



ISSN 1180-4386

**Legislative Assembly
of Ontario**

First Session, 40th Parliament

**Assemblée législative
de l'Ontario**

Première session, 40^e législature

**Official Report
of Debates
(Hansard)**

Thursday 26 April 2012

**Journal
des débats
(Hansard)**

Jeudi 26 avril 2012

**Standing Committee on
Finance and Economic Affairs**

Healthy Homes Renovation
Tax Credit Act, 2012

**Comité permanent des finances
et des affaires économiques**

Loi de 2012 sur le crédit d'impôt
pour l'aménagement du logement
axé sur le bien-être

Chair: Bob Delaney
Clerk: Valerie Quioc Lim

Président : Bob Delaney
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Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

**COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES**

Thursday 26 April 2012

Jeudi 26 avril 2012

The committee met at 0904 in room 151.

**HEALTHY HOMES RENOVATION
TAX CREDIT ACT, 2012
LOI DE 2012 SUR LE CRÉDIT D'IMPÔT
POUR L'AMÉNAGEMENT DU LOGEMENT
AXÉ SUR LE BIEN-ÊTRE**

Consideration of the following bill:

Bill 2, An Act to amend the Taxation Act, 2007 to implement a healthy homes renovation tax credit / Projet de loi 2, Loi modifiant la Loi de 2007 sur les impôts en vue de mettre en oeuvre le crédit d'impôt pour l'aménagement du logement axé sur le bien-être.

The Chair (Mr. Bob Delaney): Good morning, everybody. It's good to see you all again. The Standing Committee on Finance and Economic Affairs will please come to order.

We are here to resume clause-by-clause consideration of Bill 2, An Act to amend the Taxation Act, 2007 to implement a healthy homes renovation tax credit. When we concluded our last meeting, we were dealing with a motion by Mr. Hillier, on which I have put the question. A 20-minute recess was requested, followed by the committee suspending for a vote in the House. After the vote in the House, the budget motion was called during orders of the day. The meeting was then adjourned, pursuant to standing order 71(d), which states: "No bill shall be considered in any standing or select committee while any matter, including a procedural motion, relating to the same policy field is being considered in the House."

Now we will deal with Mr. Hillier's motion.

Mr. Hillier moved that the Standing Committee on Finance and Economic Affairs of the Legislative Assembly of Ontario recommends that the proposed NDP amendment to Bill 2, the Healthy Homes Renovation Tax Credit Act, 2012, section 2, adding the subsection (3.1), be fully costed by an independent auditor before the clause-by-clause consideration of the bill continues.

Mr. Mike Colle: Point of order.

The Chair (Mr. Bob Delaney): We are actually at the point now of voting on the motion, so Mr. Colle is in fact out of order.

Shall the motion carry? All those in favour, please raise your hand.

Interjection: Recorded vote.

Ayes

Fedeli, McNaughton, Shurman.

Nays

Cansfield, Colle, Forster, MacCharles, Prue.

The Chair (Mr. Bob Delaney): I declare the motion lost.

Mr. Mike Colle: Point of order.

The Chair (Mr. Bob Delaney): Mr. Colle.

Mr. Mike Colle: Just for clarification's sake, if there's a motion moved by a member of the committee, and then the motion is before us, and the mover of that motion is not here—just for future reference—is that motion in order?

The Chair (Mr. Bob Delaney): Yes. It has been moved, and as such, it's in order. It had been in order because it had been moved and we were set to vote.

Mr. Mike Colle: Okay, thank you, Mr. Chair.

The Chair (Mr. Bob Delaney): Okay.

Mr. Peter Shurman: Chair?

The Chair (Mr. Bob Delaney): Mr. Shurman.

Mr. Peter Shurman: I'd like to move a motion before we get into the clause-by-clause, because it relates to the bill.

The Chair (Mr. Bob Delaney): Mr. Shurman has a motion.

Mr. Peter Shurman: I'd be happy to give the clerk copies of this motion so it can be distributed to everybody, then I'll read the motion.

"Whereas the constituents of Thornhill make their budgetary decisions based on the posted costs of all products and services they choose to purchase; and

"Whereas the constituents of Thornhill are part of a broad number of different demographic, social, ethnic, economic, gender, linguistic and other groups; and

"Whereas the subjects of Her Majesty Elizabeth the Second, by the Grace of God of the United Kingdom, Canada and Her other Realms and Territories Queen, Head of the Commonwealth, Defender of the Faith, are of all different ages in addition to the aforementioned demographic groups; and

"Whereas individuals of different ages have fundamentally different choices to make when it comes to both revenue and expenditures; and

“Whereas these principles are equally valid across the province of Ontario, its ridings, municipalities, families and individuals; and

“Whereas members of the Standing Committee on Finance and Economic Affairs of the Legislative Assembly of Ontario have no way of determining how the costs and benefits of Bill 2, Healthy Homes Renovation Tax Credit Act, 2012, will impact constituents of different ages;

“The Standing Committee on Finance and Economic Affairs of the Legislative Assembly of Ontario recommends that the stipend for parliamentary assistants for the government of Ontario be suspended for two years to allow for fiduciary adjustment to cover a portion of Bill 2, Healthy Homes Renovation Tax Credit Act, 2012.”

Mr. Monte McNaughton: Excellent motion.

Mrs. Donna H. Cansfield: That’s because you’re not sitting here.

Mr. Peter Shurman: Could be the other way around, Donna. What can I say?

