that the issue of OMERS devolution and the issue of supplementary plans for our emergency workers have been talked about within government for at least the last 10 years, and she was in government for eight of those years. The OMERS board itself made a report in 2002 recommending the devolution of the plan. The time has simply come, and, as we've heard, there are irreconcilable differences between the municipal world and some of the employee groups. The time has come to

finally put this issue to bed and to recognize the extraordinary services and the risk services that the emergency workers of fire, police and paramedics play in this province. That's what we're doing in this bill and that's exactly what the people of Ontario want us to do.

Mrs. Witmer: What a tremendous disappointment to the people in Ontario that the Premier is unable to stand in this House and tell us what contingency plan he has in place to protect the safety of patients in our hospitals. He has known this strike is coming. He has done nothing to avert the strike. He has refused to sit down with our leader and Mr. Hampton and others. Today I ask you again, Premier: What contingency plans do you have in place to ensure that the safety of patients in our hospitals is not jeopardized?

Hon. Mr. Gerretsen: We are absolutely confident that our municipalities, our school boards and our hospitals that carry out the operations in so many different ways, and the functions of this government through health care etc., will put into place any contingency plan that may be necessary. They've dealt with these kinds of issues in the past, they will deal with them again in the future, and I am sure they will take the steps that are necessary to ensure that patients are properly looked after, that our school children are properly looked after and that the municipal services that we rely on are properly looked after in this province as well.

FOREST INDUSTRY

Mr. Gilles Bisson (Timmins–James Bay): My question is to the Premier. Today I got to listen, for probably the 10th time, to the presentation that Jamie Lim, the Ontario Forestry Association president, has been making to anybody who will listen, and that is the situation we find ourselves in with the forest industry. She's very clear. She says that the problem we have in the industry in Ontario has been caused by the policies of this government. She cites these examples: We have the highest electricity prices in Canada and most of North America. We are unable to compete with our cousins in Manitoba or on the Quebec side. Our price of electricity here is two to three times higher, depending on the jurisdiction. She talks about delivered wood cost, where the wood cost delivery here in Ontario is the highest in North America. She, along with others, has been calling on your government in order to respond to these issues in a real way.

What's clear is that what you've announced up to now hasn't worked. We've lost 3,500 jobs plus since your government announced its aid package to the forest industry. My question is simply: When are you going to finally respond to the key policy issues that she and others have been raising?

Hon. Dalton McGuinty (Premier, Minister of Research and Innovation): To the Minister of Natural Resources.

Hon. David Ramsay (Minister of Natural Resources, minister responsible for aboriginal affairs): I was intuitive that the Premier would do that.

It's quite galling to hear this coming from a member from that party which, while they were in the government, downloaded all the cost of the roads onto the forest industry. It's this government that has made one announcement, and is soon to make a second announcement, that is going to reverse all the damage you did to that industry years ago. You should be ashamed, because we're undoing your bad work. Stay tuned, and just to remind you, by the way: The Premier met with Jamie Lim on Sunday night. We had a great meeting about the future of this industry. She, the Premier, this government and the industry are very positive about our future in northern Ontario.

Mr. Bisson: Two things: First off, her name is Jamie Lim; you should pronounce it properly. The second point is that the downloading of roads is not what we have done; it's something that your previous government had done under David Peterson, so you'd better keep the ball back in your court. We were the government that responded to the restructuring of the industry when the industry was in crisis: Kapuskasing, Sault Ste. Marie, Thunder Bay, Atikokan, and the list goes on. What's clear is that northerners are saying what you're doing now does nothing to respond to what's happening in the industry.

I ask you again: When are you going to be prepared to respond to those issues directly, specifically the issue of electricity costs in the province? I tell you, Premier, and the minister, that if you don't deal with electricity costs, we're seeing thousands of other jobs, not only in the forest industries but others, go down the road. Are you going to do it?

1430

Hon. Mr. Ramsay: I have a copy of a letter here from the then Minister of Natural Resources, Bud Wildman, of the NDP government, in response to E.B. Eddy Forest Products. He said, "I appreciate the implications of eliminating forest management agreement road funding." It was done at that time, and also at that time, 14 mills were lost in this province. This is a cyclical thing and it's happening again.

I would say to the member that we're working hard with the industry, and I'd invite you to come down to the legislative dining room at 8:30 tomorrow morning and be part of a very good-news announcement to that industry.

OMERS PENSION FUND

Mr. Bill Mauro (Thunder Bay–Atikokan): My question is for the Minister of Municipal Affairs and Housing. On June 1 of last year, our government introduced Bill 206 to bring the OMERS pension plan to the people who pay into and benefit from the plan. Today we are joined in the galleries by many OMERS members, some of whom represent the men and women who serve on Ontario's finest police forces.

Many police and fire groups have expressed their frustration to me with the amount of misinformation being spread by some individuals surrounding Bill 206.

They are equally frustrated with comments about how unfair and arbitrary this process has been to date.

Minister, please clarify for the police officers present in the Legislature today and for those who are working to maintain the safety of our communities right now precisely how our government maintained a sense of fairness to stakeholders throughout the legislative process for Bill 206.

Hon. John Gerretsen (Minister of Municipal Affairs and Housing): I'd like to thank the member for the excellent question that he has just asked.

First of all, let me just say I'm sure I speak on behalf of everyone here that we appreciate greatly in this province—everyone does—the tremendous work that is done by the fire, police and paramedics in this province.

There have been discussions about supplemental plans for community safety employees since 1995. As I indicated earlier, the previous government did not act upon those recommendations at all. These supplementary plans that are part of Bill 206 will simply allow, at the local level, negotiations to take place for earlier retirement for our emergency workers. Whatever is negotiated at that level will be paid for on a 50-50 basis between the employees and the employers. We believe that's a fair way to deal with the situation. We believe that our emergency workers in this province deserve that kind of consideration to take place at the local level. That's what Bill 206 provides.

Mr. Mauro: Minister, public safety is an important issue for Ontarians and for our government. Ontarians expect to live in a community that is safe. As the Police Association of Ontario has stated, Ontarians realize the challenges to community safety that police are dealing with across this province. Our government has made progress on community safety by passing legislation making it mandatory for hospitals to report the treatment of gunshot wounds; providing \$30 million in funding to municipal fire departments for training and equipment for the first time in more than 20 years; announcing new funding for an additional 1,000 police officers as part of a six-point plan to make Ontarians safer, with half of the new officers to be used for community policing and the remainder used to target youth crime, dangerous offenders, guns and gangs, organized crime, and domestic violence; and protecting children from Internet luring and child pornography.

I know we have made progress in other areas of community safety as well. Minister, how does Bill 206 further enhance the safety of our communities?

Hon. Mr. Gerretsen: First of all, I think credit should go to our Minister of Community Safety and Correctional Services for the excellent relationship that he's been able to build up over the last two and a half years with our police and firefighters in this province.

What Bill 206 is all about when it comes to supplementary benefits is for the local associations of both police and fire to sit down with their employers at negotiation time and to determine whether or not a particular benefit within the supplementary plan is for the welfare

of their community, for the welfare of the individual members and for the welfare of the citizens of that community as a whole. As I mentioned earlier, whatever is negotiated at that level will be paid for on a 50-50 basis between the employer and the employee, and the main plan will not in any way be affected, financially or otherwise.

The Speaker (Hon. Michael A. Brown): New question. The member for Leeds–Grenville.

Mr. Robert W. Runciman (Leeds–Grenville): I have a question again to the Premier about his decision to proceed with Bill 206.

The Premier said, with some holier-than-thou rhetoric earlier with respect to illegal strikes, and challenging our party and our leader, John Tory, "We are opposed to an illegal strike." But Mr. McGuinty hasn't always taken that position with respect to illegal strikes. Quote in the Ottawa Citizen and the Toronto Star in October 1997: "I'm on the side of teachers. This may be an illegal strike but"—a big "but" here—"you're doing the right thing, and I ask you not to give up."

You will have to question the Premier's sincerity here. Why should CUPE members heed his plea for restraint, given his broken promise to them to get their votes in the lead-up to the provincial election, and given his past record with respect to illegal strikes? Why should they listen to him now?

Hon. Dalton McGuinty (Premier, Minister of Research and Innovation): Speaker, the Minister of Municipal Affairs and Housing.

Hon. Mr. Gerretsen: Thank you very much. I am sure that I speak on behalf of every member of this House when I say that we are all against illegal activities and illegal strikes.

Surely to goodness we have a process in this province whereby disagreements, whether between employer and employees or other groups, are handled. Illegal activities cannot be justified or condoned under any circumstances.

Mr. Runciman: I guess the Premier got cold feet and doesn't want to deal with the reality of his own words, his own record, with respect to an illegal, province-wide strike.

I think the other area we should be exploring—we talked about this initiative being irresponsible, but it's even more irresponsible with what we're hearing today in response to questions from the opposition. There is no plan here. There is a supposition, I guess, that nothing is going to happen. Well, this could be affecting the education sector; it could be affecting the health care sector; it could be affecting garbage pickup. This government is putting communities in jeopardy, and apparently they have no plan. If they have a plan, let's see it today; let the people of Ontario see it today. Bring forth the plan.

Hon. Mr. Gerretsen: It's kind of interesting that these comments are coming from a member who was part of a government when, during its period of time in office, those eight years, there were probably more strikes in Ontario as a result of its activities in the entire labour field than at any other time during our province's history.

I say to this member that we have full confidence in our municipalities, in our school boards and in our local hospitals to deal with any situation that may come forward. We respect the process, and we urge each and every CUPE member not to be involved in any illegal activity, because it is not going to advance their cause.

CHILD CARE

Ms. Andrea Horwath (Hamilton East): The question is to the Premier. In 2003, you promised to invest \$300 million of new money into creating more regulated child care spaces. But yesterday in finance committee your Liberal MPPs voted against a motion to invest \$150 million into much-needed affordable child care spaces.

In Ontario, nine out of 10 children can't get the care they need. Premier, \$150 million is only half of what you promised Ontarians. Why can't you even keep half a promise?

Hon. Dalton McGuinty (Premier, Minister of Research and Innovation): Speaker, the Minister of Children and Youth Services.

Hon. Mary Anne V. Chambers (Minister of Children and Youth Services): I am happy to continue the conversation that started yesterday because I'm no closer to understanding where our opposition parties here in Ontario stand when it comes to supporting parents and their children.

We know where we stand. We also know that we are the government that worked really hard to strike a five-year, \$1.9-billion agreement with the government of Canada. We did this because parents told us that this is what they need when they have to struggle with balancing the demands of work and home.

Instead of the member from—where are you from, Mr. Yakabuski?

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke): Pembroke.

Hon. Mrs. Chambers: Instead of—

The Speaker (Hon. Michael A. Brown): Thank you. Supplementary?

1440

Ms. Horwath: Minister, I can tell you where we stand: We stand clearly behind families who expect their provincial government to make good on their promise to fund new child care spaces in Ontario. You promised to invest new money in child care in this province. Yesterday, your committee members went on record and broke that promise. Relying on federal money for child care is not the same as investing yourself.

Premier, yesterday's \$150-million child care motion was only half of what you promised in Ontario, yet your Liberal members couldn't even agree to that. When will you live up to your word?

Hon. Mrs. Chambers: The member from Hamilton East would have been well advised to lobby during the campaign instead of contributing to bringing down a government that was there to support parents and chil-

dren who need this kind of assistance. I seem to remember it was your federal cousins, your federal counterparts, who brought down a government that was on the right track in supporting good-quality developmental child care. But no, partisan politics always wins out when it comes to that party across there, not the benefit to children and their parents.

We struck an agreement with the government of Canada on behalf of parents and children. Stand up for the people in your riding. Stand up for the parents who are expecting you to represent their interests. Stand up for them.

Interjections.

The Speaker: We have a member waiting to ask a question. Order.

AMBULANCE SERVICES

Mr. John Wilkinson (Perth–Middlesex): My question is for the Minister of Health and Long-Term Care. Minister, my constituents in Perth–Middlesex rely on land ambulances to be their first point of contact in a health emergency. Minutes can mean the difference between life and death. This is especially true in our far-flung rural communities. We need timely services, whether you live in a city or on a concession.

Since the Tories downloaded land ambulance funding in 1999 on a supposed 50-50 basis, my municipalities have been struggling to keep up with the rising costs they've been forced to shoulder by the provincial government not being a full 50-50 partner. I can tell you that my rural municipalities and I believe that the land ambulance funding inequity is their number one issue. Minister, what is the government doing to ease this cost burden?

Hon. George Smitherman (Minister of Health and Long-Term Care): I think what applies to the principle of a 50-50 program is the principle of partnership. I think this morning at the ROMA/OGRA meeting, the Premier reflected on that very well. I had the privilege, as many members did, of being in attendance. I'd like to quote from the Premier's speech to those 1,200 people or so.

Mr. Rosario Marchese (Trinity–Spadina): Way to go, Dalton.

Hon. Mr. Smitherman: Here, Rosie, listen: "We have listened. And we have heard you.

"Right now, the province is paying about 38% of the costs of land ambulance.

"That is going to change.

"I am pleased to announce this morning that we are committing an estimated \$300 million over the next three years to achieve a true 50-50 funding share of municipal land ambulance services by 2008."

We all acknowledge that there are challenges for those municipalities, and on the property taxpayer especially. We've been working hard to upload the cost of public health, and now we add \$300 million over three years to sustain the partnership with our municipal partners, with \$50 million coming right away.

Mr. Wilkinson: Minister, I want you to know that for all of us at the ROMA conference this morning, and at Good Roads, this was incredible news for the rural municipalities right across this province. By closing the fiscal gap, our government is ensuring that our rural constituents continue to receive first-class health care and emergency services like everyone else in Ontario.

I know my municipal colleagues know the difference between a Tory download and a Liberal upload. But we know that closing this gap is not the only solution. Minister, can you please tell me what other initiatives our government has taken to improve land ambulance services?

Hon. Mr. Smitherman: At this morning's meeting, I think the Premier also challenged us all, those of us who have the responsibility to manage this program, to do so in a fashion which seeks, in the most efficient way possible, to limit that cost increase, which really has been a challenge and a burden for that municipal property taxpayer.

In addition to the investment, though, that I had the chance of refreshing about just a moment ago, we are going to do more work through the AMO MOU task force, which my colleague the Minister of Municipal Affairs has been leading. The Ministry of Health will continue to work through that table with the Association of Municipalities of Ontario to address other challenges around the delivery of land ambulance, to look at cross-border issues that sometimes plague the relationships among bordering communities, to work harder on issues related to ambulance off-load delay, where we've recently moved forward with some significant initiatives to the tune of almost \$100 million, and to continue to work to enhance the fleet. That's why we recently invested \$12 million in land ambulance equipment, to assist those municipalities further to deliver those important services for the honourable member's constituents.

OMERS PENSION FUND

Mr. Cameron Jackson (Burlington): My question is to the Minister of Health and Long-Term Care. There are going to be serious consequences to any kind of illegal strike this week in our province. Important public services may be compromised. In particular, the health and safety of seniors in long-term-care facilities may be at risk. I don't need to remind you of just how fragile and frail many of these seniors are in these homes. Minister, my question to you is this: Have you or your ministry expressed any concern or have you contacted any of the long-term-care associations in this province to ensure that, should there be an illegal strike in this province, the safety of the 70,000 seniors in long-term-care homes will not in any way be adversely affected?

Hon. George Smitherman (Minister of Health and Long-Term Care): I appreciate the question from the honourable member. Of course, we all share the concerns he expresses. That's why I think the advice that has been on offer today from our Premier and from the Minister of

Municipal Affairs with respect to those who would engage in an illegal strike are important messages for everybody to absorb.

Of course, the primary relationship between employee and employer is that of our health care providers in Ontario. We're operating on the basis of independent governance, and the provision of those services rests there. The relationship between the ministry and those providers is an important one and, of course, ministry staff have been working with a variety of providers with a view toward making sure that all their plans and contingencies are appropriately in place. Paramourncy for us at all times is the care for our patients.

Mr. Jackson: Minister, this morning I contacted the Ontario Long Term Care Association, and they indicated that there has been absolutely no contact, not a single e-mail, not a single memo, not a single phone call, from either you, your ministry or ministry staff, either here at Queen's Park or in the regional offices. I further went and contacted the community care access centres association of this province, and they, too, confirm that for the 100,000 seniors who receive daily care and attendant care for health and related daily living needs, there has been no contact, no concern, no memo, no requests for contingency planning from your ministry.

