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**Official Report
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Monday 30 May 2016

**Journal
des débats
(Hansard)**

Lundi 30 mai 2016

**Standing Committee on
Social Policy**

Ontario Retirement Pension
Plan Act (Strengthening
Retirement Security
for Ontarians), 2016

**Comité permanent de
la politique sociale**

Loi de 2016 sur le Régime
de retraite de la province
de l'Ontario (sécuriser la retraite
en Ontario)

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
SOCIAL POLICY**

**COMITÉ PERMANENT DE
LA POLITIQUE SOCIALE**

Monday 30 May 2016

Lundi 30 mai 2016

The committee met at 1402 in committee room 1.

ONTARIO RETIREMENT PENSION
PLAN ACT (STRENGTHENING
RETIREMENT SECURITY
FOR ONTARIANS), 2016
LOI DE 2016 SUR LE RÉGIME
DE RETRAITE DE LA PROVINCE
DE L'ONTARIO (SÉCURISER LA RETRAITE
EN ONTARIO)

Consideration of the following bill:

Bill 186, An Act to establish the Ontario Retirement Pension Plan / Projet de loi 186, Loi établissant le Régime de retraite de la province de l'Ontario.

The Chair (Mr. Peter Tabuns): Good afternoon, committee members. As ordered by the House on Thursday, May 5, 2016, we're assembled here for clause-by-clause consideration of Bill 186, An Act to establish the Ontario Retirement Pension Plan. Brad Warden from legislative counsel is here to assist us with our work.

The committee is authorized to meet today from 2 p.m. to 6 p.m. A meeting has also been scheduled for tomorrow from 4 p.m. to 6 p.m., should the committee require more time to complete the clause-by-clause study of this bill.

A copy of the numbered amendments received on the May 19, 2016, noon deadline is on your desks. The amendments have been numbered in the order in which the sections appear in the bill.

Any questions from committee members before we start? There are none. Any general comments or debate on the bill before we start? There are none.

We'll go, then, first to section 1. We have NDP motion 1. Ms. French.

Ms. Jennifer K. French: I move that subsection 1(1) of the bill be amended by adding the following definition:

“‘employee’ means a person who performs work or supplies services for monetary compensation, including part-time, seasonal, temporary, contract and federally regulated employees and self-employed workers;”

The Chair (Mr. Peter Tabuns): Any discussion, any commentary?

Ms. Jennifer K. French: Yes, thank you. This broadens the definition—actually, this puts forward the definition of “employee.” We’ve seen the government

sort of whittle down who would be included, so we’re making sure that “employee” is a broad definition. We want to ensure that the maximum number of Ontarians are eligible to participate in a public pension plan and that every Ontarian is given an opportunity to retire with dignity. That starts with a definition of “employee,” something that the government actually initially didn’t include in this piece of legislation. We want to avoid any further opportunities for the government to restrict eligibility.

The Chair (Mr. Peter Tabuns): Is there any further commentary? Mrs. McGarry.

Mrs. Kathryn McGarry: Thank you very much to the member opposite for her comments. I am going to just start off by saying that the government does agree with adding a definition of “employee.” You’ll see in the next motion, government motion number 2, that we aim to clarify this definition and make sure that it mirrors the CPP’s definition of “employee.”

Already, we’ve got several groups of employees in this motion, including part-time, seasonal, and temporary contract workers, and they’re already included by the bill’s existing provisions.

I just wanted to say, too, that our government is currently working with the federal government to amend the Income Tax Act and enable the inclusion of federally regulated employees and self-employed workers because, at the moment, we want to make sure that our proposed definition of “employee” is consistent with the CPP’s.

Adoption of this motion would require the ORPP to comply with all the federal pension standards that apply to federally regulated pension plan members. It would result in two regimes applicable to members: one for federally regulated members and one for non-federally regulated members, which would add unnecessary administrative complexity.

I’m going to propose that we vote against this motion in favour of the next motion, government motion number 2. Just to reiterate: There are ongoing talks between the province and the federal government when it comes to how we’re rolling out the ORPP.

The Chair (Mr. Peter Tabuns): Further commentary?

Ms. Jennifer K. French: To the member’s point: We know that they brought forward this amendment because it hadn’t originally been in the bill. Our definition is similar to Ontario’s Health and Safety Act, defining

every worker as a person who is paid to perform work or supply services. We mirrored that because we want to make it very clear that part-time, seasonal, temporary, contract, federally regulated employees and self-employed workers will be eligible to participate in the ORPP. Ours is just broader. I would say “better”—but.