The Chair (Mr. Bob Delaney): Mr. Shurman has moved this motion. Is there any discussion?

Mr. Peter Shurman: Well, it really comes down to what we’ve been talking about, Chair, and obviously there’s room for discussion by others.

This is a motion that relates to the fact that while we’ve been given very broad-based figures of what we believe, or what the government believes, to have been the cost in the time elapsed since the bill was brought before the House—because although it hasn’t been passed, it is being acted upon—and that’s about \$60 million. Then we have estimates that look at something in the vicinity of \$135 million to \$150 million. These are estimates, and we have a very hard job in front of us, by way of these estimates, in determining whether or not there is accuracy in what we’re being told by the Ministry of Finance to the effect that these estimates are based on uptake. Indeed, they are only estimates. We don’t know what the uptake will be.

During the course of debate of this bill, the main points of contention—by both opposition parties, I might say—were the issue of the narrowness of the bill on the one hand, and the prohibitive level of expenditure on the other hand, for people who were not of sufficient means, income-wise, to be able to afford this.

Had we been in a position to bring to bear some changes in the bill before it was tabled—and we did say this to the government—we would have liked it to be something that gave all seniors the opportunity to benefit, as opposed to this narrowness.

To bring it back to the motion, the motion calls for a contingency, if you will, to allow for us to cover costs that we have no way of determining. Any way we can get it, we will, and we see this as appropriate because, after all, every single one of you over there on the Liberal side with I think one exception, the member from Vaughan, has become a parliamentary assistant. If memory serves, parliamentary assistants are paid a stipend of about \$20,000 a year in addition, or is it \$10,000?

Ms. Tracy MacCharles: Wrong and wrong.

Mr. Peter Shurman: It’s some number.

Mr. Michael Prue: No, no. It’s about \$16,000.

Mr. Peter Shurman: It’s \$16,000, so it’s a significant number. So \$16,000 times 24 parliamentary assistants, give or take, is a significant number.

We feel that we should put this motion on the table because, not knowing what the costs of this bill are, we have to have contingencies, and that’s why I’ve moved this motion, Chair.

The Chair (Mr. Bob Delaney): Mr. Shurman, are you moving an amendment to the bill?

Mr. Peter Shurman: No, I’m moving a motion before the consideration of the bill.

The Chair (Mr. Bob Delaney): Okay. Mr. Shurman, as you’ve indicated that you are not proposing an amendment to the bill, we will have to set this aside until we have completed clause-by-clause consideration.

Mr. Peter Shurman: May I amend my response to you, Chair, and say that I am prepared to move it as an amendment to the bill, if that’s the case.

The Chair (Mr. Bob Delaney): Mrs. Cansfield.

Mrs. Donna H. Cansfield: This has already been moved as a motion, and I don’t think it’s relevant to the clause-by-clause on the bill. So on a point of order, I’d like it ruled.

The Chair (Mr. Bob Delaney): Mr. Shurman has indicated that he wishes to draft an amendment to the bill. The committee will recess for 10 minutes while the clerk’s staff works on an amendment. So we are in recess until 23 minutes after 9.

The committee recessed from 0913 to 0932.

The Chair (Mr. Bob Delaney): Okay, ladies and gentlemen, let’s bring our Standing Committee on Finance and Economic Affairs back to order.

Mr. Shurman’s motion has been drafted by legislative counsel, and it will move to the end of the proposed amendments.

We are back discussing, at the moment, the NDP amendment, subsection 103.1.1(3.1).

Mr. Peter Shurman: Chair?

The Chair (Mr. Bob Delaney): Mr. Shurman.

Mr. Peter Shurman: Can I just make sure that the request is in? I’d like to have the motion that we’ve made translated into French so that all may understand.

The Chair (Mr. Bob Delaney): Indeed it has been scanned and sent upstairs for translation. Following the recess for the vote, the motion, en français, will be—

Mr. Peter Shurman: C’est bon, monsieur Delaney.

The Chair (Mr. Bob Delaney): Merci bien, monsieur.

We can, at this point, move to discussion of motion 1R. Mr. Prue, do you any have comments?

Mr. Michael Prue: Well, do you want me to read it into the record? That’s the usual practice.

The Chair (Mr. Bob Delaney): Would you please read the motion?

Mr. Michael Prue: I move that section 103.1.1 of the Taxation Act, 2007, as enacted by section 2 of the bill, be amended by adding the following subsection:

“Information concerning tax credit

“(3.1) An individual who wishes to claim the healthy homes renovation tax credit may contact the Ministry of Finance to obtain information concerning the tax credit, including the following:

“1. A list of appropriate organizations that may be able to provide any of the following:

“i. General advice about qualifying for the tax credit.

“ii. Review of quotes from contractors to ensure that the quotes are reasonable.

“iii. A list of experienced contractors who have successfully worked on projects that have qualified for the tax credit or any similar tax credits.

“2. Any other information that may assist the individual in determining whether he or she may qualify for the tax credit.”

To speak to that, if I may, just very briefly. What we are attempting to do here—it is not dissimilar, although we think better, than what the government has put forward in their motion 1.1, which will follow, I suppose, if this is not successful. We believe that this is more specific. It allows for a great deal more latitude on the part of a consumer to access the ministry and have the ministry give advice.

We do know that we are attempting to reach out to many of the frail and elderly, who are often not able to discern the level of involvement they may have, the amount of money available, and are often nervous about contractors, of whom they don't know a great deal. We think that this would be a service that could be provided at minimal cost and perhaps no cost at all. It would just simply state that when the proposed recipients of this government initiative want information, the government would provide it. So we are asking for support. We think it's a very reasonable and not only cost-effective measure, but a measure that will protect consumers who may be vulnerable.