Minister, need I remind you that 23 people died at the Seven Oaks long-term-care facility on your watch? Why have you no plans and no concerns, and why are you not expressing any real concern about this issue, and putting in contingency plans? Why are there no plans for the safety of Ontarians during this illegal strike?

Hon. Mr. Smitherman: When the honourable member had two minutes, with several seconds used for some part of the discussion that most people would view as decidedly unhelpful, why did the honourable member not seek to offer one or two words of advice and concern to Sid Ryan? There is responsibility for leadership. We're taking responsibility in terms of providing those services to Ontarians. The Premier has said it well, and he has said it well on behalf of our government and the people of Ontario: that there is an obligation—

Interjection.

Hon. Mr. Smitherman: You're not even in your seat. There is an obligation on all our parts to conduct ourselves in a fashion that is responsible. When one takes their protest to the point that it can be a challenge to lives and impact on services, then this is an obligation all must share. The honourable member, I believe, would be well advised to spend some of his time calling Mr. Sid Ryan.

EMPLOYMENT STANDARDS

Mr. Peter Kormos (Niagara Centre): A question to the Minister of Labour: Sir, your promise to crack down on bad bosses has been a huge letdown. Seelan Kandasamy is here today in the gallery. He works at Amato Pizza, where workers were forced to work as long as 80 and 90 hours a week without overtime, paid less than minimum wage, and in some case not paid at all. Your

ministry says that it investigated, but nothing has changed. Why aren't you enforcing the laws that are designed to protect Ontario workers like Seelan Kandasamy and his colleagues at Amato Pizza?

1450

Hon. Steve Peters (Minister of Labour): I beg to differ with the member. It's interesting; when you look at the period 1990 to 2004 in the province of Ontario, there were 97 employment standards investigations—97 in 14 years. In 2005, in 12 months, there were 226 prosecutions. So I beg to differ with the member. We take employment standards in this province very seriously, and looking after the rights of our employees is of extreme importance to this ministry.

As far as the issue that you raise, in response to the claims that the employees made, orders to pay were issued against the company. Three of those claims were under the Employment Standards Act. These claims, though, were unpaid, and they're now in the collections process. So as a result of proactive inspections by the ministry, three payments have been made, and more payments are owed to the employees.

Mr. Kormos: Minister, the Amato employees didn't complain to your ministry so that they could become judgment creditors awaiting execution of a writ against Amato. They wanted their rights under the Employment Standards Act protected, with prosecutions, if need be. During the course of your so-called investigation, one worker went 15 weeks without regular pay, five others didn't receive regular wages for four weeks and others worked 63 to 80 hours a week without any overtime.

During your so-called investigation, your ministry didn't talk to any of the workers. They talked only to management, who, not surprisingly, weren't all that forthcoming with the fact that they, Amato Pizza, were breaking the law. That's like asking Al Capone to guard the bank.

Workers like Seelan Kandasamy are waiting for you to keep your promise. He and his co-workers need real protection and an inspection system that ensures that bad bosses are not only caught, but prosecuted. When are you going to do that?

Hon. Mr. Peters: I reiterate: in 14 years, including five years under that government, 97 prosecutions; in one year, 226 prosecutions. I think that demonstrates very clearly, as I said earlier, that we are committed to enforcing employment standards in this province.

As well, as I pointed out earlier, we have conducted proactive investigations to review the employer's records of all employees at all locations. I reiterate: As a result of this proactive inspection, Amato has made three payments owed to employees. We do take this very seriously, and we've demonstrated that we do take this seriously. Unlike his time in government, when they weren't there standing up for the rights of employees in the province of Ontario, we are.

As well, I take some exception to the comments that were made. We feel it's very important to translate employment standards into other languages in this

province. People are now able to view the Employment Standards Act in over 25 languages. That's important. That's—

The Speaker (Hon. Michael A. Brown): Thank you. New question.

OMERS PENSION FUND

Ms. Monique M. Smith (Nipissing): My question today is for the Minister of Municipal Affairs and Housing. Minister, you've said on many occasions in this House that our government has acted in the best interests of both employers and employees when it comes to OMERS pension plan autonomy. While responding to inquiries from my constituents on Bill 206, I went to the OMERS board website at www.omers.com. It had some interesting information for its members, including the following: "As the legislative process moves forward, it's natural for different stakeholders to have different points of view, and as the bill nears final approval, they are looking to influence the government. For example, some feel the new benefits enabled by the bill will be too costly. Others," however, "feel that the rules that govern the decision-making process of the sponsors corporation are unfair."

Minister, what will happen to the OMERS pension plan if Bill 206 is passed?

Hon. John Gerretsen (Minister of Municipal Affairs and Housing): I, too, would encourage all employees who are part of the OMERS plan to take a look at that website, because, after all, the OMERS board is made up of an equal number of employer representatives and employee representatives. When they put out a news release or a statement, it's on behalf of the entire board. That includes employee groups as well.

Let me quote from another part of their website. I'm sure that OMERS members will find this straightforward language very reassuring, and it deals with: "Do you need to worry about your pension? In a word, no. There is nothing in Bill 206 that puts the pensions of our members at risk. In fact, this model gives members a voice in making the final decisions on their plan." Quite frankly, we are putting a voting member on both the sponsors corporation and the administration corporation so that individual will have a say in the future of the OMERS pension plan, as it should have been right from the beginning.

Ms. Smith: Like many in this House, I've had many letters and e-mails from constituents who are either current members or retirees of the OMERS plan, and as you've suggested, Mr. Minister, I've been sending them to the OMERS website as well. They've been asking what will happen to the current OMERS plan should Bill 206 pass. Once again, the OMERS website answers the question as well. They've been receiving a lot of different information from various sources, as you know, and they're looking for some straight answers.

The OMERS website states:

“OMERS’ mandate remains as it is today—overseeing investments and administering the plan....

“Our pension services will not change either....

“The safeguards that protect our pension fund are in no way affected by Bill 206. Like all pension plans, OMERS is subject to federal and provincial laws that protect the rights of members and retirees and set investment limits to minimize risk....

“Bill 206 establishes an independent governance model and replaces the Ontario government as the plan’s sponsor.” This is from their website. However—

The Speaker (Hon. Michael A. Brown): I believe the question must have been asked. Minister?

Hon. Mr. Gerretsen: Let me be as clear as anyone can be: Bill 206 does nothing with respect to the existing pension plans. As a matter of fact, what will happen is that once the bill is approved and given royal assent, two corporation boards will in effect be set up: a sponsors corporation and an administration corporation. They will have equal representation from both the employer and employee groups. As a matter of fact, CUPE will have four out of nine voting members—four out of nine votes on the employee side—giving them the exact same percentage on the employee side as the percentage they have of the total membership of employees.

The bill we are proposing today has had lots of discussion over the last 10 years, has been subject to two legislative hearings, has been amended—we’ve even included a number of good NDP amendments—

The Speaker: Thank you. New question.

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke): My question is for the Premier. We’ve asked the Premier today about contingency plans for health, education and long-term care. I want to ask him about roads and infrastructure.

Last weekend, we had tragedies in this province because of weather and traffic accidents. I ask, and I think the people of Ontario have a right to know, what your contingency plan is—we’re in the middle of winter, Mr. Premier. What is your plan, in case of severe and extreme weather, to ensure that the safety of Ontarians on our roads and highways is not compromised in the event of an illegal strike?

Hon. Dalton McGuinty (Premier, Minister of Research and Innovation): I cannot believe that any CUPE member would endanger the safety of Ontario drivers. I have every confidence that they will do the right thing, that they will fulfill their responsibilities—oh, not to me; this is a matter that is somewhat removed from the government. This is a matter between employers and employees. They will want to do the right thing. They will understand what we have done as a government by way of establishing good labour relations across the board, and the fact that we’re also very proud that, on our watch, our investments have led to about 5,000 new CUPE members being hired in Ontario schools and about 200 new CUPE members working in our child care centres and our children’s aid societies. This is a union that has flourished under our government, and we look

forward to continuing to work with them in the public interest.

1500

PETITIONS

HEALTH CARE

Mr. Joseph N. Tascona (Barrie–Simcoe–Bradford): I have a petition to the Legislative Assembly of Ontario which reads as follows:

“Whereas the Liberal government has made the decision to create 14 unaccountable local health integration networks,” also known as LHINs, “without properly consulting the people of Ontario; and

“Whereas Liberal hospital funding policies have led to layoffs of health care workers and closures of programs, harming both patients and workers; and

“Whereas the Liberals are continuing the Tory policy of contracting out home care services, causing harm to patients through lack of continuity of care; and

“Whereas the health care system needs stability, not health care chaos;

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

“That the government reconsider its ill-conceived plans for the LHINs and instead create an integrated health care system that emphasizes stability over chaos, fair treatment of all health care workers, democratic and accountable decision-making, and publicly funded, administered and delivered health care services. The government must stop all hospital layoffs, end competitive bidding in home care and maintain all collective agreements and successor rights of affected workers, which will provide continuity of care for patients.”

I affix my signature.

OMERS PENSION FUND

Mr. Khalil Ramal (London–Fanshawe): “To the Legislative Assembly of Ontario:

“Whereas firefighters and police officers perform an important and dangerous public service on a daily basis; and

“Whereas they deserve a chance to enjoy their retirement years knowing their future is financially secure; and

“Whereas the devolution of the Ontario municipal employees retirement system pension plan has been debated and consulted on for over a decade; and

“Whereas Bill 206 has been through extensive consultation, two rounds of committee hearings and a number of amendments;

“Therefore we, the undersigned, petition the Legislative Assembly of Ontario to pass Bill 206 as soon as possible.”

I agree with this petition. I will affix my signature underneath it, and I’m going to give it to the page, William.

SERVICES FOR THE DEVELOPMENTALLY DISABLED

Mr. John O'Toole (Durham): I have a petition from the riding of Durham. It reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas, without appropriate support, people who have an intellectual disability are often unable to participate effectively in community life and are deprived of the benefits of society enjoyed by other citizens; and

"Whereas quality supports are dependent on the ability to attract and retain qualified workers; and

"Whereas the salaries of workers who provide community-based supports and services are up to 25% less than salaries paid to those doing the same work in government-operated services and other sectors;

"Therefore we, the undersigned, petition the Legislative Assembly of Ontario to address, as a priority, funding to community agencies in the developmental services sector to address critical underfunding of staff salaries and ensure that people who have an intellectual disability continue to receive quality supports and services that they require in order to live meaningful lives within their community."

I'm pleased to support this on behalf of my constituents and persons with special needs.

OMERS PENSION FUND

Mr. Mario G. Racco (Thornhill): "To the Legislative Assembly of Ontario:

"Whereas firefighters and police officers perform an important and dangerous public service on a daily basis; and

"Whereas they deserve a chance to enjoy their retirement years knowing their future is financially secure; and

"Whereas the devolution of the Ontario municipal employees retirement system pension plan has been debated and consulted on for over a decade; and

"Whereas Bill 206 has been through extensive consultation, two rounds of committee hearings and a number of amendments;

"Therefore we, the undersigned, petition the Legislative Assembly of Ontario to pass Bill 206 as soon as possible."

HANDGUNS

Mr. Bill Murdoch (Bruce-Grey-Owen Sound): I have a petition to the Legislative Assembly of Ontario.

"I think a handgun ban is an absolutely essential component of any intelligent, comprehensive plan to address shootings, especially those that are taking place here in the city of Toronto. I think we owe it to our young people in particular to take guns off the streets, and I can't think of anything more powerful in that regard than a handgun ban."

That's by Dalton McGuinty, Hansard, December 8, 2005.

"We, the undersigned, respectfully disagree with Mr. McGuinty and petition the Legislative Assembly of Ontario to take action on violence and young people by providing resources for police and fixing the justice system."

I affix my signature.

GASOLINE PRICES

Mr. Joseph N. Tascona (Barrie-Simcoe-Bradford): I have a petition to the Legislative Assembly of Ontario which reads as follows:

"Whereas the price of gas is reaching historic price levels; and

"Whereas provincial and federal governments have done nothing to protect consumers from high gas prices; and

"Whereas provincial tax on gas is 14 cents per litre and federal tax is 10 cents per litre, plus 8% GST; and

"Whereas these taxes have a detrimental impact on the economy and are unfair to commuters who rely on vehicles to travel to work; and

"Whereas the province has the power to set the price of gas and has taken responsibility for energy prices in other areas, such as hydro and natural gas; and

"Whereas we call on the province to remove the 14.7-cents-per-litre gas tax and on the federal government to eliminate the 10-cent gas tax, plus 8% GST, which amounts to 30% or more;

"We, the undersigned, petition the Legislative Assembly of Ontario and urge the Premier to take action and to also persuade the federal government to remove its gas taxes."

I support the petition and affix my signature.

SERVICES FOR THE DEVELOPMENTALLY DISABLED

Mr. John O'Toole (Durham): I also would like to recognize the police and fire and other visitors in the gallery today, on this very important day of Bill 206. I would have appreciated more hearings, but this bill will pass; I'm confident of that.

I have a petition here that I'm pleased to present on behalf of my constituents in the riding of Durham.

"Whereas, without appropriate support, people who have an intellectual disability are often unable to participate effectively in community life and are deprived of the benefits of society enjoyed by other citizens; and

"Whereas quality supports are dependent on the ability to attract and retain qualified workers; and

"Whereas the salaries of workers who provide community-based supports and services are up to 25% less than salaries paid to those doing the same work in government-operated services and other sectors;

"Therefore we, the undersigned, respectfully petition the Legislative Assembly of Ontario as follows:

"That the government of Ontario address, as a priority, funding to community agencies in the developmental

services sector to address critical underfunding of staff salaries and ensure that people who have an intellectual disability continue to receive quality supports and services that they require in order to live meaningful lives within their community.”

I'm pleased to support this and give it to one of our new pages, Yasmeen.

DIABETES TREATMENT

Mr. Bob Delaney (Mississauga West): I am pleased to join with my colleague the member for Peterborough in this petition to the Legislative Assembly of Ontario. It reads as follows:

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

“We are requesting that all diabetic supplies ... as prescribed by an endocrinologist or medical doctor be covered under the Ontario health insurance plan.

“Diabetes costs Canadian taxpayers \$13 billion a year and is increasing! It is the leading cause of death and hospitalization in Canada. Many people with diabetes cannot afford the ongoing expense of managing” the disease. “They cut corners to save money. They rip test strips in half, cut down on the number of times they test their blood and even reuse lancets and needles. These cost-saving measures often have tumultuous and disastrous health consequences.

“Persons with diabetes need and deserve financial assistance to cope with the escalating cost of managing diabetes....

“We think it is in all Ontarians’ and the government’s best interest to support diabetics with the supplies that each individual needs to obtain optimum glucose control. Good blood glucose control reduces or eliminates kidney failure by 50%, blindness by 76%, nerve damage by 60%, cardiac disease by 35% and even amputations. Just think of how many dollars can be saved by the Ministry of Health if diabetics had a chance to gain optimum glucose control.”

I'm pleased to sign this petition and to ask page William to carry it for me.

1510

SERVICES FOR THE DEVELOPMENTALLY DISABLED

Mr. Bill Murdoch (Bruce–Grey–Owen Sound): I have a petition to the Legislative Assembly of Ontario which has been signed by many people from both Grey and Bruce counties.

“Whereas, without appropriate support, people who have an intellectual disability are often unable to participate effectively in community life and are deprived of the benefits of society enjoyed by other citizens; and

“Whereas quality supports are dependent on the ability to attract and retain qualified workers; and

“Whereas the salaries of workers who provide community-based supports and services are up to 25%

less than salaries paid to those doing the same work in government-operated services and other sectors;

“Therefore we, the undersigned, respectfully petition the Legislative Assembly of Ontario as follows:

“That the government of Ontario address, as a priority, funding to community agencies in the developmental services sector to address critical underfunding of staff salaries and ensure that people who have an intellectual disability continue to receive quality supports and services that they require in order to live meaningful lives within their community.”

I've affixed my signature.

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke): I have a petition here that I'd like to read.