The Chair (Mr. Peter Tabuns): Any further discussion?

Mrs. Kathryn McGarry: Just one last comment to reiterate: The government is currently working with the federal government to seek an exemption from the Income Tax Act to allow self-employed individuals to participate in the ORPP, but those discussions have not yet reached a conclusion.

The Chair (Mr. Peter Tabuns): Further discussion? The committee is ready for the vote. All those in favour? All those opposed? It is lost.

We go to amendment number 2. Mrs. McGarry.

Mrs. Kathryn McGarry: I move that subsection 1(1) of the bill be amended by adding the following definition:

“‘employee’ means

“(a) a person who is employed within the meaning of the definition of ‘employment’ in subsection 2(1) of the Canada Pension Plan, other than a person who is an officer within the meaning of that act, or

“(b) the holder of an office who is an employee under subsection (4); (‘employé’)”

The Chair (Mr. Peter Tabuns): Any discussion?

Mrs. Kathryn McGarry: I will be voting in favour of this motion because, again, as we just discussed, this motion will provide greater clarity for employees and employers who are participating in the ORPP. The definition is consistent with the ORPP’s policy intent to mirror the CPP whenever possible.

Unlike NDP motion number 1, this motion will help to clarify the definition of “employee” without creating additional administrative complexity or requiring the ORPP to comply with federal pension standards. We will be voting in favour of this one.

The Chair (Mr. Peter Tabuns): Any further commentary? There being none, the committee is ready to vote. All those in favour? All those opposed? It’s carried.

We’ve come to the end of section 1. I’m going to call for the vote. Shall section 1, as amended, carry? Opposed? It’s carried.

Sections 2, 3 and 4: I have no amendments. With the committee’s indulgence, I’ll call all three at once. Shall sections 2, 3 and 4 carry? Opposed? They are carried.

We now go to section 5. We have NDP amendment 3. Ms. French.

1410

Ms. Jennifer K. French: I move that section 5 of the bill be struck out and the following substituted:

“Employees required to contribute

“5. Subject to sections 6 to 14, an employee is required to contribute to the ORPP.”

The Chair (Mr. Peter Tabuns): Further commentary?

Ms. Jennifer K. French: The intent of this amendment is to ensure that the maximum number of Ontarians are eligible to participate in a public pension plan. Essentially, it’s striking out any reference to comparability or comparable plans and would make the ORPP universal.

As I said, it removes all of the government’s definitions of comparable workplace pension plans. We know that investment assets are vulnerable to a number of factors, including the number of people contributing to the plan, the number of people who are receiving benefits. We know that the greater the number of people in the plan, the stronger the pool of capital will be and ultimately the stronger the benefit.

Most importantly, we believe that every Ontarian should be given an opportunity to retire with dignity; hence, the amendment.

The Chair (Mr. Peter Tabuns): Further commentary? Ms. Martow.

Mrs. Gila Martow: This is quite the conundrum. As a caucus, we understand that the ORPP is going to be a drain and really cause some businesses either not to expand or to not locate here or to move away from here. Obviously, the ORPP, if it’s implemented, works better if there are more people under it, which is why we prefer to see the CPP expanded, for that exact same reason, rather than forcing people to be on the ORPP if they have a comparable plan. They’re actually going to be dragging themselves down because they might have a better plan. So we’re sacrificing them at the altar of trying to have the ORPP for everybody else.

Again, as a caucus, we obviously can’t support this amendment.

The Chair (Mr. Peter Tabuns): Ms. McGarry.

Mrs. Kathryn McGarry: I’m going to be recommending opposing the motion, because the government consulted extensively on the plan design of the ORPP and has publicly made commitments to exempt employers with comparable plans. We’ve done a lot of work on this over the last few months, regarding what the definition of comparable plans means. All employers will be subject to a comparability test. So the commitment allows some employers to maintain current plans, some of which have been negotiated through collective bargaining.