The Chair (Mr. Bob Delaney): Just before I move to further discussion, I'm just going to let members know that somewhere around the nine-minute mark in the countdown toward the vote on the motion to adjourn debate, we'll recess the committee and we'll go up for the vote.

Is there any further discussion on this motion? Ms. Cansfield.

Mrs. Donna H. Cansfield: I think the government agrees that there are issues surrounding consumer protection. There are some very significant challenges with the amendment in terms of the feasibility and the liability and also in terms from the government. What I'd like to be able to do is, if you think about the government supplying an external list of organizations and their eligibility, how do you pre-qualify, how do you make sure you didn't leave somebody off, or you've got somebody on that shouldn't be on, or whatever? That's the risk in exposure. To actually speak to that from a

more technical and legal aspect, so that you know that although we agree that consumer protection is critical and there are some other things that we can do through our Ministry of Consumer Services—I'd like to ask legal to come up and sort of give you the overview of fiduciary responsibility from a broader perspective from the Ministry of Finance.

Mr. Michael Waterston: Thank you. Good morning. I'm Michael Waterston, counsel with the Ministry of Finance legal services branch. We have looked at the proposed amendment by the third party and we do have certain concerns with the proposal that would include in the Taxation Act a specific commitment by the Ministry of Finance to provide certain information.

First, we consider that the impartiality of the Ministry of Finance could be called into question if the ministry provides the names of some organizations to assist individuals, and not other organizations. This is not a role that the ministry has taken on in the past. It is true that there are accountants and tax preparers whose business it is to assist individuals to file tax returns, but the ministry does not make recommendations or provide their names to the public. For the ministry to suggest that some organizations and not others could assist taxpayers could raise questions about the ministry's impartiality.

Second, the ministry could be exposed, depending on the circumstances, to criticism and potential liability if it suggests specific organizations to review quotes for renovations or to provide the names of contractors. For example, an individual may rely on incorrect advice provided by a suggested organization, or an organization may recommend a particular contractor that does not perform work satisfactorily. In these circumstances, it is possible that they could turn to the ministry to get some sort of compensation for that.

The Chair (Mr. Bob Delaney): Mr. Prue?

Mr. Michael Prue: I think you're reading a whole lot more into this motion than what it says. It says that the person phoning up may ask for “a list of experienced contractors who have successfully worked on projects.” All you have to do to be on this list is, once, complete the project, have it successfully done and ask that your name be put on the list. It's not recommending anyone. All that a person would do is phone and say, “Could you give me a list of contractors who have done this work in the past and who have been successful at it and met the ministry requirements?” They would then choose from that list. You would not recommend anyone. I don't see how you recommend a single soul, from what this says.

The Chair (Mr. Bob Delaney): And on this happy note, before we continue, as there's a division being called in the House, pursuant to standing order 128, I must suspend the committee meeting at this time to enable members to make their way to the chamber to vote. I ask members to please return promptly as the committee meeting will resume shortly after the vote in the House. We are in recess.

The committee recessed from 0940 to 0956.

The Chair (Mr. Bob Delaney): The Standing Committee on Finance and Economic Affairs will come back

to order. We are considering the NDP amendment labelled 1R in your package. Further discussion. Mr. Shurman.

Mr. Peter Shurman: I think what's important about this amendment is that in a different way, which really only speaks to what paradigm you happen to be coming at something from, the NDP is saying some of the same things that we've been concerned about, that we've talked about in debate; that our motions of last week, our motion that will be considered later, all speak to.

To be specific, and forgetting for a moment whatever tactics we may have experienced in this committee, the whole issue of costing this bill and providing information for people has been contentious. The single question that I've put forward to the government side through Mr. Naqvi, whose presence obviously we don't have the benefit of today, was to give us some kind of idea of what we're in for.

Number one, where's this money coming from? We heard some vagaries about the fact that there were shifts in allocation, and therefore we're not dealing with any new spending which, as this committee knows, is of great concern—I think it should be of great concern to all of us; it's certainly of great concern to my party—and I haven't seen specifics on where those allocations are being moved from, so that's an aspect.

Secondarily, as mentioned previous to the vote, we've been given very broad-based figures. I have a piece of paper with three numbers on it, and it says in the period expired March 31, about \$60 million; in the ensuing year, if memory serves, about \$135 million; and about the same amount in the year after that. That's about all I know or the NDP knows about money—where it's coming from, how much it is, based on government estimates on uptake. I don't have any reason to trust that. I'm not suggesting that the government is giving me misinformation; I'm suggesting that they haven't given me and perhaps themselves enough information.

Goodness knows that if you take a look at the events of the last 24 hours, there are questions as to government spending and even outsiders who are looking at the level of spending. Every time we get into one of these bills, there's a cost attached to it. If that cost is not held in check, then we in this province wind up in even more trouble.

This is not an issue, as raised by my colleague Mr. Colle last week, of, "Do we want to help seniors?" We all want to help seniors. We want to help everybody. The difficulty is you can't help everybody. You have to try and pick your targets and allocate resources in the best possible way. I would suggest that, in my view, the NDP's amendment, which I'm quite prepared to support on behalf of our party, begs that question: Where's it coming from, how are people going to know where to go, who's going to supply the service, what are those services, and what's applicable and what's not—because the regulatory aspects of this bill are onerous.