“To the Legislative Assembly of Ontario:

“Whereas, without appropriate support, people who have an intellectual disability are often unable to participate effectively in community life and are deprived of the benefits of society enjoyed by other citizens; and

“Whereas quality supports are dependent on the ability to attract and retain qualified workers; and

“Whereas the salaries of workers who provide community-based supports and services are up to 25% less than salaries paid to those doing the same work in government-operated services and other sectors;

“Therefore we, the undersigned, respectfully petition the Legislative Assembly of Ontario as follows:

“That the government of Ontario address, as a priority, funding to community agencies in the developmental services sector to address critical underfunding of staff salaries and ensure that people who have an intellectual disability continue to receive quality supports and services that they require in order to live meaningful lives within their community.”

I affix my signature to this, Mr. Speaker, and pass it to you through the page.

ASSISTANCE TO FARMERS

Mr. Lorenzo Berardinetti (Scarborough Southwest): I have a petition here today prepared by Sonny Sansone from my community. It's addressed to the Legislative Assembly of Ontario and it reads as follows:

“Whereas Ontario farmers are facing difficulties in earning their living and supporting their families;

“Whereas urban residents, such as those in Toronto, count on a reliable food supply from Ontario farmers; and

“Whereas farming is an integral part of the Ontario economy;

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

“To ensure that Ontario farmers are supported so that all residents can count on a reliable, well-priced, safe food supply for all Ontario residents.”

I agree with the contents of this petition and affix my signature to it and give it to page Jordan.

SCHOOL CLOSURES

Mr. Joseph N. Tascona (Barrie–Simcoe–Bradford):

I have a petition to the Legislative Assembly of Ontario which reads as follows:

“Whereas Dalton McGuinty, our newly elected Premier, has publicly pledged to move quickly to re-establish local democracy when it comes to public education in Ontario; and

“Whereas Mr. McGuinty has publicly asked that ‘cuts and school closures’ should be ‘set aside’ and that ‘that business’ should be left for the incoming, duly elected trustees; and

“Whereas Mr. Gerard Kennedy, our newly elected Minister of Education, has stated publicly that “school boards aren’t operating as closed shops anymore”; and

“Whereas there is universal support for the school amongst its staff, parents, student body and the community at large; and

“Whereas Prince of Wales Public School in Barrie is the oldest continuously operating school in Simcoe county; and

“Whereas Prince of Wales Public School has been providing the community with quality education for more than 125 years; and

“Whereas the impact of the closure of Prince of Wales would be devastating on the whole of the downtown core, and most especially the urban neighbourhood which the school serves;

“Be it resolved that we, the undersigned, demand that the Dalton McGuinty government live up to its commitment and ensure that community schools are not forced to be closed and that specifically the Liberal government will immediately halt the closure of Prince of Wales Public School in Barrie.”

I support the petition and affix my signature.

ASSISTANCE TO FARMERS

Mr. Bob Delaney (Mississauga West): I’m pleased to acknowledge the assistance of Sonny Sansone from Scarborough Southwest, who has kindly provided this petition to the Ontario Legislative Assembly, which I will now read. It reads as follows:

“Whereas Ontario farmers are facing difficulty in earning their living and supporting their families;

“Whereas urban residents, such as those in Toronto, count on a reliable food supply from Ontario farmers; and

“Whereas farming is an integral part of the Ontario economy;

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

“To ensure that Ontario farmers are supported so that all residents can count on a reliable, well-priced, safe food supply for all Ontario residents.”

I’m pleased to add my signature in support of this petition and to ask page Nicholas to carry it for me.

ORDERS OF THE DAY

ONTARIO MUNICIPAL EMPLOYEES
RETIREMENT SYSTEM ACT, 2006LOI DE 2006
SUR LE RÉGIME DE RETRAITE
DES EMPLOYÉS MUNICIPAUX
DE L’ONTARIO

Mr. Gerretsen moved third reading of the following bill:

Bill 206, An Act to revise the Ontario Municipal Employees Retirement System Act / Projet de loi 206, Loi révisant la Loi sur le régime de retraite des employés municipaux de l’Ontario.

The Acting Speaker (Mr. Ted Arnott): I recognize the Minister of Municipal Affairs with his lead-off speech.

Hon. John Gerretsen (Minister of Municipal Affairs and Housing): Before I make my remarks on Bill 206, the Ontario Municipal Employees Retirement System Act, 2006, I would first of all like to thank the members of the standing committee on general government, which includes members of all political parties, for their hard work on this bill.

Our proposed legislation is the result of extensive consultation and two—not one, but two—sets of committee hearings. This government took the unusual step of requesting that the Legislature hold committee hearings after first reading, and then again after second reading.

I’ve heard the Leader of the Opposition say that he thinks this legislation has been rushed. I would ask him and his colleagues where he thinks the hurry has been. This legislation was introduced on June 1, 2005. That was eight months ago. It has been talked about since 1995 and has not been dealt with by any previous government. It’s time to get on with transferring control of the OMERS pension plan from the government to the people who pay into it and who benefit from the pension plan.

More than 355,000 active and retired members depend on the OMERS pension plan. This includes a diverse range of employees who depend on the plan for their own and their families’ future financial security. It is clear that all OMERS employees hold strong views about their pension plan and its future. Over 900 different employers contribute to OMERS. These employers are a diverse group as well, who take their role in the shared governance seriously. Employers and employees often have divergent views and competing interests. As a result, no bill to reform OMERS will fully satisfy all of the groups that participate in the plan. Employers and employees are each responsible for making up one half of the contributions to the plan, and have done so since 1962.

Like other public sector plans, OMERS is based on the principle of shared risk and reward. Employers and

employees are responsible for contributing equally to the plan, and they are responsible for sharing plan liabilities. Our proposed legislation, Bill 206, continues with that tradition, and goes further to ask employers and employees to share together in the governance of the plan. Shared governance means give and take on both sides, and shared governance also means that the interests of any one party will not always prevail. Our proposed legislation offers a balance between the interest of the employers who pay into the plan and the employees who pay into the plan and benefit from the plan. Mindful of that balance, our proposed model will provide a framework that will allow for representatives of employers and employees to work together to ensure that the OMERS pension plan strives to meet the interests of all of the plan's participants.

1520

In that regard, may I just say that the sponsors corporation in the proposed model will have 14 members on it: seven on the employer side and seven on the employee side. The seven members on the employer side will represent the Association of Municipalities of Ontario, the city of Toronto, the school boards, the Ontario Association of Police Services Boards and two other employers that will be rotated from amongst the representatives of the other 90 employer groups.

On the employee side there will be a CUPE representative from Ontario's local, a CUPE Local 79 and 416 member—basically Toronto CUPE; they will rotate their membership—a member from the Police Association of Ontario, the Ontario Professional Fire Fighters Association, the Ontario Secondary School Teachers' Federation, one other member who will be rotated amongst other unions and associations, and one retired member.

The voting on this 14-member board will contain 18 votes. The CUPE Ontario member will have three votes, so the CUPE votes will be four out of the nine employee votes, which are roughly 45% of the total employees, which happens to be the total number of employees from CUPE who contribute and are members of the plan. Similarly, the Association of Municipalities of Ontario will have two votes each, for a total of four out of nine votes on the employer side as well, because the municipalities are by far the largest employer contributor to the plan.

I would also like to take the opportunity to address the many misunderstandings that seem to be circulating concerning Bill 206. Simply stated, we intend to transfer control of the plan from the provincial government to the people who pay into it and benefit from the pension plan. Yet many myths are still circulating about our proposed legislation. I would like to begin by being very clear that no one's pension is in peril due to this proposed legislation. Let me repeat that: No one's pension is in any danger whatsoever as a result of this legislation.

This apprehension is of a tremendous concern to me and to our government, and I want to assure pensioners that our proposed legislation fully protects current

OMERS pension beneficiaries. As a matter of fact, for the first time ever they will have a vote on both the administration corporation, which will basically look after the management and the investment of the plan, and the sponsors corporation, which will basically determine what benefits and changes should be made to the plan.

But I understand the concern of the pensioners. When the structure of the pension plan changes, people who receive a pension from that plan or who expect to receive a pension in the near or distant future tend to get very anxious. I know I would, and I think most of us here would as well. So let me be clear once again: There is nothing in our proposed legislation that would change the terms of existing pension payments. Pensioners will not see a reduction in the amount of pensions they are receiving because of Bill 206. In fact, under our proposed legislation, for the first time, as I mentioned before, OMERS pensioners will have a vote on the sponsors body, which in our model is called the sponsors corporation.

On another note, over the past few weeks, members of the Canadian Union of Public Employees have been told by their leadership that Bill 206 discriminates against female municipal workers. That is patently incorrect and wrong. Let's start by being clear that the OMERS plan currently already distinguishes between two types of employees based on their type of employment. These two types are those with a normal retirement age of 65 and those with a normal retirement age of 60. The last group, the normal retirement age of 60, already includes police officers and firefighters. The distinction between the two groups of workers is not based on gender whatsoever. The two groups pay different pension contributions, in that the NRA 60 group already pay more based on the higher cost of their earlier retirement pensions, as do the employers, obviously, because they contribute on a 50-50 basis. Bill 206 continues this distinction.

What we have proposed in the bill is the establishment of a supplemental benefit plan for police, firefighters and paramedics. Let's also be clear that our proposed model does not require supplemental benefits for all police, firefighters and paramedics. The plan merely provides another item for police officers, firefighters and paramedics to consider as part of their collective bargaining processes at the local level.

We have also enabled the sponsors corporation in our proposed model to create supplemental benefit plans for all other groups of OMERS members. The sponsors corporation would be free to establish supplemental benefits for other groups of OMERS plan participants.

Some people have the mistaken belief that funds in the main OMERS plan can be used to pay for the costs of any benefits in the supplemental plan we are proposing for police officers, firefighters and paramedics. I believe that this error, or at least this mistaken belief, has been corrected over and over again. Yet certain parties continue to perpetuate the myth that funds in the main plan can be used for this purpose. Bill 206 simply will not allow the transfer of any assets from the main plan to the

supplementary plan or vice versa. Again, our proposed legislation specifically states that funds in the main plan cannot be used to pay for benefits in the supplementary plan. The bill has additional provisions that require supplemental plan members, along with their employers, to pay all the additional costs of those benefits.

A further concern has been raised about the cost of the supplemental plan benefits. Many people are overlooking the fact that any supplemental benefits would have to be decided on locally. This will usually be through the collective bargaining process, and, as we all know, collective bargaining involves give and take. Therefore, any supplemental benefit bargained for would likely mean that something else is given up in the bargaining at that point in time or not bargained for at that particular time. A supplemental benefit should therefore not necessarily be regarded as a net new cost.

Our proposed model would also limit each employee group to one additional supplemental benefit initially—remember that any cost of any such benefit is to be shared equally between the employee and the employer. We also propose in the bill that three years will have to pass before another supplemental benefit can be added. This too will contribute to containing the cost of supplemental benefits on both the side of the employee and the side of the employer. What is more, the Minister of Finance has indicated that he is prepared to recommend that the new supplemental benefits be exempt from the solvency funding rules. Again, this would be another step toward making the proposed supplemental benefits more affordable to both the employers and the employees.

Some representatives of the employee groups claim that the voting protocol we are proposing—namely, that two thirds of the members in the sponsors corporation vote in favour before any significant change—is excessive, that it establishes too high a threshold and means that no benefit changes would ever be agreed to for the main plan.

There's a good reason that we settled on the two-thirds majority vote. As has already been indicated, AMO wanted unanimity, 100%; some employee groups, including CUPE, wanted 50%. We settled on two thirds. These types of changes that we're talking about in the supplemental plans, improvement or reductions in benefits and changes in contribution rates, for example, would have a lasting impact on the financial viability of the OMERS plan. We are talking about changes to people's pension benefits that would affect contributions and future benefits of thousands of people, and this could lead to increased costs not only for employers but also for employees as well.

1530

It only makes sense that decisions of this type, decisions that could have important financial repercussions and affect thousands of people's lives, should require a significant level of support from both the employer and employee representatives on the sponsors corporation. Of course, Bill 206 makes provision for sponsors to take matters that don't meet this two-thirds majority test

forward for mediation and arbitration, if the request has the support of 50% plus one. Now, with respect to arbitration, I should also be clear that under our proposed model an arbitrator involved in the decision on the sponsors corporation would be limited to making an award that results in an increase of no more than 0.5% in contribution rates during a three-year period.

It's time for the parties opposed to this bill to basically stop fearmongering and look rationally at the proposed legislation. Our bill is full of safeguards and protections for contributors to the plan and for the beneficiaries and pensioners. Any major decisions to change the plan, such as changes in benefits or contribution rates, would have to be approved by a two-thirds majority vote from the sponsors corporation.

To protect retirees, and the plan generally, our proposed legislation would require that the OMERS main plan be funded to 105% of liabilities before any change requiring reduced contributions or increased liabilities could be made. This requirement is to help ensure the solvency of the main plan for current and future beneficiaries.

Next, I want to address just briefly the accusations that the government is rushing this bill through the Legislature. Nothing can be further from the truth. Let me just tell you a little bit about the history of the proposed OMERS model. As has been indicated in this House on a number of occasions, for more than 10 years OMERS stakeholders have talked about devolution of the governance of OMERS.

Before I go any further, I just want to explain what the devolution of governance means, for those who may not have been following this debate all that closely. Very simply stated, it means transferring control of the plan from the provincial government to the people who pay into it and benefit from the plan. Right now, the provincial government controls the OMERS pension plan. This means, for example, that the government decides what contribution rate will be paid for by the plan members; what the level of benefits to plan members will be when they retire; what, if any, supplemental plans there will be; and what benefits would be in those supplemental plans.

I want to point out, though, that the provincial government does not pay directly into the plan, except in cases where they're also the employer. This makes OMERS the only public sector pension plan that I'm aware of or that I know of that has a party controlling the pension plan that doesn't even pay into the pension plan. As I said earlier, discussions about changing this anomaly have been going on for more than 10 years, and the government wants to transfer control of the plan from the government to the people who, once again, pay into it and benefit from it. The OMERS board itself, made up of equal representatives from employers and employees, came out with a model to correct the governance of the plan in 2002, in an OMERS board of directors report. We took the model recommended in that report and built on it. The result is a model that we believe achieves the right balance between competing demands.

I want to talk about how we arrived at our model in Bill 206. Again, we introduced our proposed model for OMERS governance devolution on June 1, 2005. We then took the unusual step of requesting legislative hearings on the bill after first reading. We listened to the plan's participants, who had constructive comments on our model. Government members on the standing committee then requested many amendments to our proposed legislation based on those comments.

Bill 206 had its second reading on December 12 last year—six months after first reading. This was to give OMERS members plenty of time to review the proposed legislation and amendments. I repeat: We wanted to give OMERS stakeholders plenty of time to understand our proposed model.

Then we had further hearings in late January and more clause-by-clause debate, proof of our government's determination to make our proposed OMERS model as fair as possible. We adopted at that time a number of different amendments at these clause-by-clause hearings, including three proposed by our NDP colleagues. So two sets of hearings, eight months to get to third reading, and some still insist on saying that we're rushing this legislation through.

The government has certainly received a lot of suggestions from OMERS members, who are rightly concerned about their pension plan. I have mentioned the many amendments we have made based on the constructive comments made at the hearings held by the standing committee on general government. We believe that Bill 206, as amended, strikes a fair balance between the needs and interests of different employer and employee parties in the OMERS pension plan.

In conclusion, I simply want to thank the many OMERS stakeholders who have helped us provide in Bill 206 a balanced model for the diverse groups of employees and employers who make up the membership of the pension plan. To be more specific, these are the approximately 224,000 employees who are active members paying into OMERS currently; the retirees, approximately 131,000 members, who are current OMERS pension beneficiaries; and the employers, which include 382 municipalities, 88 school boards, and 416 other local boards, such as library boards.

If passed, our proposed legislation will give these groups the long-awaited and well-deserved control over their retirement pension plan that they have been paying into and upon which so many do, or will in the future, depend. If passed, our proposed legislation will see the provincial government removed from the governance of the pension plan, to which it does not directly contribute.

Finally, I would like to thank my parliamentary assistant, Brad Duguid, who led the process during the legislative hearings at committee and has done a tremendous amount of work on this bill throughout the entire process in many different ways.