Our goal is to make sure that the two thirds of Ontarians who don’t have a workplace pension plan—so those who are most at risk of under-saving—have pension coverage. It’s also why the government is exempting employers who offer plans that are comparable or actually better than the ORPP. The government has consulted extensively on the design work so that there are those plans out there that target a benefit that are similar or, as I said, better than the ORPP—which aims to replace 15% of an individual’s pre-retirement income. The government is maintaining flexibility for employers and business by allowing those with comparable plans to opt in to the ORPP, if they choose.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: I would say that during the government’s extensive consultation, they’ve had the

opportunity to hear from everyone, from labour to business and individuals that this will impact. Certainly at committee and any time as we have seen this initiative unfold—now this is the third piece of legislation—we have been hearing from all of those who would be impacted, and so many of them have been talking about the importance of universality and the strength of a strong public pension plan that would have more capital, more individuals in the plan and therefore more benefit.

Initially, when this was an idea on the table, before we had seen it start to take shape, we heard from members of the business community who were talking about the uneven landscape, in terms of disadvantaging some employers over others, and talking about universality. There was room to manoeuvre at the beginning and to talk about that. Here we have the chance, with this amendment, to take it back to a place that is stronger and would benefit the most people, and back to that appreciation for our universal systems.

The Chair (Mr. Peter Tabuns): Any further commentary?

Mrs. Kathryn McGarry: Certainly, I appreciate the fact that the third party is very supportive of ensuring that people are saving enough and have a good retirement security when they retire. I very much appreciate that.

I just really wanted to make a final comment that for 2014 and 2015, the Associate Minister of Finance, Minister Hunter, consulted broadly across Ontario and received well over 1,000 submissions. We know, moving forward, that there are those employers that have a pension plan that is comparable to or better than the proposed ORPP, so we're quite comfortable that they can have that flexibility to design their own plan.

The Chair (Mr. Peter Tabuns): Any further commentary? Committee is ready to vote? All those in favour? All those opposed? It is lost.

We go to amendment 4. Ms. French.

Ms. Jennifer K. French: I move that paragraph 3 of subsection 5(3) of the bill be struck out.

The Chair (Mr. Peter Tabuns): Commentary?

Ms. Jennifer K. French: Yes. Seeing as how that last attempted amendment was not successful—and totally unexpectedly—I would like to say that paragraphs 1 and 2 speak to defined benefit plans. This is an amendment looking at paragraph 3.

Just so that everyone knows where I'm coming from, sections 4 through 9 that I'm putting forward, in terms of amendments, are all addressing comparability. It's that same point, that the more people in the plan, the better, the stronger the benefit. If the government is not going to consider universality, then the only plan that should be considered comparable and therefore exempt should be a strong defined benefit plan.

By voting down our previous motion, the government has made it clear that the ORPP will not be universal. Not all Ontarians will be able to participate. So at the very least, to ensure that the most people can retire in dignity, without having to worry about retirement income, the only pension plans that should be considered

are defined benefit plans, as I said, because these are plans that guarantee that once members start receiving their pension plan, they are receiving it for life. With a defined benefit plan, members can estimate in advance what their pension plan will be. Benefits are predefined. Members know what they're going to receive. They don't have to worry about flux in the markets. They can actually plan their retirement in terms of stability.

Why I'm giving this diatribe about defined benefit is because everything after this is going to be plans that they want to eliminate, or members that they want to eliminate, based on plans that should not be considered comparable.

This amendment removes the consideration of defined contribution plans as "comparable" pension plans. We know that by definition, the benefit amount and the benefit payment period for defined contribution plans vary, depending on a number of factors. So, back to what I was talking about with the flux in the market, for example—investment returns and interest rates—they don't provide that steady stream of retirement income. That's why defined contribution plans should not be considered comparable, which is what this amendment speaks to.

The Chair (Mr. Peter Tabuns): Ms. McGarry.

Mrs. Kathryn McGarry: I appreciate again the support that the third party has had, to ensure that Ontarians can retire in dignity with a retirement plan.

I will recommend opposing this motion, simply because the ORPP was developed to bridge the retirement savings gap by providing retirement security to Ontarians who do not have adequate workplace pension coverage. This amendment would require individuals with defined contribution plans to contribute to the ORPP, regardless of the level of coverage that they offer their members.

The government has developed a comparability test to ensure that only defined contribution plans that offer coverage similar to the ORPP could be exempt from the plan. By removing defined contribution plans from the definition of comparable plans in the bill, this motion would force Ontarians who have access to generous defined contribution plans into the ORPP, regardless of their need for increased pension coverage.

The government is maintaining its commitment to Ontarians by introducing this legislation that provides those with plans that are comparable to or better than the ORPP the flexibility to stay in those pension plans. We certainly heard about that during the consultations and in some of the documents that came in during those consultation periods.