That's before you get into some of our concerns about the fact that if you take the layers of any element of the

population—in this case seniors who have let's face it, probably more than any other group, been devastated by the last couple of years because they've had their savings diminish without any opportunity to recoup. So now they have to do something that improves their homes and they have to spend money that is hard to come by. We have to know, and we have to know an awful lot more and have a resource to provide that information.

I accept at face value what the NDP's intention is and couldn't subscribe more to the idea that information is at a premium, in this particular instance more than most, and that there's certainly a lack of it.

The Chair (Mr. Bob Delaney): Further discussion? Mrs. Cansfield.

Mrs. Donna H. Cansfield: I think that we still had some discussion that we were going to have with legal folks. I'd like to reiterate—and I share this sincerely—I understand the issue probably as much as most folks because of the number of seniors, and the senior fraud issue is concerning. The challenge I have, and it's the same thing I've dealt with in my own constituency, is that today I have a listing of a particular contractor who's done an absolutely superb job; tomorrow, not so good. Or the next day, they're in bankruptcy.

But who takes them off the list? Who monitors the list? Is that the responsibility of the government or is it an issue of consumer protection—buyer beware? Are there things that we can do to help and support that individual?

If not, in fact, if you say that ABC Construction Co. is deemed to have value and can do this work, then I suspect legally they'll say to us, we have implied that we condone this particular construction company and the work they do. By implication, I think there's a legal issue here for the government. What we're saying—I speak to the issue around the individual, and I may have something I could propose, but I think we need to look at that implication of a government actually supplying lists and what the implication of those lists might be in terms of the liability responsibilities. Legal, if I may?

Mr. Michael Waterston: Correct. I'd agree with that. There is an expectation presented to the public. I think if the ministry potentially provides a list of organizations that can provide names of contractors or names of the contractors themselves, there could, in some circumstances, be an expectation by the public that there is some kind of promise or warranty that these are good, satisfactory contractors who could perform adequate services in all cases, which may not be the case and is not something that can be controlled by the ministry. This might not happen, but I think it's just an aspect of risk that could arise.

The Chair (Mr. Bob Delaney): Okay. Mrs. Cansfield, are you done?

Mrs. Donna H. Cansfield: Thank you. I guess one of the areas—that deals with the list of experienced contractors. But in (ii), it says, "review of quotes from contractors to ensure that the quotes are reasonable." Again, you're setting up a whole bureaucracy and a cost factor that—I mean, we just don't do these things.

I think what we do, through the Ministry of Consumer Affairs, is that we deal with the information and the support. We've always, at the ministry, been able to provide the tax information because it's on our website, and that's general information. But we don't give the names of the accountants to do the income tax, no more would we give the name of the contractor to do the business, no more would we come and say, "Bring your quote in, and we will review your quote to see if it's valid or not."

I mean, the cost of that alone, with four million people who potentially might have access to this—because it can be for your grandparents, or it could be the seniors themselves—could, in fact, be astronomical, setting up that kind of bureaucracy.

So I want to ask you, legal, to speak to that other issue around the review of quotes from contractors to ensure that quotes are reasonable.

Mr. Michael Waterston: Yes, I agree with your comments. Generally, the tax authorities will provide clear but general information about the operation of tax credits to taxpayers to allow them to self-assess and to do their own analysis with their own tax advisers as to whether they qualify for a tax credit and the particular amount. It is a self-assessment system. The ministry does not generally warrant, in specific cases, the work that is done by particular contractors in this case or review quotes to give advice, which is something not connected to the interpretation of tax legislation directly.

Mrs. Donna H. Cansfield: Thank you very much.

The Chair (Mr. Bob Delaney): Mr. Prue.

Mr. Michael Prue: This legislation is designed for frail and elderly people, to allow them to remain in their homes, without which many of them would have to leave. Is that not what this legislation is about?

Ms. Tracy MacCharles: Partially.

Mr. Michael Prue: Well, no, I'm asking the question. Is that what—

Mrs. Donna H. Cansfield: I think the question might be better asked of me. No, that is not what this is about. This is to assist folks who have a need for a device that enables them to stay in their home, and so they may be 62 or 65 or 89—

Mr. Peter Shurman: Hey, hey.

Mrs. Donna H. Cansfield: Oh, me too.

Mr. Peter Shurman: Be a little gentle.

Mrs. Donna H. Cansfield: I don't think I consider myself frail, but I may have an impediment that I need to have a walk-in bathtub for, for example. But I may not be frail in order to have that. So I think it's not just designed for the frail and elderly; it's designed to assist people who require that assistance at a certain age in their life.

Mr. Michael Prue: Now, I'm just trying to better understand why you feel that the government ought not to be providing advice to people who are seeking advice. Is it because you've said—I mean, I don't understand the third one to begin with. I don't understand why a list cannot be given. My office routinely gives lists of people when they arrive at the door looking for legal advice,

advice from—we give them lists of lawyers who are in the area. We don't say, "These are the only lawyers there are." We say, "This is a list of lawyers who have complied in the past or that we know specialize in this type of work," and we let them choose. I don't see that we're asking anything here.

I also don't think we're asking anything other than for an assurance of someone to say it sounds reasonable. Even if they said, "You're going to have to get three quotes," or some kind of advice along that, that's what we're asking for, just because we know that many of the people—not all of them; many of them—may have some kind of issue with being able to deal with this. We're dealing with a vulnerable population, and I don't understand why you don't think we're dealing with a vulnerable population.