If passed, our proposed legislation will further contribute to the autonomy that our municipal partners expect and deserve as mature orders of government. I urge

every member of this House to support this bill, since it's the right thing to do for our OMERS members.

The Acting Speaker: Questions and comments?

Mr. Ernie Hardeman (Oxford): I want to thank the minister for another great rendition of what he had intended to do but, in fairness, what he somewhat missed in achieving. He speaks quite eloquently about all the consultation and the support of all the players in the OMERS plan, yet when I see all the players in the OMERS plan, the vast majority of both the employers and the employees are totally opposed to this approach that the minister has taken. So I find it kind of ironic that the minister would still refer to the massive support that exists for this piece of legislation. I'm afraid it is greatly limited in support.

1540

I just had the opportunity of coming back from the gathering of the municipal officials from rural and small-town Ontario at the Rural Ontario Municipal Association's conference, along with the Ontario Good Roads Association's conference. The room was full of people. The topic around the hall was not about the things that they were being told by the Premier; it was about Bill 206 and why the government would be doing that to them. So I find it hard to understand where the minister would still come from with, "Everybody in the plan supports it."

The big problem with this bill—we'll get to it a little bit later, when I have an opportunity to speak to the bill—is that it's about devolution, and they're making all the changes that the players in the plan don't want made before they devolve it, as opposed to letting those people who are involved in the plan make the changes that they deem most appropriate for both management and all the players within the plan. I would ask him to reconsider the approach he has taken with this, and to actually work with the players within this plan to make it work for the betterment of all the people in OMERS, as the minister has said he wanted to do.

Ms. Andrea Horwath (Hamilton East): It was quite entertaining to listen to the minister gloss over all the big, big problems that this bill has and then speak to all the things that he thinks are okay with the bill. Fortunately, the members of the opposition will get an opportunity to highlight some of the problems with the bill, which, of course, have to be highlighted, because it's causing quite a problem in the province of Ontario. In fact, it's irresponsible, in my opinion, that this bill is here when there are still such fatal flaws in the bill.

I started to think, during the second round of public hearings on the bill, why is it that this government can't figure out why there's so much of a problem in terms of stakeholders' acceptance of the bill? It became very clear in one of the meetings, when the parliamentary assistant could not really decide at the time what the purpose of the bill was. Was it what the minister had initially talked about, which was the idea of devolving OMERS to the stakeholders, or was it to follow up on a promise made to police and fire about their supplemental benefits? That is

the crux of the problem this government got itself into. It wasn't clear what it wanted to do in the first place. It's a very technical, very difficult and very significant issue for many workers throughout this province.

I can tell you that not only were New Democrats very much supportive of the idea and the principle of supplements, but we were also equally concerned that this bill, which takes on so many issues for so many workers, be a fair bill that treats everyone properly and with fair process, particularly the piece that the minister glossed over: a big group of workers who are not able to obtain the same consideration because processes have been built in. Not the first time around, but the second time around in the hearings process, the government brought forward amendments that basically stymie the ability of some workers to get a fair deal.

Mr. Khalil Ramal (London–Fanshawe): I'm privileged and honoured to stand up this afternoon to speak in support of Bill 206, because I believe it's about time. This bill is nothing new in this place. It was introduced almost 10 years ago. Many different governments of different stripes never dealt with it until this government came, opened it up and dealt with it in a professional manner, according to the procedure of this place, and followed all the steps, all the legalities involved with this bill.

The committee took the bill and travelled the province. From every corner of the province we received petitions, affirmations, representations. We received so much information about it.

This bill was introduced 10 years ago. It is about time. It's about time for it to be dealt with, to be open, to talk to the people, who deserve it. This bill is about fairness.

I know there are so many different stories out there being told by the unions, misinforming the workers. I want to tell you a story. This past Friday, one of the workers who work in the school—probably he is watching me today—came to my office. He was worried. He asked me, "What about my pension, Khalil? Is my pension going to go to the pension for police? Am I going to lose my pension?" These are the stories going on out there. It's about misinforming the workers. It's definitely not correct.

We listened to the Premier talk about it this afternoon. We listened to the Minister of Municipal Affairs talk in detail about it. It's about fairness, applying it to people who deserve it and need it, who contribute to the pension plan so they can get it. It's about fairness, as we mentioned.

It's about time. This bill should have been introduced 10 years ago. It had never been dealt with until this government came to power, until this minister took office. He opened it up, and he wants to deliver what he promised before the election. It's about commitment. That's why we're talking about it. That's why I'm supporting it.

Mr. Norm Miller (Parry Sound–Muskoka): I think it's unfortunate that the government has called Bill 206 into the Legislature today. We know that this will likely

prompt an illegal strike by CUPE, and a lot of people will suffer because of that. I think that's unfortunate. The Leader of the Opposition, Mr. Tory, had written to the Premier and said in his letter, "It's time for everyone involved to take a deep breath and step back." He asked for a meeting including CUPE, AMO, police and firefighters, Howard Hampton and the Leader of the Opposition, Mr. Tory. I think that would have been a sensible thing to do, but instead the government is pushing ahead with this. There's no great need to rush it through, but that is what they are doing and, unfortunately, I think it's going to create a lot of problems in Ontario.

It's my feeling that this bill is a mess. It has had over 100 amendments. If you look through it, it's more strike-outs than it is the original bill. We're talking about a \$40-billion plan, and I think it's pretty irresponsible of the government to be pushing forward with this regardless, especially when we have a strike that will likely be happening as a result of them calling it forward.

We have the employers, being the municipalities, who don't like it. They're concerned that there could be as much as a 3% increase in property taxes. We have most of the employees who don't like it, and we have some employees who do. I say that the government should be taking their time with this, following Mr. Tory's advice, holding that meeting among the affected parties and not rushing this through. Instead, by their irresponsible actions, they're going to force a province-wide strike.

The Acting Speaker: That concludes the time for questions and comments. I'll return to the Minister of Municipal Affairs and Housing, who has two minutes to reply.

Hon. Mr. Gerretsen: Let me thank the members from Oxford, Hamilton East, London–Fanshawe and Parry Sound–Muskoka for their comments.

Let me just say this: I hope that during this debate we can stick to facts. We may have different opinions about the interpretation of some of the facts, but let's not endanger the confidence that our pensioners and our contributors to this plan have had for over 40 years. Let us at least stick to the facts and let us not put out some of the myths that have been put out there by a number of different parties.

The members opposite say, "Let's have a meeting and we can somehow resolve it." They were in government for eight years. They had committees set up to deal with this issue for eight years. We've got about 95 employers on one side and over 90 employee groups on the other side, and the likelihood of getting unanimity over the last 10 years has proven to be unattainable. It is time to move on, but on the clear understanding that there is nothing in this bill that in any way detracts from the main plan from which the vast number of retirees and members of OMERS benefit, either now or in the future. Their pensions are not affected one way or another.

The supplementary plans that we're talking about for our emergency workers, who deserve a plan like this for the risks they take in their daily lives, and which they will be contributing to equally with municipalities, will

not in any way affect the main plan, and that is a fact. I urge the members of this House to support this very worthwhile bill.

1550

The Acting Speaker: Further debate.

Mr. Hardeman: Normally I would stand up and say that I'm pleased to stand here today and discuss Bill 206, the Ontario Municipal Employees Retirement System Act, 2006, but I'm afraid I can't say that today. I think it's somewhat a shame that we are debating this bill, which was called a housekeeping bill when it was introduced by the minister. We have managed, with what I would call incompetence and a total disregard for process, to turn it into a fiasco. In fact, of the people who are members of this plan, both the employers and the employees, there seem to be very few who are now ready to say they support the bill in its entirety the way it's written.

We keep hearing a lot from the government side that this bill is so complicated, we can't possibly have unanimity on it, but I think in every case, including the government's presentation, we tried for as close to unanimity or as close to a consensus as we could achieve.

As we went through this—and we give the government credit for that; when the bill came up for first reading, it was immediately referred to committee, because it was a bill that affected a lot of people, affected their livelihoods, and they wanted to be part of it, to make sure they didn't raise the concerns in their pensions, as has happened. So the government put it forward, it went to committee and we started getting presenters.

All of a sudden, it came out that not only was there not total support for it, there seemed to be very little support for it. The government suggested that they would listen to the presenters and then make some amendments to the bill, and I think that's really where it ran off the rails. Rather than looking at what was happening to the integrity of the bill and the integrity of the purpose that was put forward in the bill, it just became a hodgepodge of bill amendments and amending amendments. In fact, there were times when the bill was amended or proposed to be amended in the same area for a third time, because they just didn't have it right.

I think it's a bit of a challenge—yes, I guess the word is “challenge”—that we're here today speaking on the bill when in fact we should have taken the advice that was given by our leader to sit down, call all the players together and see—maybe the minister is right: Maybe we couldn't get total consensus, but at least we could get to some areas of improvement in the bill where it would serve the purpose better than it does now.

Having been involved in the committee hearings through the first and second reading, I find it very interesting that the things that are happening today and the concerns being expressed today, particularly by employees who are part of the plan, are not the same concerns that were expressed when the bill was at first reading. In fact, the concerns at that time were addressed

by some of the amendments, but instead of making it better, they made it worse.

I guess I'd have to say that the reason I'm not really enthusiastic about standing here today speaking to this bill is because of the actions of the government and their refusal to look at discussing options with all the players to see if we couldn't come to a consensus.

Having taken that position—and I've taken this position all the way through the hearings process, at first reading, at second reading and here in the House—I suppose I should take this opportunity to thank the Premier. In the last two sittings of this House, the Premier made reference to a letter I had written a couple of years ago to the Minister of Finance as the discussions were taking place to revamp the bill concerning the firefighters and their wish to have the OMERS plan changed in order to allow for a negotiated supplementary plan within their plan; in other words, to separate their pension plan on paper, not by a different administration, but as a different entity within the same administration, as the police and fire plan, so they could have different levels of pension and different benefits negotiated with their employers.

The firefighters made a presentation to, I think, many of the members here in the House. They in fact may have made a presentation to you. I have to say they made a good case, and I agreed with them. I sent a letter to the Minister of Finance, the Minister of Municipal Affairs and the Premier of the province, suggesting that I thought the government should be looking at allowing different sections of the OMERS plan to be applied differently to different employees.

The problem that arose, of course—I guess I want to finish that. I do want to thank the Premier for bringing that up. Because of my concern with some of the other sections of Bill 206, there seems to be some question as to whether I still support a better pension plan for the police and fire. I want to say here in public, in this Legislature, that I do think that's a good idea, but not at the expense of the basic OMERS plan that has been in effect for a long time.

Before we get back to the plan, I would just suggest that the government could very well have introduced this in two bills. Then I think we would have had a debate with the employers and the employees as they relate to the emergency service sector about how you would implement supplemental plans, and you also would have had a debate—and I expect it would not have been as contentious a debate—about how you would effectively devolve OMERS from the sponsorship of the provincial government and put it under the control of all the people involved in the plan.

To my mind, there was no need to have put all this together. I think it really relates to, as I mentioned earlier, when I spoke on the presentation of the minister—it's somewhat odd, in my mind, that the whole premise of the bill was based on wanting to devolve the operation and the control of the OMERS pension plan to the employers

and the employees who are affected by it, who are paying into the plan and who stand to benefit from the plan.

If that's the thing to do, the reason for that—and we had a presentation from the OMERS board—was because the OMERS board felt that when there were needs to change the OMERS pension plan for changing the benefits that were received and available and so forth, when that was needed, under the present structure it has to go through the provincial Legislature. It has to be agreed to by—actually, I don't think it has to be legislatively changed. I stand to be corrected there. I think it can be done by an order in council, but it has to go through the provincial government in order to happen.

The OMERS board said that was quite cumbersome and cited an example of a benefit requested to apply to the increased cost of living to beneficiaries of a pension of someone who had passed on. The family left, and their pension was locked in. The board wanted to change the pension plan so that it was more fair to the survivors. It was changed, but it required a long time and a lot longer than it should, while those people in need were waiting for some assistance. That made some sense, but the board thought they would like that to be improved. So this intent was to have that improved.

But the big issue that has been on the table in the discussion between employer and employee has been continually the supplemental plans for police and fire. Again, I think if this is to give autonomous control of the plan for the people who are in it, I would suggest that when you make those changes to the plan, you shouldn't make those changes before you devolve it. If the reason for devolution is to make the changes more fair and more in line with what all the players in the game are asking for, it would seem to make good sense to allow that to happen subsequent to the devolution. I think it would make a lot of sense to me to let the new OMERS sponsoring corporation make the changes. Having said that, I think the emergency workers do have some concern, and it may very well be justified, that it would be very difficult—or it may be difficult; I shouldn't say “would be”—but it could be very difficult in a case where it requires a change over the whole plan and yet you're asking for it to be negotiated within individual bargaining units. Maybe the act should allow a process that would be able to allow that to happen in a more equitable way. I'm not in the position to be able to tell us how it should be done, but I think something like that should have been looked at.

1600

Having said all that, and just in general terms of the problem I see, one other thing I just wanted to mention in the overall picture that seems to be causing the problem that we see there: We have just heard, in the last hour or two, the announcement that one of the bargaining units within the OMERS plan has set a date for when they're going to have a work stoppage to express their discontent. I want to say that I'm totally opposed to that. I don't think that's the way to settle a dispute over a decision, whether we agree or disagree with it. I don't

support that. I guess I really have some concern that a government would let that happen.

When I read the comments in the paper from the people who are suggesting that, they also make some suggestions as to what could have been changed that would have avoided this in the first place. I think that's a fundamental problem that I have with this bill, that, as I look through all—and we're going to go through some of this—the Hansards of the committee hearings and go through the Hansards of the presentations made by the minister and the Hansards of the questions answered by the Premier, I find that they have not only mandated the plan for the police and fire, but they have made it more difficult than the original plan for all other people within the OMERS plan to have changes made to their plan. That's not necessarily that they would have the same benefits, but that in fact they could have a different plan than what the basic plan is now. Very simply—and I know, to most watching or to those of us in this Legislature, the numbers don't mean that much—but the accrual benefits on the new supplemental plan would be 2.33%, whereas the legislation caps the other workers at 1.6%, or under federal law that could go up as high as 2%. Now, no one seems to talk about why the government has decided that it is not appropriate to allow those pension benefits to go to that, if it is the wish of both employer and employee. It makes it hard to see why they would do that.

We've heard the Premier say a number of times, I guess to get by the debacle that we've caused here with an illegal strike on the verge of happening and nobody on the government side coming up with any suggestions of what we should do with that, the detriment that's going to cause in our schools and so forth—nobody is doing anything about that. I think we need to look at that and say, “Wait a minute. It's right, but isn't there something we could do to make that happen?” If that is strictly to allow the one bargaining unit or the other employees that are not covered by the supplemental plans, together with their employers, to decide that they are going to have a higher level of pension available, I think it would behoove us all if the Premier would—I think they usually call that “swallow his pride” a little bit and ask all the players to get to the table to see if there isn't a solution we could deal with.

I think, as we go back—and that's where I was going, back to the start of the process—we keep hearing from the government side, “We've heard so many presenters and we made so many amendments.” I was there for most of them, so I'm not going to deny the numbers, but I guess I also would add what the government side doesn't, “We also have created so many more problems than we started with, after all was said and done.”

As we look at the numbers, we see that the presenters weren't evenly split between the people who came in to support the legislation and the people who came in to express their concern about the legislation. In fact, it was overwhelmingly people coming forward to oppose the legislation. You would then suggest that the govern-

ment's amendments would have dealt with those areas that were important to the majority of the presenters.

The main amendment makes the issues that were brought forward by the vast majority of the presenters, one being the cost and the other the ability to administer or to create further pension benefits beyond the ones that are within the bill. Those two items in the new bill are—in fact, it's more difficult to get more supplemental plans. The issue of the supplemental plans, when we were in the original one, required a process within the new board to create supplemental plans. It was there as an ability to do, but it was not a mandate to do. The amendments caused it to be a mandate and, of course, that relates to the presentations from—I can't say for a certainty, but I would suggest that near to 100% of the municipal presenters would have included somewhere in their presentation an issue with the cost of these benefits. We'll get to that later, too.