1420

The Chair (Mr. Peter Tabuns): Mr. Coe.

Mr. Lorne Coe: Thank you, Chair. Through you, we, as a caucus, won't be supporting this amendment because we do not wish to force a further payroll tax on employers and employees with current comparable workplace pensions plans.

My colleague opposite mentioned the consultation. We heard, during the consultation, from several delega-

tions that they too did not favour this type of extension. So we will not be supporting the amendment.

The Chair (Mr. Peter Tabuns): Further debate? Mr. Potts.

Mr. Arthur Potts: I just want to acknowledge the member who made the motion from the NDP. She has pretty much summed up, as I think she knows, all the next few amendments that she's proposing. If this one's not successful, she has to realize that the next five will not be successful. Maybe, in the interest of time, she might want to just withdraw them.

The Chair (Mr. Peter Tabuns): Any further commentary? There being none, you're ready for the vote? All those in favour? All those opposed? It's lost.

We go to amendment number 5. Ms. French.

Ms. Jennifer K. French: Thank you, Chair. I'm looking forward to delving into all of these very important amendments.

I move that paragraph 4 of subsection 5(3) of the bill be struck out.

The Chair (Mr. Peter Tabuns): Commentary?

Ms. Jennifer K. French: Sure. This amendment is in line with our previous amendment to exclude defined contribution plans from the government's definition of "comparable pension plan."

The Chair (Mr. Peter Tabuns): Any other debate on this? Ms. McGarry.

Mrs. Kathryn McGarry: I will be recommending to oppose the motion, again, because the ORPP was developed to bridge the retirement savings gap by providing retirement security to those Ontarians who do not have adequate workplace pension plan coverage.

This amendment would require individuals with defined contribution plans to contribute to the ORPP regardless of the level of coverage that they offer members. Certainly, the government heard during consultations across the province about the definition of a comparable plan. Many employers wanted the flexibility to be able to continue their good plan as before. There are good defined contribution plans that exist, and it was their wish to remain flexible and keep their plans there. It would also ensure that people can attain a similar level of benefit to those offered by the ORPP.

I just wanted one final point: The government undertook extensive analysis with leading pension experts to land on a contribution level for defined contribution plans of 8%, which would result in a benefit that was similar to the ORPP. If they pass that test of comparability, then the employers would be able to continue their plans.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: I will reiterate that, while there may be some strong defined contribution plans in existence, they are not defined benefit. It is ultimately the benefit that provides the stability in retirement that we want for all Ontarians. Defined contribution plans do not provide that steady stream of retirement income and shouldn't be considered comparable.

As the government continues to talk about flexibility, I would like to bring to the table the notion of stability in

retirement. We're wanting people in their retirement to be able to participate fully in the economy and to be able to make plans. When the government talks about flexibility, that makes me a little twitchy because I don't want for our retirees that sort of uncertainty. I imagine that we all would want a kind of stability and that they can rest assured in their retirement and continue participating with a steady and predictable benefit.

The Chair (Mr. Peter Tabuns): Further debate? There being none—oh, Ms. Martow. Sorry.

Mrs. Gila Martow: Just a very quick comment in terms of stability: The best way to save for your retirement—I believe we've said it before—is to have a good job, as my caucus is concerned about what this is going to do to job numbers in the province.

The other concern with stability is what kind of debt people are retiring with. None of this bill addresses the fact that too many people in Ontario are retiring with huge debt. By knowing that they have two pensions ahead of them, they might take on even more debt. That's not stability.

The Chair (Mr. Peter Tabuns): Further debate? There being none, you're ready for the vote. All those in favour? All those opposed? The motion is lost.

We go to motion 6. Ms. French.

Ms. Jennifer K. French: I move that paragraph 5 of subsection 5(3) of the bill be struck out.

The Chair (Mr. Peter Tabuns): Commentary?

Ms. Jennifer K. French: Again, this amendment is part of our previous amendments to exclude defined contribution plans from the government's definition of "comparable pension plan."

The Chair (Mr. Peter Tabuns): Any others? Mrs. McGarry.

Mrs. Kathryn McGarry: I'm going to recommend opposing the motion because adopting this amendment would mean that employers and employees who participate in comparable defined contribution plans, but only on a voluntary basis, could be exempt from the ORPP. This could limit pension coverage and possibly result in some employees not being covered by their workplace plan or the ORPP. The government wants to ensure that only employers and employees participating in a mandatory plan that meets the comparability test could be exempt from the ORPP.