Mr. Michael Waterston: I think it partly comes down to impartiality. If the ministry were to provide a list, it would have to make some choice as to who goes on the list and who does not, and there could be questions as to how impartially that list was put together. That's an issue that the ministry has avoided in the past and that tax authorities generally avoid.

Mr. Michael Prue: You have avoided it because you choose to avoid it. But if this committee and if the Legislature said that you're to do it, you could do it.

Mr. Michael Waterston: If it's set out in the legislation, that would be a rule, true.

Mr. Michael Prue: Okay. And the same is true of the second one. If this committee and then subsequently the Legislature says that the tax department shall do it, you can do it.

Mr. Michael Waterston: Yes, I think that's correct.

Mr. Michael Prue: Okay. Thank you.

The Chair (Mr. Bob Delaney): Mr. Colle.

Mr. Mike Colle: Yes, I know we had this dilemma with the insurance industry when we had to deal with paralegals. At that time, there was a list of paralegals listed on the FSCO website. It was found that many on the FSCO website were basically either out of business or—some even had criminal records. So what had to happen is, we had to get new legislation which in essence put the supervisory role of the list of paralegals in the hands of the Law Society of Upper Canada. Therefore, the law society, a third party, essentially monitors and is responsible for those who are supposed to be on the list or taken off the list because of bad practices.

What you really need here is you need a third party that is willing to act as an overseer of this list, because it gets very complicated on practices—what they've done. They may have provided good services to one customer, but then all of a sudden these companies change hands and then they're not up to the level of service they provided previously. So it takes ongoing monitoring. I think somehow if this type of thing is ever going to work, you would need a third party who would act as an overseer to make it relevant and to put in safeguards to this.

Anyways, this is the example that they did in insurance, where paralegals are now under the auspices of the Law Society of Upper Canada and they're monitored by them.

The Chair (Mr. Bob Delaney): Further discussion? Mr. McNaughton.

Mr. Monte McNaughton: Sorry, I think my colleague—

The Chair (Mr. Bob Delaney): Mr. Fedeli.

Mr. Victor Fedeli: Sorry, I wasn't familiar with the procedure. I was hitting the request button thinking that that was going to be listed as my request to speak.

The Chair (Mr. Bob Delaney): And actually, the Chair was trying to preserve your voice, so I wasn't sure whether or not you were asking to speak or desperately needed a glass of ginger ale, under the circumstances.

1010

Mr. Victor Fedeli: Both, but thank you. Thank you very much, Chair. I'll speak very briefly and probably quietly.

While I do not support the bill, I do support this motion. I found the bill did not reach enough seniors in Ontario. I found that it was a limited amount that it actually would benefit. So in my opinion, anything that would help promote this program or bring assistance to this program to identify it or to aid as many seniors as possible in understanding what this bill is and if, indeed, it would offer any benefit to them, I think, is an important addition.

I would bring attention to paragraph (3.1)1, the fourth word: a list of "appropriate" organizations. I'm satisfied when I see that word "appropriate" there describing the organizations that might be able to provide the following. When I do see that word added, it gives me some comfort with the Ministry of Finance. So I would ask if you could comment, for a moment, on your interpretation of the list of primarily "appropriate" organizations. I'd appreciate that.

Mr. Michael Waterston: Well, I could say that the proposed amendment does refer specifically to a list of appropriate organizations, so that if this subsection were added to legislation and if the ministry were to respond to questions of individuals, it would have to make a judgement as to whether an organization is appropriate to be mentioned to the public to provide the information. And it does provide some limit on the organizations whose names could be given to the public.

Mr. Victor Fedeli: May I, Chair? Subparagraph i of paragraph 1, "General advice about qualifying for the tax credit": Is there something in your mind that can be done that is appropriate to offer advice in that category?

Mr. Michael Waterston: On that particular point, I note that this credit, if enacted, would be administered by the Canada Revenue Agency on behalf of Ontario, pursuant to the tax collection agreement, and that the Canada Revenue Agency would, through interpretation bulletins, I expect, or other publications, provide general advice about qualifying for the tax credit.

Mr. Victor Fedeli: So you don't seem to have any difficulty with subparagraph i of paragraph (3.1)1.

Mr. Michael Waterston: Correct.

Mr. Victor Fedeli: So subparagraph ii of paragraph (3.1)1: the list of appropriate organizations that could look at the quotes from contractors. Can you talk about that one individually?

Mr. Michael Waterston: You're referring to subparagraph i, the introduction?

Mr. Victor Fedeli: Subparagraph ii of paragraph 1.

Mr. Michael Waterston: Oh, sorry. That refers to a review of quotes from contractors to ensure that the quotes are reasonable.

Ms. Malle Hanslep: I'm Malle Hanslep, deputy director of the Ministry of Finance legal services branch. On these points, I think, as Michael has mentioned, that the ministry would have to determine which is an appropriate organization to provide this information, and Michael has raised the concerns about impartiality. We here at legal don't know which organization would be appropriate, what these organizations are, how they would be qualified and how the ministry would vet them.

In particular, general tax advice: Certainly, that's within the Ministry of Finance to give, and the ministry could find an organization for that, but subparagraphs ii and iii are very specific to contracting construction renovation and a list of experienced contractors who have successfully worked. There's a lot of judgement on that, a lot of quality control on that.