We have to remember that the primary reason why the municipal governments were objecting was the cost. The primary reason that a large portion of the workers are upset with this final result has to do with cost, but it's primarily not treating all the members in the OMERS plan the same. I used the words "the same"; I think it's rather important, because I think that's the message that's out there. I think there are differences in different occupations of different people, so being the same and being fair are not necessarily the same thing. I think it's important to distinguish that. The concern was with what was being distributed. The message that the government was sending out was in fact that we were going to treat one group, in their minds, better and give them greater ability to get higher pensions than other groups, and that was wrong.

I have here a quote from a letter. It was sent out by the minister. After the first set of hearings, this related to the problems that the municipalities have put forward about the cost of these new pension benefits. The letter was sent out in December. It says, "Bill 206, if passed, will not"—and "not" is highlighted—"impose any new cost or pension benefit on any employer or employee. It will require that the proposed new sponsors corporation set up, within 24 months, a supplemental benefit plan that will include the optional pension benefits outlined in the bill."

I don't know how we could suggest in one sentence that there are no pension benefits in this bill and there is absolutely no cost in this bill, and then say they will have to put this in place within 24 months. Obviously, there is at least, as the minister said, a point of discussion, a difference of opinion, on whether this bill will in fact increase the cost and increase pension benefits for someone.

1610

I would think that when we speak—and the government has, and I'm not disagreeing with them on it, that police and fire deserve extra benefits. If police and fire deserve extra benefits in this bill, then I would say that the wording that there are no extra benefits in this bill is

somewhat erroneous. That's I think what's causing, if nothing else, confusion in the general public as to what is happening with this bill, because it does deal with being able to create supplemental pensions.

To clear up the confusion for a lot of the pensioners who are involved with this bill, we need to do more in getting the message out as to what this bill does. At this point I'm not suggesting that I totally agree with the minister. But if the minister is right in that there is no problem with this bill, he should sit down with each one and explain what this bill does and everyone would then become happy. I think he should do that before we bring it to the House and pass it and then go on with life, and find out that all these folks have not had it explained at all. It was mentioned by someone else that they had CUPE representatives in to see them last Friday. I too had the privilege of having a group in my riding come to our office. I would say that as we spoke to them, there was some misunderstanding about some of the items in the bill that they interpreted differently from the way the government has been interpreting them.

I want to clarify that there was no mistake about it: The union that represents these workers says that it will be ever more difficult for future contracts or future employees to increase and get supplemental benefits. There is no doubt that it will be more difficult after this bill to get supplemental benefits for a CUPE worker than it is today. That's what their concern is as they're bargaining, and the government has said that it's all part of the bargaining process. The supplemental plans are not a given above wage increases. This will be negotiated when we negotiate pay. If that's the case, I think all workers within the OMERS plan want that ability. If it's negotiated, if it's not imposing it on anyone, then why would you restrict it for one and not the other?

The other concern, of course, is the issue that the police and fire supplemental plans are connected to the arbitration system, I guess is the way to do it. If, after negotiations, the two parties, the employer and the employee, cannot come to a conclusion on the settlement of a contract, then it goes to arbitration, and then of course an arbitrator decides what the end result will be.

A lot of employer stakeholders have a concern with that because they believe that if they are, as they appear to be, totally opposed to negotiating supplemental plans for police and firefighters, the arbitrators will, I guess, arbitrarily include that in a settlement. Again, that's not any different from the way the present contracts will be settled as they relate to police and fire. But that would not happen in a CUPE contract, because obviously they don't have the ability to go to arbitration. They have mediation and then they must come to a settlement.

The issue of the cost: I know that the government hasn't done a sufficient job of pointing out the inevitable cost to the plan. It may be a cost that's not justified. It may be a good expenditure of dollars. If we're going to criticize the estimates of the cost that AMO made on the employer side—the employees made estimates that are drastically lower than AMO's numbers. Obviously, one

of them is not right, so I think it behooves the government, which actually put forward this bill, to come up with those figures of what the cost really is.

As recently as yesterday, again we had the opportunity of being at the ROMA/OGRA conference at the hotel uptown. The minister was there, and there were some questions about the cost of the plan. The minister, as he did in the House today, answered the individual at the mike to the extent of “not to worry”—and I’m paraphrasing—“because we have an amendment in the bill that says we can only negotiate one benefit every three years—the first contract and then three years hence and three years hence—before you can get all the benefits.” So it’s going to take that long to get to the number that AMO was using and that they said it was going to cost to have this plan. If that’s the case, I guess that would mean that, at least at the end of the day, that’s how much this plan could cost. If that’s the case, I think the government has an obligation to come forward with that.

As we go through this bill, I just want to point out each one. If these things could be done, if the government has this information, if we could present it, then that would allay some of the fears that some of the users in the plan have. If this would help allay their fears, I think it would be appropriate that the government does that in order to stop—not to concede to, “If you don’t give us this, we’ll strike,” but if we could negotiate it and if the problem is gone, then it’s not a matter of who caused it in the first place. If the information is there and people are satisfied, then I would say I’m glad you finally came to the table and talked about it and got things under control.

On the cost, I just want to go through a few of the presenters I found interesting at the committee. We have a number of them here. Of all the presenters, if they were municipal they were concerned about what the impact was going to be on their budget. Across the board, all the presenters agreed that the cost to the municipal taxpayer and to the people who live in the communities in Ontario could be as much as—somewhere between 2% and 3% of the municipal budget would be affected by these plans. Again, those were the numbers that AMO put forward. The government says that those are not the right numbers, but the government has not put up any different numbers to say that’s where it should go.

Dail Levesque, the human resources director for the city of Owen Sound, made a presentation, and this is what he said:

“Our city budget is approximately \$40 million. We get \$16 million from taxes. Our current OMERS costs are about \$875,000 a year. The cost to the city as a result of these proposed changes will rise from \$875,000 to about \$1 million or \$1.2 million. That’s a conservative estimate: \$325,000 to \$400,000.

“We have lost \$2 million in the old CRF funding and the new OMPF funding grants. This loss is not uncommon among municipalities our size due to the failure of the province to consider small urban municipalities and our being sandwiched between the rural needs and the

large urban areas.... The province is rushing to reform one of Canada’s most important pension funds without a reasonable understanding of the potential repercussions and without sufficient regard to the best interests of employees, retirees, employers, communities and, most importantly, taxpayers, because that’s where all of this OMERS money comes from.” Then it says, “We respectfully request that the government scrap Bill 206 and go back to what the original OMERS devolution discussions in 2002 entailed; that is, increasing efficiencies in decision-making and streamlining OMERS board appointments.”

1620

I think that is really where this is all coming down to. That’s the same philosophy that the minister used when he introduced the bill: that we should introduce the bill and that the bill was going to go back to the original premise of 2002 of devolution. I think the minister mentioned the fact that this had been going on for years and that other governments couldn’t get it done. In 2002, in fact, was when the discussion was going on about the devolution of OMERS, but it was not achieved. The minister did come to the table with the same principles to do that, but obviously, at least in the city of Owen Sound’s position, he didn’t achieve that.

On governance, we have Kenneth Todd; he was the director of corporate services with the city of St. Catharines: “With respect to the governance issue, in terms of the city of St. Catharines, we are not concerned about a movement away from the province’s control over the plan to a sponsorship committee, but we don’t feel that it’s appropriate for the province, as it lets go of that responsibility, to place additional restrictions or conditions on that sponsorship committee before it even gets started.” Again, that’s what I was speaking to earlier. The problem is that we’re giving devolution, but we make sure that they have no big decisions to make, because the province wants to make all those big decisions before they’re going to pass the plan over and devolve it.

Again, on representation: “I’m sure you’re going to hear this from other groups—we feel that the representation is dramatically skewed toward certain groups in the plan. For example, CUPE, which has about 45% of the members in the plan, gets one member. Fire has 4.75% of the members, and they get one member.” This is the type of discussion that you need to have if you were just devolving the plan. All the players would be in. To the credit of the government, some of that discussion took place because these people made presentations. The representation has changed somewhat, not sufficiently in the eyes of a lot of people, but the representation on the board has changed somewhat between the readings of the bill because these presentations were made. But the government didn’t look at the areas where the greatest need for that was.

That same quote goes on about the 4.75%—that’s the firefighters. That means “they have about one tenth of the representation that CUPE has, yet they have one full member at the table. In addition, the police have about

10% of the members in the plan and they get one representative as well. The non-union groups, which many small municipalities across the province have, represent about 20% of members in the plan, yet they get no representation other than the possibility of somebody representing them through the three at-large members.” Again, this is the type of discussion that should take place to make sure, as we devolve the plan, that we get these things right. That’s the way it was supposed to go.

Here’s a quote from Mr. Clarence Ziemann. He’s the warden of Hastings county and mayor of Deseronto. “My colleagues and I of Hastings county continue to have a very serious concern about this bill. We also share the view that the Eastern Ontario Wardens’ Caucus and AMO hold on Bill 206. Let me be clear: We do not support this bill....

“First and foremost, the property taxpayers we represent in Hastings county cannot and should not bear the financial burdens this bill will impose upon them. There is nothing in it for them except new costs to be borne. It should be no surprise to any members of the standing committee that our property taxpayers are increasingly voicing their concerns about how much more they can pay to support local services. We hear it week in and week out at our council meetings. Our taxpayers understand that their contributions fund services like roads and bridges, garbage collection and recreational programs. I believe they are also beginning to understand the significant amounts of property taxes that are subsidizing provincial programs like social services, ambulance and disability programs. That subsidy now stands at \$3.2 billion annually,” according to AMO.

This goes on. It’s all about their frustration with the inability to control their expenses. They see this OMERS devolution as another impediment when it comes to budget time, when it comes to contract time, to their ability to function as they should because of the mandated things they must do.

Another one was brought up by the third party at the committee hearings concerning the voting pattern. We may get to that a little later in the presentation, but it requires a two-thirds vote. If the two-thirds vote fails, we can have another vote, and if half of it passes, if it gets 50%, then it goes to a mediator. If the mediator has a decision, it goes back. If it can pass by a two-thirds vote, then it stays, and if it can’t get a two-thirds vote, then for a 50% vote—I’m not sure how many times we go through that, but when we get to it, I’ll have it written down so I’ll be able to follow it very closely.

One of the things the third party suggested was that we should have a look at the Ontario Secondary School Teachers’ Federation, at the teachers’ pension plan. We had a presentation from the Ontario Secondary School Teachers’ Federation. I suppose that in general terms one would make an assumption on a bill like this, where we have a labour-management debate going on, as the bill was introduced as a devolution bill—I would suggest that that would have been the two sides of the debate. I don’t think it’s unreasonable to then assume that the secondary

school teachers’ federation would likely have made a presentation in support of the workers’ side of the bill.

This doesn’t actually go there:

“Some of the optimism that we felt is gone. The amendments that have been made to this bill do nothing to address the concerns we brought forward with the details of joint trusteeship. In fact, amendments have, we believe, absolutely undermined the concept of shared ownership and decision-making on the plan’s benefits and contributions. Employee plan members will not have an equal say in determining their pension plan with the proposed two-thirds majority vote.... We would conclude that perhaps the best end result of this is that the government itself take over the employer side of the partnership and deal directly with the employee representatives. If the government is going to put forward what we believe is a flawed governance model, then frankly, we believe it would be better for the government to take more direct responsibility.”

We have the teachers’ federation coming in and saying, “We’ve looked at what you introduced. We’ve looked at how you amended it, and, folks, it isn’t salvageable. You should go back. If you can’t do better than this, you should just leave it alone.” I think that’s kind of a shame.

I have another quote, and this is another one that’s very interesting, because as I said, I’m supportive of it, but the police and fire supplementary plans have been the major part of our discussions at committee and here in this House. We had a presentation from the Police Retirees of Ontario Inc. I have a one-liner on that. I find it rather interesting. “Bill 206 is cumbersome and unworkable and will create more problems than it is intended to resolve.” I think that’s quite an indictment by the retired police services who have got to the pension plan.

We see that it’s not all one-sided, even in the objections. We have a lot of people on the receiving side of the pension plan who have grave concerns that are as plentiful as those who are on the management side.

The Canadian Auto Workers: “We’re very concerned, of course, with Bill 206 and the revisions that were made to it. We believe that this revised bill is actually worse than the first one, and we also believe that our members are worse off under this bill than compared to the status quo arrangement.” We have the auto workers coming in and saying, “If this is the best you can do, don’t do it.” That’s plain and simple.

This is the side of the bill that, when it was introduced, was considered a housekeeping bill, with amending and putting a lot of time in—I was going to say “putting a lot of effort in.” Everybody is coming in and saying, “We presented last time. We made some recommendations. Now let’s see what you’ve done,” and the answer is, it is worse than it was before.

1630

I have another one here that I find interesting. It was from the city of Mississauga, the mayor. The name will come to me in a few moments, but—

Interjection: Hazel McCallion.

Mr. Hardeman: Oh, that's right. Hazel McCallion was in and made a presentation on behalf of the city. She said, "I'm not sure I'm pleased to be here today. I thought maybe the last time we were here we might have done some good, but when I read the changes that were made, it went from bad from worse, so it forced me to come back because of the grave concern."

Now we've got the labour side and we've got the management side coming in and saying, "I didn't want to have to come back. I thought I gave you all the advice I could. But it was so bad, I decided I had to come back again and see if I couldn't convince you to do it."

Now, this one is the other side. Again, I don't condone or support the approach that we're using but, at the same time, this was the presentation made by Mr. Sid Ryan:

"My name is Sid Ryan. I'm the president of CUPE Ontario....

"Let me begin my remarks by saying that I guess it's only the Liberals in Ontario who could put Hazel McCallion and Sid Ryan on the same page when it comes to the radical surgery that's required with this legislation. Clearly, you've strayed far away from the indications that at least the Premier gave to me when he first got elected, that he wanted to get both parties to sit down and negotiate what a pension plan governance model would look like."

After attempting to get the Liberal McGuinty government to talk to them, "... we find ourselves being invited to a press conference held by all the people"—Hazel McCallion and Sid Ryan.

I think that really says it. I wasn't there to know whether the Premier promised to have negotiations with them prior to this, but obviously if the players that are so opposed to this piece of legislation now believe that that would be helpful, to get to the table and have some discussions, and think that there is some way of meeting some of the irreconcilable differences, I think we should do that.

I have a quote here from Mayor McCallion at the press conference they held. It went so far that Sid Ryan and Hazel McCallion did hold a joint press conference.

"Mississauga Mayor Hazel McCallion criticized a provincial bill that would reward Toronto's police officers and firefighters"—and I'm not sure why it's just Toronto—"with a better retirement package than other government workers covered under the Ontario municipal employees retirement system....

"She said the plan will force cities to raise property taxes by up to 3% to cover the costs.

"I beg the Premier to do his homework on it because, if it goes through the way that it is planned, I can assure you it will be a property tax increase.... We have done the calculations."

Again, I'm not suggesting that the calculations that all the deputants were talking about are accurate. I don't know how many times I asked for the government's projections, and I'm sure they wouldn't make a major pension bill change like this to one of the biggest pension plans in the province of Ontario without doing some

calculations as to the financial impact. I understand we have put in a request under freedom of information to get the numbers, but so far we have been unable to get the government to turn over the numbers that they would have received when they decided to proceed with this bill.

I also want to say that our leader, John Tory, has asked this government day after day to come back to the table. Again, I think, along with all the players within the bill, those members on this side of the House believe that we should do all we can to negotiate an equitable pension plan to replace the present OMERS structure. If that requires taking a little longer, if that requires saying, "Let's hold off and see if we can't get more of the issues dealt with," then I think that's what should be done. John wrote to the official opposition just to keep them talking.

I had the opportunity to be on a panel last Friday night. My good friend Mr. Duguid, the parliamentary assistant, was there with me. When asked about holding it up—or slowing it down, I suppose is the right word—but having some discussions with all the players, the parliamentary assistant said, "Well, it's too late for that, because it's in third reading. You can't make any changes in third reading because that's how the House process works." I don't purport to be an expert on process here, but I was told not too long after I arrived that when you have unanimous consent, you can do anything in this place that this House wants to do. I'm sure, if the Premier could get the parties together and come up with some changes that would avoid the work stoppage that's going to dramatically negatively impact the population of this province, if we can do anything to stop that from happening by getting the people together and negotiating something different than what's on the table, I'm sure that there would not be much opposition to that from anyone in the House. I don't think anyone wants whatever the solution is to be achieved by causing this much hassle in our society. I'm sure that that could be arranged.