The last and final point that I want to make, Chair, is that this government is committed to ensuring that all Ontarians are part of the ORPP or a comparable plan by the year 2020.

The Chair (Mr. Peter Tabuns): Further debate? There being none, the committee is ready for the vote. All those in favour? All those opposed? The motion is lost.

We go to amendment 7. Ms. French.

Ms. Jennifer K. French: I move that paragraph 6 of subsection 5(3) of the bill be struck out.

The Chair (Mr. Peter Tabuns): And do you wish to comment?

Ms. Jennifer K. French: I do. This amendment has to do with MEPPs. It removes the consideration of multi-employer pension plans as a comparable pension plan. Multi-employer pension plans, or MEPPs, can be a defined benefit, a defined contribution plan or a combination of both types of plan. We've already spoken about our concerns with defined contribution plans. For MEPPs that provide defined benefits, it is important to remember that if an employer's contributions are not enough to cover the pension benefits, a pensioner's benefits may be reduced. That, again, speaks to government flexibility, but we'd like to speak to stability. In these types of pension plans, benefits are a target. They're not fixed. They may be reduced. Anything that involves that kind of risk or instability is not something that certainly should disqualify someone from participating in a strong public pension plan.

The Chair (Mr. Peter Tabuns): Mrs. McGarry.

Mrs. Kathryn McGarry: I'm going to vote opposing this motion because, as I said, the amendment is going to require employers and employees who participate in multi-employer pension plans, or MEPPs, to contribute to the ORPP regardless of the level that is offered in the MEPP. This government has developed comparability to test to ensure that only MEPPs that offer coverage that are similar to the ORPP could be exempt from the ORPP. By removing MEPPs from the definition of "comparable plans," this motion would force Ontarians who have access to generous MEPP plans into the ORPP, regardless of their need for increased pension coverage. This government is maintaining its commitment to Ontarians by introducing this legislation, which provides those with plans that are comparable or better than the ORPP the flexibility to stay in those pension plans. They have asked for that.

The Chair (Mr. Peter Tabuns): Further debate? There being none, the committee is ready to vote. All those in favour? All those opposed? It is lost.

We go to motion 8. Ms. French.

1430

Ms. Jennifer K. French: I move that paragraph 7 of subsection 5(3) of the bill be struck out.

The Chair (Mr. Peter Tabuns): Commentary?

Ms. Jennifer K. French: Sure. This paragraph essentially says that if a pension plan has both defined contribution and defined benefit characteristics, the determination of comparability will be left to regulations. This is another example of the Liberals leaving awfully important information to regulations so that it can bypass public debate and scrutiny, which we are never in favour of. There you have it.

The Chair (Mr. Peter Tabuns): Ms. McGarry?

Mrs. Kathryn McGarry: I'm going to recommend opposing this motion. This amendment would require employers and employees with hybrid plans to contribute to the ORPP regardless of the level of coverage offered through these plans. Again, the government developed comparability to test and to ensure that only hybrid plans

that offer coverage similar to the ORPP could be exempt from the ORPP.

By removing hybrid plans from the definition of comparable plans in the bill, this motion would force Ontarians who have access to generous hybrid plans into the ORPP regardless of their need for increased pension coverage.

Again, through the government's extensive consultations, the government heard that there are generous hybrid plans that exist. Those employers are asking for the flexibility to be able to continue their generous hybrid pension plans. What was important was really coming up with that comparability test to ensure that those who are contributing to those plans would be better off than or just as good as the ORPP.

The Chair (Mr. Peter Tabuns): Ms. French?

Ms. Jennifer K. French: Back to the idea of stability or flexibility—and I'm sure I've heard "fluxibility" a couple of times, though I might be mistaken: Any time we're crossing our fingers and hoping it's just as good as the ORPP, I think that's a mistake. I didn't want to be having any conversation about comparability and therefore being disqualified from participating in a strong public pension plan, but here we are.

Again, just so we're clear: If something doesn't have that defined, stable, predictable benefit, then it isn't going to be good enough to disqualify someone from what will ultimately be a predictable income stream in retirement. When we have these hybrid plans and to hear the government say that they might be as good as—and maybe I misunderstood that, but I don't think that should be the measure.