Basically, the ministry's role here specifically is to pick the first organization, and then, in picking that organization, to ensure that that organization is able to successfully provide the advice and oversee quotes and so on for the applicants to the program. I think it would be—we were speaking to the issues of legal concern with this wording and this amendment. By doing that, I think it would be difficult for the ministry to ensure that those organizations are appropriate to provide those sorts of lists, as has been mentioned. The experience of the contractors, of personnel, can differ over time. They can be working on different sorts of jobs. Basically, this raises the issue of liability for the government in providing, indirectly, those kinds of lists. By doing it that way, I think you do set out, for the public who are applying here, that ultimately this indirect list has got some sort of government approval or sanction. That's the concern that we have.

Mr. Victor Fedeli: May I, Chair? I don't know that they're asking you for the contractor list; I think they're asking you for the list of appropriate organizations that could provide that. And while, in your words, it may be difficult, if directed, could you do that?

Ms. Malle Hanslep: I can't really speak to that, as a lawyer. I don't know substantively how they would pick this organization.

My point is that, while the ministry picks the appropriate organization, in order for the ministry to assess that that organization is an appropriate one, I think the ministry would want to have the assurance that the

organization can successfully complete i, ii and iii. That's our concern.

The Chair (Mr. Bob Delaney): I'm going to stop discussion there. This committee will be in recess until 2 o'clock, or following routine proceedings in the House. Thank you all for your—

Mr. Michael Prue: Will these witnesses be back? Because I have more questions.

The Chair (Mr. Bob Delaney): Mr. Prue asks whether or not you're able to come back, and the answer is yes.

We are in recess.

The committee recessed from 1017 to 1419.

The Chair (Mr. Bob Delaney): Good afternoon, everybody. Welcome back. The Standing Committee on Finance and Economic Affairs will come back to order. We are resuming the clause-by-clause consideration of Bill 2, the Healthy Homes Renovation Tax Credit Act, 2012.

When last we left, we were considering an NDP motion that on your sheet is labelled 1R. When we recessed, I believe Mr. Prue was just about to resume his questioning of the ministry staff. Mr. Prue, would you like to take it from here?

Mr. Michael Prue: Surely, if they would come back to the table. Welcome back.

There are many organizations that deal with home renovations—organizations of tradespeople, organizations of carpenters and plumbers and electricians and home renovation experts. I'm having difficulty understanding the reluctance to recognize such an organization that knows its members and knows people who are qualified—or knows of people who may not be—not being allowed to provide such information. It's not the government providing the information directly; it's the government saying if you want any advice on local home renovators, here's a number to call, and somebody on that end of the line will assist you. I don't understand how that's going to implicate the government.

Mr. Michael Waterston: I think there are two aspects to this. In order to implement this proposal, the government would have to set up some kind of bureaucracy or devote some time of staff to do the research and to find that information to provide to individuals with respect to all areas of the province. It's not necessarily clear that there would be such organizations to serve all communities within the province or whether it would be focused more in large cities. So there's the issue about the time that would have to be spent by staff to find the information and whether organizations like this exist everywhere. That's one aspect which is more administrative in nature.

Secondly, on the liability side, I think there is some risk that, even though the province would just be giving the names of an organization that would provide further information and not providing the names of the specific contractors and things itself, it is still participating in that process. If someone at the end of the day receives inadequate service from a contractor or inadequate

review of a quote, depending on the circumstances, they could attempt to claim that the government is liable for not exercising proper care and control in setting up that system to provide information. It's a risk. It's not clear that it would arise in every case or when it would arise. It depends on circumstances, but that risk would be there, we think.

Mr. Michael Prue: Would the government not have it within its control and power to have a disclaimer, either written or orally over the phone, "We do not recommend; however, if you want, you might want to call the associations of renovation contractors"—I just made it up. I don't know.

Mr. Michael Waterston: Certainly, yes. That's a suggestion. That's something that could be done, and that could help to manage the risk.

Mr. Michael Prue: So with having a disclaimer and having an organization which you feel comfortable with and having legislation, would that assuage all of your fears?

Mr. Michael Waterston: I think that would go some way in allowing the government or the ministry to manage the risk. It wouldn't necessarily get rid of the risk completely, but it is one way of managing it. Malle, do you have any comments?

Ms. Malle Hanslep: I agree with that. That's a way of managing the risk, to have a disclaimer on it.

Mr. Michael Prue: Okay. That would be my questions.

The Chair (Mr. Bob Delaney): Okay. Ms. Jaczek.

Ms. Helena Jaczek: I'm just trying to catch up a little bit. I just substituted on to this committee. In other words, as you look at the NDP motion, you're concerned about issues that this is sort of a cumbersome, bureaucratic process that's being suggested?

Mr. Michael Waterston: That's one issue because this is the type of information that tax authorities such as the Ministry of Finance do not ordinarily provide. They do not have systems set up that provide this kind of micro-level information to taxpayers to help them find good contractors to renovate their homes, to be able to claim a tax credit.

Ms. Helena Jaczek: In other words, we don't do anything remotely like this in any other area.

Mr. Michael Waterston: Not to my knowledge.

Ms. Helena Jaczek: Okay. Then you were concerned also about potential liability for the ministry: if something should go wrong in a particular case, and the name of the organization was on this proposed list, that this might then result in some legal action, potentially?

Mr. Michael Waterston: Correct. That's a legal concern that we have as well.

Ms. Helena Jaczek: Okay. One of the issues I see that the NDP have raised is general advice about qualifying for the tax credit. Is that something that would be readily available on a website, or since we're dealing with seniors, would they be able to access that information, as an example, from the Ministry of Finance by phone?