The problem is, the Premier, when questioned about it, keeps insisting that we have reached the negotiated settlement. This is as close to a negotiated deal as he believes his government can achieve. I'm here to say that if this was a negotiation without the ability to arbitrate, this is not where this process would stop. I don't think in any negotiation process you would stop the negotiation and say, "This is as far as we're going," if at that point neither side would say it that way, neither side suggesting that proceeding with the bill the way it is is better than doing absolutely nothing at all. I think this really is the wrong way to go.

To go back, as I said I was going to do, when the committee hearings started, the Minister of Municipal Affairs came in to present to us what the intent of the bill was and what he hoped to accomplish with the bill. The cause was noble, but the results were dismal. Anyway, I just thought I would go over that, and he makes supportive remarks for the staff that were with him. It says, "On June 1, I introduced for first reading Bill 206,

An Act to revise the Ontario Municipal Employees Retirement System Act. It's my pleasure to now bring this bill to this committee. If passed, our legislation will enable OMERS stakeholders to determine for themselves what is best for their future."

I think on that part my problem is where it says, "It will enable OMERS stakeholders to determine for themselves what is best for their future." If that's right, then I can't understand why the majority of the debate is about changing the plan to affect the people in the plan. There is absolutely no connection with the provincial government—no cost, no liability, no benefit. There is nothing for the provincial government in the change that we're talking about here. In the devolution, there may be; I'm now talking about the supplemental plans. This is an issue that is, in its entirety, there for the purpose of the stakeholders in the plan: employer, employee, and the different types of employees. In my mind, if the intent was to let the stakeholders in the plan—which the province is not—make the decision for themselves what is best for their future, then this bill doesn't do that. I would suggest that that should have been one of the first amendments: to make sure that nothing was going to happen because of the devolution; that in fact we provide in the devolution the ability of the stakeholders of the plan to make the changes that they deem appropriate. Having said that, those changes may very well be the same changes that the province is now making, but I don't believe they should be making them if their intent is to allow the plan participants to do it.

1640

This is kind of a history lesson, I suppose: "OMERS was established in 1962 as the pension plan for employees of local governments in Ontario. Today, OMERS is the pension plan for about 355,000 current and former employees. They are from a diverse range of about 900 employers, which include municipal governments, school boards, police service boards, children's aid societies and other local agencies throughout Ontario. The plan members are represented by about 50 different unions." OMERS manages approximately \$39 billion in assets. This points out the magnitude of the plan and the impact that a mistake is going to have on the future of the people in the plan.

Then he says, "At this time, I'd like to share with you the government's intentions regarding the bill and the legislative process that we're currently engaged in." Then he speaks about how this bill, if passed, "will devolve governance responsibilities from the province and, instead, place responsibility for the plan with those who pay for it, who pay into it and who benefit from it. We believe that devolving the responsibility of OMERS governance will place greater authority in the hands of the contributors." Going back to that statement, the total purpose of this plan was to devolve the operation of the plan so the people who own it make the decisions about it.

It goes on: "Over the last two years, our government has built a new relationship with our municipal partners,

one that acknowledges their expertise and fosters municipal autonomy. This bill is another example of how we are providing municipalities, along with other members of the municipal sector, an opportunity to make their own decisions in areas that impact them." Again, we heard from Hazel McCallion and all the municipal people. We heard from labour and the CUPE folks, and that's what they're saying: "We want to be able to make the decisions, which the minister said this bill was going to do. Allow us to make the decisions as they impact our lives and our pensions."

The last line of that paragraph says: "In response to requests over the years by stakeholders, this bill, if passed, will give the members control over their own plan." But the municipalities tell us that the plan they'll be given is going to be, in their opinion, an uncontrollable plan that they have to deal with.

Then we get to the next paragraph, and I guess we get to the part where we keep our promises. That's why I think it is rather an important section, because it's not necessarily a common thing from the government that we can have a bill where we are actually keeping a promise. "This bill also addresses a commitment made by Premier McGuinty, while Leader of the Opposition, in response to that report, and addresses several issues that remain outstanding in the report." Again, this deals with the supplementary plans, and I commend the minister for dealing with that. Again, a promise made, a promise kept.

But in this paragraph, he does refer again to the 2.33% accrual rate cap. The reason I mention that one is because nowhere in here does he talk about, as an intent of the plan, capping the rest of the plan at a lower rate. When I say "lower rate," I'm not suggesting that all the rates have to be the same, but why would we have one that is going up, as mentioned in his presentation, and then, as we review the bill at committee, we find that they are actually locking in the other pensions at a lower rate than the federal government suggests should be the cap?

As we go through the bill—I don't want to go through the whole Hansard, but there's a paragraph here: "At this time, I would like to summarize some of the key events that have taken place between the time the legislation was introduced and these hearings. Ministry staff conducted technical briefings for stakeholders so that they would have a clear understanding of the draft bill and would have time to productively discuss this issue within their respective organizations." I don't know whether it's a play on words, but my problem with that is the part—incidentally, the ministry did a good job in explaining to us at committee. The minister's staff conducted technical briefings for stakeholders, so it would seem to me that he's suggesting that he already had the bill written before he talked to the stakeholders. Then he went around and had technical briefings to tell the stakeholders what he was going to do.

Of course, in my vision, that's not the way you go out and consult to find out what the stakeholders think is the appropriate thing to do. You gather that, you put together a piece of draft legislation and then you review it with

them. I suppose that's why we generally do not have public hearings after first reading; we generally have public hearings after second reading. The minister decided we needed them after first reading. I suspect it's because of that section that he had to have them after first reading, because when they did the technical briefings, they immediately found out that the stakeholders, the people who were going to get this plan devolved to them and the people who were going to create the new plan, didn't like it and didn't believe that what was being proposed was the right thing to do.

Then the minister says, "What is quite clear is that various OMERS stakeholders have different views on many matters relating to the bill. We are pleased that these hearings are being held, and that there will be an opportunity for full input. We expect and encourage debate on this legislation."

Again, that's a good idea. I support that. I also thank you, Mr. Speaker, for allowing me to be part of the debate as we debate this bill this afternoon.

The problem is that having public hearings is not just about allowing people to speak; it's about listening to people and then trying to accommodate as many of those requests as is appropriate in order to still accomplish the goals the minister has sent in. I believe that if the minister had taken the time and reviewed all the presentations and made all those changes they were asking for, even if he left out the ones that were going to negatively impact others, we would have had a much better bill.

In the few moments I have left, I want to say that the one area that really struck me as strange as we went through it—and, as we mentioned earlier, the New Democratic Party put forward a number of amendments to change this—had to do with the part that requires the ability of other participants in the plan to have supplemental plans, and the need of the voting, the two-thirds majority. Municipalities said that if you have supplemental plan abilities, you should have at least a two-thirds vote, or unanimity. CUPE said it should never be more than 50% plus one. At that point, the police and fire also said it should never be more than 50% plus one. When they were looking at the amendments, they decided to go with the two-thirds vote, but that would create a problem with the supplemental plans. They were all in agreement that they were going to be in the plan, so we mandated them. So they are there now. They do not require any vote.

What's interesting is that the municipalities looked at those amendments and said, "If we don't have the ability to have the two-thirds vote on the mentioned supplementary plans, the two-thirds vote on the rest is somewhat irrelevant." They never expressed a concern that they needed more than 50% plus one to deal with supplemental plans in the rest of the plan. It was only in the area where they were arbitrable that they wanted that two-thirds vote. In fact, the change could quite easily have been made back to the 50% plus one and made a lot of other people within the plan more content with the way the plan was written. But that was not done. I think

that's the problem I have when the minister speaks about the intent to devolve the plan over to the people who can manage and control it. After we heard from the public, there were areas where that could have been done to accommodate what he heard. The minister came to the conclusion, "No. We have a plan and we have already made 100 amendments. We're not going to make any more. We're going to fly by the seat of our pants and we're going to implement the plan the way it's written." I think it's wrong, and I think they should do as John Tory told them: "Hold more meetings to see if we can get a consensus on this. Don't pass it until such time that that's done."

Thank you very much, Mr. Speaker. You haven't noticed, but I noticed my time's up.

1650

The Acting Speaker: I regret to say that I noticed it as well. It's time for questions and comments.

Ms. Horwath: I just want to say how impressed I was with the hour's speech by the member for—what's your riding again?

Mr. Hardeman: Oxford.

Ms. Horwath: The Oxford riding, the number one riding. There you go.

I think it was very instructive in that we finally got some understanding from a member in this Legislature on what the real issues are around Bill 206, because the minister would have us believe that all of this concern out there in the community is for naught, that in fact there's no problem at all with Bill 206, that it's a wonderful bill. Anybody just needs to take a little bit of time to look through the Hansards and they'll find that the vast majority of presenters at committee in both hearing processes didn't think that everything was fine and wonderful with Bill 206. I have to say that the member from Oxford spent a considerable time in his speech trying to outline where the fault lines lie, if you will, in this legislation. I'm looking forward to spending some time discussing that as well.

I think it's ultimately a poor reflection on the minister and the government that they're prepared to bring this seriously flawed legislation forward, particularly when, through tonight's debate and the debate over the next couple of days, we're all going to find out how quite easy it would have been to fix this legislation or at least make it palatable for the people who are very concerned about their pension plan. Let's face it: Pensions are extremely important to people. Pensions are viscerally important to people when it comes to their ability to retire in dignity and with a decent quality of life. That's why everybody in this chamber, I'm sure, supports the efforts that have been made by a group of employees, particularly police and fire. We want to see the same thing for other workers.

Mr. Bob Delaney (Mississauga West): I'm amused to hear my colleague from Oxford discuss my city of Mississauga and to make an inference that Bill 206 would affect my neighbours as taxpayers in the city of Mississauga. Mississauga is just one of 382 employer

municipalities, with a total of nearly 107,000 active members among them. In total, more than 360,000 active and retired workers rely on the Ontario municipal employees retirement system—OMERS—for their pension.

Like the government in which I serve, I too have consulted on this bill. I've spoken to our city manager—our mayor is now in Asia on a trade mission—and done my best to grasp the key issues that most concern my city of Mississauga. The city was worried that the passage of this bill would, if all eligible bargaining units negotiated the maximum pension benefits immediately, trigger an increase in taxes of up to 3% without putting one extra firefighter or police officer on the street. It won't and can't happen. No changes will be made for at least two years, and only one class of supplementary benefits can be negotiated in each round of collective bargaining. In plain English, that ensures that municipalities and the bargaining units representing police and firefighters will spread any terms on which they may agree over a span of more than 10 years.

Some of our municipal employees have been told that their pension contributions will cross-subsidize supplementary benefits to police and firefighters. This is simply not true. The language in the bill made this clear, and some of the opposition amendments were adopted just to ensure that this cannot and will not happen.

I wish I had a little bit more time on this. One of my mayor's favourite phrases is "to do your homework." Three extensive rounds of committee consultation have done this homework and now give these members in this Legislature a chance to make an informed decision.

Mr. Joseph N. Tascona (Barrie–Simcoe–Bradford): When I came to the Legislature today, I thought we were going to be debating the Takhar motion that we have been debating for the last number of days. As everyone knows, that's the minister who was found by the Integrity Commissioner to be intentionally breaching the integrity act through his conduct, and he was reprimanded by the Integrity Commissioner. As we know, this is all about accountability, integrity in terms of a government, in terms of how they conduct themselves with respect to a minister.

Mr. Delaney: On a point of order, Mr. Speaker: Pursuant to standing order 23(b), the member's response doesn't have anything to do with either the bill or the comment.

The Acting Speaker: I would ask the member for Barrie–Simcoe–Bradford to continue with his two-minute—

Interjection.

The Acting Speaker: Would the member for Barrie–Simcoe–Bradford please take his seat? Thank you.

I would ask the member for Barrie–Simcoe–Bradford to respond to the presentation that was given to the House by the member for Oxford.

Mr. Tascona: Thank you, Mr. Speaker. I'm trying to get there, if you'll permit me.

In the Barrie Examiner today, there was an editorial with respect to Bill 206. I'll read it: "There have been

two rounds of hearings and amendments have been made" to this bill. As everybody knows, they've been altering it altogether. "Joe Tascona, the Conservative MPP for Barrie–Simcoe–Bradford, says more than 100 changes have been made. He has rightly asked what's left of the original bill with that many alterations.

"None of which explains why McGuinty is refusing to budge on Bill 206. Tascona says the Premier is all but daring Ryan and CUPE to stage a wildcat strike. When asked last week what he would do should CUPE strike right across" the province, "McGuinty basically replied that it was a problem for municipal governments because their services would be affected.

"Perhaps McGuinty's position is that if Bill 206 is changed again, it might as well be scrapped. The whole process would have to begin again. Maybe the Liberals are unwilling to give CUPE"—

The Acting Speaker: Thank you very much. We have time for one last question or comment. I recognize the member for Niagara Centre.

Mr. Peter Kormos (Niagara Centre): Very briefly, because I only have two minutes, I want to commend the member for Oxford for his insightful address and his hard work on this bill. All of us are looking forward to Andrea Horwath, the member for Hamilton East, who's going to be doing the lead for the NDP. Ms. Horwath has worked tremendously hard with this bill. On behalf of New Democrats, she presented just about 90 amendments. Three were passed by the government. We find it unfortunate, we find it regrettable that the government wasn't a little more accommodating of opposition members' views, who worked incredibly hard. Ms. Horwath worked incredibly hard in committee to attempt to resolve some of the conflict, not to fuel it.

I'm not afraid of the debate—I'm not afraid of the debate at all—but the government clearly is, because I've just been served with a notice of motion indicating that the government is going to use its majority to shut down the debate on Bill 206. I understand that there are differences of opinion, and I respect those who have an opinion contrary to the NDP's position in this matter. I respect them very much. But I say to you that for as contentious a matter as this, where there are clearly different perspectives that deserve to be heard, for this government to somehow talk about process—remember, as the Premier did earlier today—and then to deny due process by way of a time allocation motion after but one afternoon of third reading debate is shameful and does not serve this assembly well. I frankly am embarrassed today at a time allocation motion after but one day of third reading debate on a very contentious matter.

1700

The Acting Speaker: The member for Oxford has two minutes to reply.

Mr. Hardeman: I'd like to thank the member from Hamilton East not only for her kind comments but for her hard work during the committee. We had quite a challenge to deal with the government's amendment after amendment after amendment, and most of the amend-

ments they had great difficulty explaining or even explaining why they were there.

I'd also like to thank the members for Mississauga West, Barrie-Simcoe-Bradford and Niagara Centre.

I want to tell the member for Mississauga West that in fact I didn't talk about his city; I quoted the mayor of his city, who came and spoke very eloquently and passionately about what negative impact this bill was going to have on your community, and your taxes too. She was concerned about everyone's taxes in the city. Again, I'm not suggesting that all their numbers are right. I am still concerned about why it is that the government has not been able to come up with or produce the numbers that show why they think this is a good bill.

I just want to speak quickly to the comments by the member for Niagara Centre. I was unaware, when someone in the government has been talking about process and telling us that we should all follow the process, that they would move to halt debate after one day of debate in the Legislature. I don't think the Speaker would condone that as sufficient to cut off debate, so I'm sure, if that motion had been introduced, the Speaker would rule that out of order and give the people of Ontario an opportunity to hear about what this bill is going to do to their lifestyle.

The Acting Speaker: Further debate on Bill 206? I'm pleased to recognize the member for Hamilton East.

Ms. Horwath: I was trying to find the adjective that was going to describe my feeling in getting up this afternoon to debate this bill. "Disappointment" came to mind, "concern," a number of different things. But now it's leaning more towards a sense of disgust and frustration that the government would bring a time allocation motion on this bill.

I know we are not debating that time allocation right now, but in effect, what that does is shut down the debate. So here is the government that, notwithstanding all of the flaws in this bill, refuses to make the changes that are going to make a significant impact on the frustration and anger of some of the workers in this province, but instead decides that they are going to even push a little further and shut down debate on the bill. I have to say it's almost unthinkable.