This comparability test, all of these details that are going to be fine-tuned in regulation—that's concerning. Let's have more people in; let's have a stronger public pension plan; let's have more people benefit.

The Chair (Mr. Peter Tabuns): Further debate? There being none, you're ready for the vote? All those in favour? All those opposed? The motion is lost.

We go to motion 9. Ms. French.

Ms. Jennifer K. French: I move that paragraph 8 of subsection 5(3) of the bill be struck out.

The Chair (Mr. Peter Tabuns): Commentary?

Ms. Jennifer K. French: Yes. This amendment removes the consideration of a pooled registered pension plan, or PRPP, as a comparable pension plan. Chair, you might remember that we debated this in the House. All of us know that PRPPs don't even exist yet. But here we sit, talking about them being comparable and therefore exempt, and they don't even exist.

PRPPs are similar to DC plans. However, they go one step further. Employer contributions are not mandatory. New Democrats don't believe that the pathway to a secure retirement is through Harper-style PRPPs. We've debated this at length. We're on record as being very clear that this is not a pension plan. These PRPPs have significantly expensive administrative fees that ultimately benefit insurance companies and banks more than retirees. If we're really here to talk about dignity in

retirement and about strength in retirement, we should be talking about individual benefit and not insurance company and bank benefit. This ORPP should be strengthened to benefit individuals and not our Bay Street friends.

The Chair (Mr. Peter Tabuns): Ms. McGarry?

Mrs. Kathryn McGarry: I know that the government recently passed legislation to create a framework for pooled registered pension plans, PRPPs, and that through the government's consultation, our government heard loud and clear about the importance of recognizing innovation in the pension landscape and that PRPPs reflect such an innovation here.

The government remains committed to establishing a comparability test that would ensure that only PRPPs that offer a similar level of benefit to that offered by the ORPP could be considered comparable.

Again, passing this motion would prevent employers and employees who have chosen to have PRPPs in future in being exempt for the ORPP. We have listened. We want to make sure that there's flexibility for employees and businesses by allowing those with comparable plans to opt into the ORPP if they so choose. We are committed to making sure that all Ontarians have a secure retirement when they retire.

The Chair (Mr. Peter Tabuns): Ms. French?

Ms. Jennifer K. French: Again, back to the fundamental concern that if you're allowing the employer to opt in to the ORPP and make that decision on behalf of their employees—we're talking about PRPPs where the employer contributions are not mandatory, so this is not apples to apples, or pensions to pensions, at all. To talk about this as being a comparable plan—it's not, it isn't, it can't be, because it's not a pension and it doesn't exist yet.

This is one of those things that I'm surprised to see in this bill, especially as we know there's another one still coming. This isn't even a product that exists, so it's getting ahead of ourselves or maybe caving to pressures which, unfortunately, we've seen time and time again and, disappointingly, at the expense of Ontarians and their stability.

The Chair (Mr. Peter Tabuns): Further debate? Ms. McGarry?

Mrs. Kathryn McGarry: The last thing I wanted to say is that the ORPP was developed to bridge the retirement saving gaps by providing retirement security to Ontarians who do not have adequate workplace pension plan coverage. There are other plans out there—that this government has allowed the flexibility to ensure that those employers who offer the plans that are comparable to the ORPP can continue.

The Chair (Mr. Peter Tabuns): Further debate? There being none, committee is ready to vote. All those in favour? All those opposed? The motion is lost.

We go to motion number 10. Ms. McGarry.

Mrs. Kathryn McGarry: I move that subsection 5(6) of the bill be amended by adding the following definition:

“‘remuneration’, in relation to a pension plan, means the regular salary and wages as determined under the plan for the purposes of the plan....”

The Chair (Mr. Peter Tabuns): Ms. McGarry, if you'd like to comment.

Mrs. Kathryn McGarry: I will be recommending voting in favour of this motion because the amendment is intended to provide a clear definition of remuneration, so the definition will provide clarity for employers and for the ORPP Administration Corp. in determining whether an existing workplace pension plan is comparable to the ORPP.

The Chair (Mr. Peter Tabuns): Ms. McGarry, it has been pointed out to me that it sounds like you added an extra word. What we have here is “means regular salary” and what we heard was “means the regular salary.” I'm assuming that you meant to have the wording—

Mrs. Kathryn McGarry: Just let me look at the other one. Thank you. I added a word. Can I read it again?