Mr. Michael Waterston: Completely. The Ministry of Finance has provided a couple of news releases that set out in general the conditions for qualifying for the credit, as well as a list of the types of renovations that would qualify for the credit. Those have been on the Ministry of Finance website since last November, after the bill was introduced.

Also, the Canada Revenue Agency, on behalf of Ontario, would be the tax authority that administers the credit. They have a system set up that provides information such as this to taxpayers to help them determine what they have to do in order to claim a tax credit like this.

Ms. Helena Jaczek: So it would be clearly listed in the guide as people are putting their income tax return together? There would be a section that would alert them to the fact that this credit was available?

Mr. Michael Waterston: Yes, I think there would be a form, an attachment or schedule to a tax return or else otherwise available on the website that would allow them to claim the tax credit.

Ms. Helena Jaczek: And it would be an expectation that any accountant or any accounting firm filling out such returns would obviously bring the attention of the customer to this particular tax credit as well?

Mr. Michael Waterston: Yes, I think so.

Ms. Helena Jaczek: Yes. I see. So I gather, therefore, that you from the Ministry of Finance feel that this is a motion that would really not serve a particularly useful purpose?

Mr. Michael Waterston: Well, arguably, the legislation is not necessary to require the provision of that general information because systems are already set up administratively within finance and I think even more so within the Canada Revenue Agency to assist in informing taxpayers about the credit, in the event that this bill is enacted.

Ms. Helena Jaczek: Thank you very much.

The Chair (Mr. Bob Delaney): Any further discussion on it? Ms. Forster.

Ms. Cindy Forster: Yes, just to follow up, there are no government of Ontario programs where dollars and oversight are given to a non-profit agency to implement pieces of legislation such as this?

Mr. Michael Waterston: Correct. There is general information, I understand, that the Ministry of Consumer and Business Services makes available to advise people in a general way of their rights in dealing with home renovators. That deals at a general level and does not go to the specifics, I think, of whether the contractor is satisfactory or whether the contractor has provided a reasonable quote. But there are some, I think, consumer protection programs at a higher level within that ministry and available that could assist.

Ms. Cindy Forster: Okay. Thank you.

The Chair (Mr. Bob Delaney): Further discussion? Mr. Shurman.

Mr. Peter Shurman: Chair? I would appreciate a 20-minute recess so we can consider—

The Chair (Mr. Bob Delaney): Prior to the vote?

Mr. Peter Shurman:—before the vote.

The Chair (Mr. Bob Delaney): Absolutely. This committee is in recess until 2:50.

The committee recessed from 1428 to 1450.

The Chair (Mr. Bob Delaney): Let's come back to order. Let's put the question on the NDP motion, version two. Is it the pleasure of the committee that the motion carry? I heard a no.

All those in favour, say "aye." All those opposed? I declare the motion carried.

Mr. Shurman.

Mr. Peter Shurman: I think it would be a good time for us to take a bit of a pause in proceedings and all of us to consider our positions. I don't speak for the government, and at this point I do speak for the PC Party. The PC Party would like to consider the go-forward on this bill, so I'm suggesting that we adjourn to next week and hopefully finish up with it at that time.

The Chair (Mr. Bob Delaney): Mr. Shurman has suggested that we adjourn the committee until next Thursday at 9 o'clock. That is, in fact, a debatable motion. Ms. Jaczek.

Ms. Helena Jaczek: I feel very strongly that this is an important piece of legislation, and I don't want to see any delay whatsoever. I think it's important for our seniors. We know from stakeholders that they're looking forward to this renovation tax credit, and I would not want to see any delay at all.

The Chair (Mr. Bob Delaney): Mr. Shurman—

Mr. Peter Shurman: Well—

The Chair (Mr. Bob Delaney): I'm sorry. Mr. Prue.

Mr. Michael Prue: Let Mr. Shurman go first.

Mr. Peter Shurman: I moved the motion, so I'll respond, and obviously Mr. Prue has an opinion as well.

I think I have to agree with you: It's been delayed enough already. You didn't have the benefit, probably, of reading the Hansard from our last session, or perhaps somebody has relayed it to you. I spoke for quite a period of time about a comment that Mr. Colle made—on the same basis as what you have, Ms. Jaczek; that is, the member from Thornhill and the Progressive Conservative Party are certainly not against doing the right thing for seniors, and if this bill is the right thing for seniors, well, the House, in its wisdom, will vote that way. I think we've already signified our reasons for not voting that way, but that's got nothing to do with my adjournment motion. I feel as strongly about seniors—or, for that matter, children—as anybody. We come from different directions.

I think the elephant in the room is delaying tactics. All of us are very familiar with what's going on and why it's going on. I don't like delays. I don't like the very miniscule toolbox that people in the opposition are given to express their displeasure with the movement of government on various issues, not the least, legislation. So I, like you, would like to see this go back to the House. On that basis, we're quite prepared to rethink our position, but we think we need a week to do it. That's the

reason why I've moved the motion. So I would hope that this would be a motion that would pass with unanimity, that we could go away, come back next week and get this thing dispensed with.

The Chair (Mr. Bob Delaney): Mr. Prue?

Mr. Michael Prue: I've had the opportunity of being here for the entire debate on this issue. I will tell you, there was some considerable angst from the government side on the last occasion because of the dilatory tactics, which I think are freely admitted, coming from the Conservatives. That is their prerogative and they can do it. I fully expect, if we do not adjourn this afternoon, to come back, hopefully, with a better sense of this bill on the next occasion; that we will spend the balance of the afternoon in more dilatory tactics. I'm not saying that we're going to do any, because I have no desire whatsoever to impede the smooth progress of this bill. But I also have no desire to sit here and be delayed, ad nauseam, with 20-minute delays and motions and everything else, which can happen.