We've worked extremely hard; many people have, on all sides of the debate. Whether it was ourselves or the opposition, whether it was in fact the government or the presenters who came and made deputations to committee not just once, back in December, but a second round again in January, real efforts were being made to put language and clauses forward to try to make the bill better and make the vast majority of stakeholders in this plan accept it. But unfortunately, here we are with the government today bringing forward third reading and setting the stage for potential massive labour unrest in Ontario. It is extremely poor form by the government that within that context they are now bringing a time allocation on this bill.

Unfortunately, my belief is that the position we are in right now is the direct result of the government, and I say that because I've been through the process they keep

bragging about: "We've had such a great process." Well, you know what? The process doesn't work if you are not sitting at a table, willing to make the decisions. If you are sitting there wanting to just dig in and ignore the pieces of information that people are bringing forward that could break up some of the logjams, that's a different thing. That is a valuable process. Unfortunately, the government didn't do that, and so here we are in the situation that we are today. Instead of working with the stakeholders to bring in legislation that would have been acceptable to all or a vast majority particularly of member stakeholders, they decided to bring in a flawed bill that is doing the opposite and is dividing stakeholders. It's a confrontational approach that the government has chosen, and, yes, they have chosen a confrontational approach instead of trying to reduce the tension. Unfortunately, they haven't seen fit to take that sober second thought, to take that step back and do the responsible thing, which is to amend the bill.

Now we are finding out that they are taking it even a step further. They are going to hide the flaws in the bill by not allowing them to have the light of the debate of this Legislature shone on them. That is completely inappropriate and completely opposite to what this government promised the residents of this province when they ran for election. They said, "Transparency," they said, "Openness," and we're getting exactly the opposite in this province. It's a darned frustrating day to stand here on an issue that is so important and see the government so smugly put this time allocation motion forward in regard to the bill. They should be ashamed of themselves, in my opinion. Having said that, I am going to take my 56 minutes and four seconds that I have left to talk about some of the substantive issues in this bill, because I think it's important that people understand that there are significant problems to the bill—and that there are significant solutions that could have easily been implemented to fix the problems that are here.

I want to start by reiterating the position that we have had as New Democrats from day one. It's interesting, because it's that same piece that the government keeps waving around as saying, "Nobody would be opposed to this particular piece of legislation. We all recognize that this is an important thing to do." And I can say that we all do recognize that it's an important thing to do, and of course I speak to the issues of supplemental agreements for police and firefighters. That's certainly something we've always supported. In fact, a couple of times during the discussion, during the debate, during the presentations at committee, I spent some time trying to flesh out some of the concerns that were raised by municipalities—having come from that sector myself in my previous elected time, before being elected here—trying to flesh out the fears being raised by municipalities around the costing of the supplemental plans and trying to ensure that the issues were put flatly on the record around the checks and balances, if you will, of the negotiation process, of the preparation of the compensation demand by workers, police or firefighters and how

that might mitigate cost impacts of supplemental plans. All of these issues I brought forward to the table. I did so proudly and I did so in the spirit of the fact that of course the supplementals are something that everyone always agreed on.

And the sad thing about this—and I raised this the last time the bill was debated—is that the vast majority of worker stakeholders in this legislation were all in agreement early on in the process, were all kind of talking about some of the same principles and recognizing that sticking together on the bill and certainly acknowledging there were tensions—absolutely—not being naive about that, but acknowledging that at the end of the day, if we ended up with a devolved pension plan that would meet the needs of all the different worker stakeholders particularly, they could support each other in that process. It's really unfortunate that through a lack of leadership of this government we've ended up at the end of the day in an extremely divisive situation.

I want to say that not only did we hear from the leadership of the firefighters and the police, but we also heard from the leadership of many, many other unions. I have to say that not once did any of the other unions in any way indicate a lack of support for the principle of supplemental plans at all. The problem came when there was a clear indication that the government wasn't prepared to enable, allow for, accommodate opportunities for all of the other workers to be able to obtain either supplemental plans and/or eventual—eventual, not right away—improvements to the benefits in their pension plan. So that's where the rub started to come. That's where this government decided very clearly that they were going to hive off certain workers and treat them differently than other workers, and that's where the tension started to build. I'm going to talk a little bit later and bring quotes specifically from the hearings and from the clause-by-clause debate that clearly set out and clearly put on the record the red flags to indicate to government members—and you should do your homework, as Mr. Delaney was saying, and look at some of those Hansards, because you will see them clearly. I'm going to talk about them again tonight, but you'll see quite clearly where we've put on the record through this process where the red flags are and, on top of that, the actual amendments that would fix those problems. So when I say that the government had an opportunity here to do the things that needed to be done to make sure we did not end up in the very tense situation we're in now, I say it from a position of authority, because in fact I was the person who was bringing those opportunities forward to the government and they unfortunately decided to ignore the opportunities.

1710

I want to put on the record an important piece that the government keeps kind of sliding over—and again it goes to emergency workers. The government keeps claiming that they've actually done the right thing by paramedics. Well, they haven't done the right thing by paramedics. In fact, I have a number of e-mails and

letters that have come from paramedics and I'm going to take the opportunity right now to read them out. What paramedics wanted in terms of equal treatment with other emergency workers in the bill was the ability to retire at age 60. They wanted NRA 60 built into the bill, and the government decided they were not going to do that. So paramedics, needless to say, are not happy. They're not happy because, again, the government is using paramedics and saying, "We've done this great thing for paramedics," but paramedics are saying, "No you haven't. You haven't done what we needed you to do to make sure that we can get to an NRA 60." I think it's important to clear that up, because this is another one of those subtle things that the government is partaking in doublespeak on, in my opinion, talking about how they've done something that they haven't done, or at least they haven't gone to the extent that they had promised and/or that they're trying to lead the public to believe they're doing.

This first one was an e-mail that I received on February 10. I have another one that I received on February 9, and another one on February 9, and then there's also some research from the research office of the Legislative Assembly that I wanted to refer to in this regard. I don't think an hour is going to be long enough, Mr. Speaker, when I look at the clock.

It says clearly, "Bill 206 excludes paramedics in the NRA 60 (normal retirement age 60) and also supplemental benefits. NRA 60 and the supplemental benefits apply only to police and fire sectors." This is by a particular gentleman named Kyle Wilkinson. Kyle is concerned. He is with primary care paramedics and he is quite concerned. I'm going to quote what he says: "Paramedics have long been the 'ugly stepchild' of the police and fire services. Bill 206 carries on this tradition. Your government"—here is the advice—"needs to slow down and take a long, hard look at this bill and how it affects paramedics. Mr. McGuinty has been quoted by media outlets stating paramedics are included in Bill 206. However, when reading over the bill, I see paramedics mentioned nowhere, just police and fire. Paramedics must be included in Bill 206."

Again, there are several others. This one says, "The fundamental issue is that although paramedics are named as PSOs, we will never see the NRA 60 and be eligible under" it, "as we are not specifically named in the enabling portion of the legislation that is being coined as the sweetheart deal" etc.

"Paramedics have successfully lobbied the federal government to obtain public safety occupation designation"—PSO—"which Bill 206 recognizes, yet they are not given the same courtesy and privileges as their emergency service counterparts, the fire and police sectors."

There's documentation upon documentation. I hope the members here are going to be able to face down their paramedics when they go back to their communities and try to say, "We did take care of paramedics," and lo and behold, you'll get an ugly shock when you get back to

your community and your paramedics are sorely ticked off because in fact you didn't.

This is a document from February 1 from the research office that outlines basically the confirmation that in fact the paramedics weren't taken care of the way everyone is being told they had been taken care of in this bill. That is the paramedic issue.

There is another issue that came up that I thought would be really important to raise in this Legislature. I raised it, actually, in the last reading. The government tried to fix it this time around, and they didn't really fix it very successfully. That is the introduction of the concept of defined contribution plans into the OMERS system. It is a sad day in the province of Ontario that the government, through its own fumbling of this legislation, almost made the entire plan eligible to become a defined contribution plan, as opposed to a defined benefit plan. But luckily they recognized the error of their ways, and I put up the red flag in committee in the first go-around of clause-by-clause. But the problem became, once they decided that they were going to take out the requirement for a defined-benefit pension plan—they've already put the motion. So this time around, they couldn't put it back in because they had already tried to do so when they realized they fumbled it the last time.

The long and the short of it is that we almost ended up with an OMERS pension plan that was a defined benefit plan that didn't guarantee workers that at the end of the day they would be able to have a defined benefit, defined wages, defined benefits that they could rely on in retirement. What happened instead was that the government had to introduce a clause that basically opens up any of the supplemental plans to becoming defined contribution plans, or any other initiative that the sponsors corporation might come up with in terms of new models of offering products to the members in a defined contribution scenario.

I'm not going to belabour the point, but defined contribution plans are not secure plans for the workers. At the end of the day, your wages are put into the market, and if the market performs well and your contributions happen to be invested in an appropriate way, then you'll be all right. But that's not a guarantee, and if markets go sour or if markets crash or if your investments are not dealt with properly, at the end of the day, without a defined benefit, you end up with whatever the heck your money happened to be able to earn you over the time you've been investing in your working life, and that's simply not good enough.

Unfortunately, that's the model many employers are pushing for in this day and age, but it's certainly not the model that's going to make sure workers can retire in this province with a decent pension, a decent standard of living and a decent quality of life. So with the government's fumbling of this bill, they've introduced the concept of defined contribution. It's a sad day in this province that that's the case, that our government, the government of Ontario, the Liberal government, is supporting defined

contribution plans in the public pension system. It's simply unbelievable that that would happen.

There are a number of other issues I want to get to in regard to this plan. The next one is the issue of, why the divide? Why is it that at the beginning of the process many of the worker-stakeholders were on the same side, working from the same premise, understanding the issues in the same way, but now have ended up divided? They now have ended up not working from the same page, half of them not pleased with what the government is doing and the other half very pleased. It's simply because the government made some choices to not be fair in the way they treated different groups of workers.

I have to say that the government did that purposely and obviously when we got to the second go-round with public hearings, when the government came back with its amended bill and then started bringing in its new amendments. I wanted to raise that issue. It was raised briefly by the previous speaker. If you look through Bill 206, you will see pages upon pages of struck-out language, just tons of struck-out language. Unfortunately, when the government put language back into the bill at the last go-round in committee, they did so in a way that was completely unacceptable to the stakeholders. Stakeholder after stakeholder came back to the second set of committee hearings totally in shock, saying, "Oh, my gosh, you've botched it even more. You've made more of a mess this time than the last time." In fact, many stakeholders said, "Gee, we would rather have the bill in its initial form," rather than the mess they brought forward in the second time around.

So I have to say that the issues that were brought forward were not listened to in any upfront way by the government, and as a result, we have this bill that is simply unsupportable for vast numbers of workers in Ontario.

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I mentioned a couple of things around defined contribution versus defined benefit. There are many references in Hansard to that discussion. I think it's really clear that not only do workers generally disagree with that particular thrust, but I did ask the Police Retirees of Ontario because of course they are now in the position where supplemental plans—not for current retirees but for current officers—are being considered in this bill.

There is a person named Syd Brown who participated in the committee hearings. On the defined contribution issue I had asked, "I'm going to ask about some general issues..."—because the brief they presented wasn't specific to the clause-by-clause—"I want to ask about your position on the move to remove the defined benefit requirements of the future pension plan." Mr. Brown said, "We're opposed to defined benefits, absolutely." So I said, "You're opposed to defined contribution or" defined benefit? "Defined contribution."

So Mr. Brown, from the Police Retirees of Ontario, was in solidarity with all of the other union representatives, all of the other worker representatives on the issue of defined contributions. But for some reason the

government, in its wisdom or lack thereof, decided that defined contributions were the way to go in this pension plan.

Again in the debate on February 1 I raised the issue of defined contribution. What I said is this: "I'm a little bit frustrated, because the position we're now in is really untenable; that is, the government is bringing forward this motion which, because of its own fumbling of the ball the first time around, has now led to the thin edge of the wedge being provided in the OMERS pension plan. It's disheartening that they didn't have their t's crossed and their i's dotted to be able to recognize that this second-best motion here is completely unacceptable," the second-best motion being the motion that they tried to put forward—had to put forward—in order to fix their mistake of the previous clause-by-clause process.

What kind of slipshod process is that, that the government doesn't even know what it's doing, accidentally gets rid of a defined benefit pension plan, accidentally introduces defined contributions, and now we're all stuck with what that's going to mean in Ontario, what that signals in Ontario?

But it wasn't only the police retirees and myself who raised the issue of defined contribution. In fact, the International Brotherhood of Electrical Workers also made a presentation on this bill and they also raised the prospect of defined contribution plans, indicating that that was absolutely the wrong way to go for this government, that it was irresponsible for the government to be introducing defined contribution plans into the OMERS system. Unfortunately, I didn't have my highlighter with me when I found the quote originally. Okay, here it is:

"OMERS must be put on a level playing field with other major public sector pension plans in Ontario. To this end, the IBEW is respectfully requesting reconsideration for the sections of Bill 206 dealing with defined benefits, supplemental plans, the CPP offset, start-up funding and transitional matters.

"Let me begin with defined benefits. In the original draft, section 9 of Bill 206 read, 'Every OMERS pension plan must be a defined benefit plan.' To our surprise and disappointment, this section has been removed. For many of our members, defined benefits define OMERS. Since its inception more than 40 years ago, OMERS has been a defined benefit plan and, simply put, we believe that it should remain so for the next 40 years. With this in mind, the IBEW recommends that section 9 should be reinstated within Bill 206, as previously written."

Of course, it couldn't be because the government fumbled the ball, so now we have something that is certainly second-best; in fact it's totally inappropriate when it comes to the introduction of that concept into the bill.

I think the biggest issue is really clear. It's the issue that has been raised, that has taken us to the brink of this work action about to occur in Ontario. I made the comment at the beginning of my speech that we were very diligent in trying to put together the amendments that would take care of some of these concerns, the ones

that I've raised already. In fact, it's funny; this is the consolidated set of motions. This is the small set from the second go-round of clause-by-clause. But the very first one on top, interestingly enough, is the one to fix the paramedics' problem with the NRA 60. I could go through them all; they're all here. I can give anybody copies if they want them, but they're also very accessible in Hansard.

I think it's really important that I spend time on the issue of the inherent unfairness of the bill, because this is the thing that somehow the government refuses to acknowledge. It's really sad, because the evidence is so clear and obvious that in fact they wrote it fairly the first time, and then they brought amendments that screwed the whole thing up, that messed the whole thing up. As a result, now we're not even back to where we started from; we're 10 paces back from when the bill was initially introduced, and that's the frustrating part about it.

I know these things have been raised in the Legislature already, but I think it's worthwhile repeating because it really is, in a big way, the crux of the matter when it comes to whether or not this government has been paying attention, not only to the stakeholders, particularly the stakeholders who are not currently guaranteed their supplementals in the bill, but also to themselves. The Premier, when he was the leader of the official opposition, wrote a letter back in October 2002 to the then chair of OMERS indicating very clearly that they would undertake a process of decision-making, a process of getting over parts of negotiations when they got stalled or stuck or when they couldn't come to an agreement; a dispute resolution type of process. The Premier clearly said this, and it's in black and white: "Our support will be conditional on the legislation providing for a dispute resolution mechanism similar to the teachers' plan." Well, that's pretty clear. In fact, lo and behold, initially, that was in there. It was a simple process that initially proposed that any decision—now this is a decision of the sponsors organization to provide a number of different things, but to provide supplementals or to provide changes in benefits. Any proposal initially, the first time around, needed 50% plus one to approve. If there was a deadlock of 50-50, the proposal would go to mediation. If the mediation report came back, it needed to get a simple majority, 50 plus one, to approve the mediator's report, and if it was deadlocked, it would be sent back to binding arbitration.

Anybody in this province who is either a worker or an employer, who has experience in the process of collective bargaining, will know that this is the normal way of doing things within that milieu. This is the normal way of getting over impasses. And this is what Dalton McGuinty promised in his letter to the then chair of the OMERS board back in October 2002. I can't find it to wave it around, but it—oh. Right here, okay? He promised it.

In the first draft of the bill, it was actually there. But what happens is, we go through a process of public meetings, of hearings, we hear from stakeholders, and the government comes back with a change that basically

does this. Again, this is really important, because this is the fatal flaw; this is the big fault line that exists. Yes, there are other problems, and I'm going to actually raise them a little bit later on. There are other more broad problems, if you want to call them that, some philosophical, some specific, but there are other problems with the bill. But there are a couple that were what we call the fatal flaws. This is a fatal flaw because now, here's what happens. Keep in mind that this is what the government considers to be fair to all stakeholders. When this bill is passed, and it will be, obviously, because they've now time-allocated it, which means they have shut down the debate. It means they don't want people to know this very information, so that's why I'm giving it to you now.

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The bill will automatically allow—and in fact require—that supplemental agreements be put in place for police and fire. Again, in principle and in practicality, that's something that New Democrats are on record as supporting and most other workers—in fact, I don't recall any during clause-by-clause or during the public hearing process that had a problem with that principle and they all understood why it was important to have it in there.

The problem, though, is that other worker members of the plan are not being treated fairly in that instead of going through the regular process, the one I just described that was initially in the bill to get over impasses on plan improvements or on the offering of supplementals for all the other workers, here's the process they have to go through. That's why my leader, Howard Hampton, in some of his questions to the minister and the Premier has been asking, "Why are you putting up these roadblocks?" These are roadblocks for other workers to get a fair shake in this bill, and here's what the process is.

The initial proposal to improve benefits or introduce the supplemental, which before required 50% plus one for approval, now requires a two-thirds majority. If it doesn't get the two-thirds majority, it needs 50% plus one to go to mediation. It's important to recall who's on the sponsors corporation. Interestingly enough, it's made up of 50% employer and 50% employee representatives. It makes sense that it's a 50-50 body. These are the two major stakeholder representatives in a broad context: employers and workers. These are the same two types of parties that negotiate with each other on a regular basis in the process of collective bargaining. The relationship is not an unknown one, it's not an untested one or a new one. It's a tried and true process that has been undertaken in this province for decades. But instead of having that process undertaken within the context of this body, now what's required is a two-thirds majority, so that a number of the employer representatives have to agree with the worker representatives on a potential change.

That's not even the worst of it. If that doesn't happen, if you can't get the two-thirds majority, then you need to get at least 50% plus one to agree to take it to the next step, which is mediation. So you still need one of the employer reps to vote with the worker reps on the sponsors corporation to get it to mediation. But that's not even

the end of it. Once the mediator makes the decision, it has to come back and get two-thirds majority support again to implement the recommendations of the mediator. So again, they're building these roadblocks and putting up these bars that are almost impossible to jump over.

That's the crux of the problem that other workers have and why they are saying that this bill does not treat them fairly in terms of their ability to make gains in their pension plans, and that, quite frankly, is very clear. But the problem is that the government uses language and swirls around these sound bites so that people don't have a clear understanding of what the issues are.

Not only does the mediator's recommendation then require a two-thirds majority support—again, keep in mind, a two-thirds majority when half are employee and half are employer—but if that can't be reached, then it needs 50% plus one to send it to arbitration. Basically, somebody's going to have to break ranks. You're setting up a process that basically, in effect, in practicality, in day-to-day operations, stymies the opportunity for many workers to obtain what they need in terms of a fair process to get some changes to their pension plan or even to have the possibility of a supplemental considered.

That is the big issue, the big flaw in the government's legislation. Any one of them can get up and say, "It's fair. It's not a two-tier system. We're treating everyone fairly, and police and fire deserve their supplementals," which, darn it, they do, and everybody agrees. But that's not the issue. The issue isn't the supplementals. They like to talk about that; they like to get the public's sympathy for that. But what they are doing is talking to you over here while they are doing something else over there, hoping you don't see what's going on over there. It's a typical trick of a magician.

The McGuinty magic trick in Bill 206 is that they are saying one thing to the public—I said this to the minister in my questions and comments after he made his report; I'm pretty upfront about it—and only telling a part of the story. The nasty, ugly part of the story that's about to put workers in this province on picket lines from one community to the next is that fatal flaw in this legislation. The members opposite had better take the time to figure it out, because they are the ones who are going to have to explain it in their communities to the workers on the front lines, as well as to members of public service organizations, whether it's a library, a school, garbage collection or part of the municipal service. Whatever the possible service is that is going to be affected, it's the people of Ontario who are going to have to understand why the government couldn't see fit to build in a fair process, not guaranteeing supplementals for these workers, not guaranteeing improvements to their pension plan, just a fair negotiating process, one that they are accustomed to in the relationships with their employees already, one that they use on a regular basis in negotiating their collective agreements—just a fair, regular process, one that's not foreign, one that's actually guaranteed in the letter that Dalton McGuinty provided when he was the

leader of the official opposition—it's right here; he said he wanted that—and one that is in the first draft of the bill.

For some reason, they've decided all of a sudden that they don't want to be fair. They don't want to live up to Dalton McGuinty's promises—surprise, surprise. They don't want to do what they had initially done in the bill, which is what everybody accepted as the right process. Instead, they want to do something that is so offensive that literally every single worker group that is affected by this language and that came to the hearings in the second round spoke out against it—every single one. In fact, the language they were using was quite strong. They were talking about that whole piece being the deal breaker, or one big part of the deal breakers for this bill.

I have a number of quotes. You can never really adequately represent the language, the concern, the passion with which people bring their concerns to these committees. I have to say that it's certainly been a privilege to sit on this committee and meet so many great people, whether they be members of unions, members of the emergency services organizations, people from municipalities. If there is one thing that is true, it is that people who came to those committee hearings did so from a position of passion and real concern for their pension legislation.

I'm going to read a couple of these, because I think it's extremely important.

This one is from—go figure—the OSSTF, the very organization that Dalton McGuinty had promised, in this letter of October 3, 2002, the same organization that he refers to as the model—they came and made a presentation at the hearing. Here's what they had to say. This was by Rhonda Kimberley-Young:

“Amendments to section 43 of Bill 206 requiring a two-thirds majority vote to improve benefits or adjust contribution rates cannot be part of a pension partnership that equally shares risks and rewards. This form of dispute settlement mechanism will only exacerbate a sort of fractious nature among OMERS contributors and employers.

“What this amendment does is tip the balance of the sponsors corporation decision-making power. It gives employers veto power”—all the things we've been saying in this House. “The enhanced majority requirement creates a relationship between unequals. Voting ... representatives from one side or the other break ranks, and ultimately the enhanced majority will prevent disputes from ever going to binding arbitration.” It will prevent, in other words, opportunities for improvements to the plan or for supplementals. “For OSSTF, a pension partnership that lacks a fair dispute-settling mechanism for our OMERS members is a real deal breaker. We are concerned about that amendment in particular.

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“We believe that the government can't wash its hands of OMERS governance by handing the partners a governance model that's flawed, putting in place an operating structure that we believe is not given what it needs to

succeed, and by the kinds of restrictions that have been put in those amendments on the partners' decision-making power.”

That says it all. And shame on you for sitting here and time-allocating this bill when, if anybody had bothered to look at the Hansard from January 25, you would all understand that that's exactly what the problem is and we wouldn't be in this situation today. And it's shameful, it's truly shameful, because Ms. Kimberley-Young was not the only person that raised that issue. The government had ample warning, starting in the middle of January, a month ago, that we were going down this direction. They had ample opportunity to fix it, but they decided not to.

There is another one that I wanted to quote. This one is from the delegation by Ms. Cara MacDonald. She was there from the Canadian Auto Workers Union. I did mention last time around that this bill—we see it oftentimes as emergency workers versus members of CUPE in terms of—not “versus”; I shouldn't say that—but in terms of describing the union stakeholders or the worker-side stakeholders in the bill. But in fact there are many other union organizations that represent members who are members of this pension plan. I've already spoken about the OSSTF, who have members of their union that are also members of this plan.

Another organization is the one that Ms. MacDonald spoke on behalf of, the auto workers, and what she said about this bill is exactly the same. First of all, she talked about the representation on the two corporations and had some concerns about that. But as we know, a lot of those issues have taken a back seat to the issues that are currently on the front burner. What she says is “that some groups have effectively lobbied the ... government.” She says, “We ... need to scrap this” bill “and start from the drawing board, get back to basics and try to start discussing the structure again, as opposed to having it imposed on us.” What she says is that the bottom line is that the deal breaker in this legislation is the two-thirds majority. That's not only what she said, but it's also what the teachers said in their presentation, and of course it's also what the member from CUPE, Antoni Shelton, said when he was at the committee. He said, “As you know, we've made it clear that there are a number of issues that have been put on the table through amendments in second reading, like the super-majority, two-thirds majority; like having managers on our side of the table.” I'll get to that one; I haven't spoken to that one yet, the clerks and treasurers. “And we have the issue of the offset and accrual rate cap,” which I believe actually has been dealt with.

Needless to say, a number of worker representatives have put on the table the issue of the two-thirds majority requirement being the deal breaker, so the government has no place to hide when it comes to pretending that they don't understand why the unions are saying and why the plan members are saying that this is not a devolution in the way that the sense of the word was understood when they began to embark on the process. It's interesting, because another issue that came up in the first set

of hearings on this bill was the dichotomy between what the plan members from the workers' perspective were saying versus what the employers' side was saying. I can remember that when this bill was first introduced I hadn't been here very long at all, so I didn't really have an understanding, never mind of the process, but even of the bill and the language and how you deal with all of these different things. I can remember speaking to the president of CUPE and saying, "Give me an understanding of what's gone on so far. Why is this bill here?" He described that there had been some failed processes in the past that didn't really end up with anything positive in terms of any movement forward with previous governments on this bill.

It's interesting because that was the perspective of many of the people who made presentations from the worker side, regardless of what union or organization they were from. On the employer side, though, it was absolutely the opposite. They couldn't understand what the whole fuss was about in the first place: "Why are we even talking about this? Nobody even wants this to happen. Nobody's even interested in having OMERS devolve to the stakeholders." It's really interesting that from the very beginning it didn't seem like the employers necessarily were engaged in the dialogue. It seems to me in hindsight that that's perhaps why we're where we are right now.

I can recall, because I was so new at this, that I put a question to the minister when the bill was first introduced. I can remember asking the question, because that was some of the information I had gleaned in a very short time about the process. I said, "Why aren't you just setting a table for people to come and discuss what the issues are? Why aren't you setting the traditional framework for employers and employees to talk about what they would like to see in the devolution of their pension plan?" Today, so many months later, that's one of the issues that still comes up, and after the last set of public hearings on this issue, a number of people indicated the same concern and the same frustration: "You should have actually just had us all sit down and hammer this out."

I said at the beginning of my speech, and I truly believe it, that part of the reason we are where we are is because when the government embarked on this effort on Bill 206, they did it in isolation, and they did it by having two different agendas and they couldn't even figure out which agenda was primary. Was it to devolve the pension plan or was it to fulfill a promise they had made to emergency workers on their supplementals? Either one is a laudable goal, but the problem is that because of the way they fumbled the ball and didn't bring stakeholders together in a common setting to deal with it, they created huge rifts and ended up in the situation where we are now, where a number of workers in this province are completely unhappy with this bill.

I spoke a little bit about the two-thirds majority. I have many more quotes in my records indicating the difficulty people have with the two-thirds majority. This one, if I

can finish on this, is from Mr. Ryan. Here's the cannon across the bow for the government that Mr. Ryan put out on January 25. He said this: "By the way, there are not two-tier systems in here when it comes to workers. The workers of CUPE are every bit as important to the system in this province as the police and the firefighters."

He goes on to raise issues around the importance of the work his members do. "Our members should be entitled to negotiate as good a pension plan as anybody else who's a public sector worker in this province, regardless of whether they wear a uniform or don't wear a uniform." Here's what he says about the majority: "The two-thirds voting requirement, in our opinion, is anti-democratic and gives a minority of the sponsors corporation a veto over the wishes of the majority. In the circumstances proposed by Bill 206, such a veto will guarantee that the predominantly female members of the OMERS workforce will remain strictly second-class members of the OMERS pension plan in perpetuity."

I will remind people who might have been watching the horrible display that when I raised that very issue in this Legislature in the form of a question and was heckled by the members across the way, indicating that where there are low-income workers in this province this bill will simply reinforce their retirement into poverty, people laughed at that, and I was quite disgusted. But the crux of the matter is this: If you set up a system that basically prevents those workers from obtaining improvements to their benefits or supplemental plans, then of course—they're lower-paid workers; they don't make the high wages—they can't accrue in their pension plan high benefits on which to retire.

In fact, they give a couple of examples. This is from the presentation that was provided, and I think it illustrates that very point, and it's important to read it into the record again. A typical worker named Sally works for 35 years, earning \$30,000 a year, and retires at the age of 65. Under the accrual rate that's entrenched in the bill, \$11,900 is what she can get. There is not a city in this province where you can live on \$11,900. You'd be below the poverty level. The problem is that any improvements need to go through that unbelievable process that was described earlier, the two-thirds majority process. There you have the crux of the matter in terms of the assertion that people covered by the plan, a large number of workers—lower-paid workers, women workers, immigrant workers—are going to be relegated to this situation where they cannot get improvements to their pension plan because the government, in its lack of wisdom, has decided that they're going to put a structure and a process in place that prevents them from getting there.

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There are a number of other issues that came up in the discussion and debate about the bill. I think the two most important ones at this point, or at least the two that the government should have been able to see quite clearly, are the ones I just described, the two-thirds majority, the one that we have put—again, here is the package of amendments. We put many, many amendments in both

the first set of clause-by-clause and the second to try to get these motions in here. We had 62 amendments that we put in the first round of clause-by-clause; we had 28 that we put in the second. Again, in the government's sly little way of talking about this bill, they say, "We accepted three of the NDP amendments." Gee, maybe if you had accepted the other 87, we wouldn't be in the situation we're in today in terms of the significant, severe disappointment that many people have with this legislation.

We also have some issues that came up during the process of clause-by-clause discussion of this bill that are probably worth putting on the record because they in some ways relate to concerns that are being raised by workers whose pension plans are being used to fund government initiatives that they don't see as being in the best interests of workers. I think particularly of P3s, because of course the debate on LHINs is happening later on this evening. I thought it would be a good segue into that debate, because it's coming up after the recess. Many workers—and it's not just OMERS workers; it's many workers across the province—have been facing this dilemma whereby their pension investments, their pension plans, are used as capital to invest in things like P3 hospitals, things that are fundamentally in opposition not only to the values of those very members but also in fact will kill their jobs, reduce their wages, kill their unions and so on.

Interestingly enough, a big part of the debate around this bill had to do with the extent to which there need to be checks and balances, or some shining of light, I guess is the way they often talk about it, in the decisions that the investment body, the administration corporation, is going to make on this in terms of the investments. There were many amendments put that would shift that balance, and, again, those amendments weren't accepted by the government. But the principles, I think, were important to put out there, because it provided an opportunity for the issues to be brought forward in the real debate around the pension plan, where workers are struggling with these very issues.

Many will know that the OMERS pension plan itself has not been without scandal in terms of at least allegations of considerable wrongdoing around particular investments or decisions that were made in terms of the investments, so what many were looking for was a way to provide an oversight body, if you want to call it that, that would look at the decisions and make sure that those decisions at least had some light shone on them in terms of how they were being made, and some accountability built into the process.

It looks like people are anxiously on the edges of their seats because it's getting close to the time when I'm going to be finished, but I do believe I have a couple of minutes left. When we next debate this bill—oh, I guess we're not going to debate this bill again because you've called for time allocation on it. Are we going to debate this bill again? I have about five minutes left.

Mr. Tascona: No. It's just a motion, a time allocation motion.

Ms. Horwath: Okay. It's just a motion so far. All right.

I'll end it today by saying that there are a couple of other issues that I think still need to be raised. But I have to say that it's a sad day in Ontario when the government purposely decides that they are not going to do the very few things that could be done to not only avert a work stoppage in Ontario that we're on the cusp of but also—and I think it's extremely important—to fix their fumbling of a devolution of a pension plan that means so much to so many workers. They could have done that in a very easy way by accepting some of the amendments on the issues that I brought forward today.

On that note, I am losing my voice. I appreciate the opportunity and look forward to debating this again.

The Acting Speaker: It being almost 6 of the clock, this House stands adjourned until later on this evening at 6:45.

The House adjourned at 1756.

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