I'm given to understand that the Conservatives are rethinking their position, and I'm hopeful that if we do adjourn today, when we come back here a week from today, we can dispense with this bill in very short order, probably—and I'm dreaming of this, I know—in the morning, next Thursday morning. Either that, or we can be delayed all afternoon and be back here next Thursday as well. I'm in the hands of the committee and the majority vote, but I, for one, think that if it's not going to serve any useful purpose this afternoon other than to show how smart members can be in seeking delay, I have other things, and I'm sure we all have other things, that would accommodate our time better.

The Chair (Mr. Bob Delaney): Mr. McNeely.

Mr. Phil McNeely: Mr. Chair, I just want to say that I, as a Liberal member of this standing committee today, want to work, so I'll be voting against the motion.

The Chair (Mr. Bob Delaney): Ms. Jaczek?

Ms. Helena Jaczek: I would certainly urge the NDP to rethink, perhaps, their position on this adjournment. We have your second amendment here in front of us. It looks like an interesting one and certainly something that I know we've given a lot of thought to.

I don't really understand how the Conservatives' opposition, in general, to some of the other decisions of the government should impede the actions of this committee. This is a separate issue. It relates to a vulnerable population. I find it really quite extraordinary that a week's delay is necessary to consider the points of the bill and the value it will have for our seniors. I'm really just quite astonished, in fact, that the NDP would want to agree with the Conservatives in a delay tactic here this afternoon.

The Chair (Mr. Bob Delaney): Mr. Prue?

Mr. Michael Prue: I don't know whether I was speaking another language or what here. I did not say that I agree with the dilatory approach taken by the Conservatives; in fact, I disagree with it. But I am also mindful that it's going to happen, and that's the reality: It

is going to happen. If you want to sit here until 6 o'clock and watch it happen, then I will be sitting here with you. That's the reality.

I'm trying to be a realist here. I'm trying to say that if you want this to happen and unfold—I know my friends are very inventive. I know they have staff who have well primed them. I know they have motions. I know they have ways that they can ask for 20 minutes every motion, every submotion, and I fully expect that they will do that if we proceed this afternoon.

Ms. Helena Jaczek: Well, then, I think the record should show that that is what they intend to do. If that happens, that happens.

The Chair (Mr. Bob Delaney): Mr. Shurman.

Mr. Peter Shurman: As long as we're all going to be very honest here, if we're talking about delaying tactics and we're going to play chicken, then maybe we should bring attention to the fact that I'm watching tweets come through from the political staff that are obviously in the room about what I might be doing, what my motives might be, what the PC Party's motives might be, and there are people out there who are spinning on behalf of the other party insofar as Ornge is concerned. Can we just put it all on the table and be honest about it?

I don't want to be here any longer than you want to be here, Ms. Jaczek. I really don't. I've got lots of things to do in my life, as well as in my business, as does everybody here. This committee meets on Thursdays; that was the reason for my suggestion that we adjourn till next Thursday, and I am optimistic that all of the problems that are causing the difficulty that has delayed—let's be equally frank here when I say: Every single piece of legislation that's out there has been delayed. Nothing has come back to the House since we were elected last October 6. I'm not happy about that, nor am I proud of that, but the fact of the matter is, you leave very little choice when you put your feet in cement and refuse to play on the playing field that has put you in a position that you weren't in a year ago.

I don't want to debate that; I'm going off course from the motion, but I think, in the interests of honesty, because we're all adults here, we understand each other, we understand why we're doing what we're doing, and we hopefully come back here and reconcile this during the ensuing week and can do this between 9 and 9:20 next Thursday morning. That would make me happy.

Ms. Helena Jaczek: My position is entirely clear. I want to continue clause-by-clause of Bill 2.

The Chair (Mr. Bob Delaney): Ms. Forster.

Ms. Cindy Forster: I would like to go on the record as well. I would love to continue clause-by-clause and get this over with, but it is not going to happen. I've been here each week diligently, and last Thursday, the whole day was wasted. We accomplished nothing. I don't want to sit here today and accomplish nothing again for the next couple of hours, and that is why I am going to actually support the motion to adjourn.

The Chair (Mr. Bob Delaney): Further discussion?

Ms. Helena Jaczek: My position remains as it was. I am perfectly prepared to sit here and debate clause-by-clause on Bill 2. I think Ontario's seniors would like us to do that, and I see no reason whatsoever for any dilatory tactics.

I would hope that we could come to this particular moment in time with fresh eyes. I don't know what is going to happen within a week. I want to get on with the people's business.

The Chair (Mr. Bob Delaney): Further discussion?

Mr. Peter Shurman: Call the question.

The Chair (Mr. Bob Delaney): We'll call the question. Mr. Shurman has moved that the committee adjourn until 9 o'clock next Thursday, May 3. All those in favour? All those opposed? I declare the motion carried.

This committee is adjourned.

The committee adjourned at 1501.

CONTENTS

Thursday 26 April 2012

Healthy Homes Renovation Tax Credit Act, 2012, Bill 2, Mr. Duncan / Loi de 2012 sur le crédit d'impôt pour l'aménagement du logement axé sur le bien-être, projet de loi 2, M. Duncan	F-31
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