The Chair (Mr. Peter Tabuns): Yes, please.

Mrs. Kathryn McGarry: I move that subsection 5(6) of the bill be amended by adding the following definition:

“‘remuneration’, in relation to a pension plan, means regular salary and wages as determined under the plan for the purposes of the plan....”

The Chair (Mr. Peter Tabuns): Thank you. Any further debate? Ms. French.

Ms. Jennifer K. French: This amendment defines remuneration, as we've heard, as “regular salary and wages as determined under the plan for the purposes of the plan.”

1440

The member opposite told us that this serves to give us a clear definition. I would argue that it doesn't, and I have some points that I'd like clarified, if possible, because she said this gives clarity for employers and the administration corporation, but I'd like some clarity perhaps for future members of the plan.

“Regular salary and wages as determined under the plan for the purposes of the plan”—I'm wondering if this is somewhat problematic, because this caveat, “determined under the plan for the purposes of the plan,” makes it very ambiguous. It's unclear. For example, what about advances or bonuses, retroactive pay increases, overtime pay? Are those going to qualify?

The CPP includes those payments, but it's unclear if those payments will also apply to the ORPP. I think that this matters because it determines, ultimately, the amount of benefit at the end of it. If the government is sort of leaving it “determined under the plan for the purposes of the plan” instead of salary and wages including advances, bonuses etc., is there the potential to disqualify those pieces from salary and wages and ultimately, then, limit the potential benefit at the end of this when people retire? Obviously the greater amount of money used in calculation of the benefits, the greater the future payout for Ontarians. So I would like to a clearer definition, please.

The Chair (Mr. Peter Tabuns): Okay. Ms. McGarry.

Mrs. Kathryn McGarry: This motion would amend subsection 5(6) of the bill to include the definition of “remuneration” for the purposes of section 5, “employees required to contribute.” It would clarify that remuneration, in relation to workplace pension plans, means regular salary and wages as determined under that plan.

The proposed amendment would provide clarity for the employers and the ORPP Administration Corp. in determining whether a workplace plan is comparable to the ORPP. So the threshold of comparability is based on whether the accrual or contribution rate meets an established percentage of an employee’s regular salary and wages. It also allows the employers to use their own definition in defining the comparability of the plan rather than it being one-size-fits-all.

The Chair (Mr. Peter Tabuns): Further debate?

Ms. Jennifer K. French: So advances, bonuses, retroactive pay increases and overtime pay will qualify, won’t qualify, might qualify, might not qualify?

The Chair (Mr. Peter Tabuns): Ms. McGarry, if you wish.

Mrs. Kathryn McGarry: Sorry, I’m just going to say that the remuneration, in terms of salary and wages, will be identified by the employer, and that the employers can use their own definition in all those things to define the comparability of their plan.

The Chair (Mr. Peter Tabuns): I have Ms. Martow and then I have Ms. French.

Mrs. Gila Martow: In the interest of just moving things along, I would suggest maybe we want to have a one- or two-minute recess so that the member opposite could clarify, because I would say that the member from the NDP, from the third party, makes some pretty good points. I don’t support this plan, but I can certainly agree with her questioning the ambiguous nature of this amendment. I think maybe we need some clarification because we just seem to be hearing the same definition without an explanation.

The Chair (Mr. Peter Tabuns): The government can answer or not answer. It’s up to it to determine what it will say. You’ve asked for a break?

Mrs. Gila Martow: I’m not asking for a break for myself; I’m just saying if we’re not getting clarification.

The Chair (Mr. Peter Tabuns): Okay. I don’t see enthusiasm for a break. Ms. McGarry?

Mrs. Kathryn McGarry: I can have enthusiasm for a two-minute break maybe.

The Chair (Mr. Peter Tabuns): The committee is agreeable to a break?

Interjection: Yes.

The Chair (Mr. Peter Tabuns): I’ll set it at five and then we’re back in five minutes. Thank you.

The committee recessed from 1445 to 1450.

The Chair (Mr. Peter Tabuns): Members of the committee, that’s five minutes. We’re set to resume.

Was there any further commentary before we go on?

Ms. Jennifer K. French: Yes.

The Chair (Mr. Peter Tabuns): Be my guest.

Ms. Jennifer K. French: We’ve been discussing this proposed amendment that adds the government definition of “remuneration.” They’ve said that it makes it a clear definition; it clarifies it for employers and the administration corporation.

I don’t feel it clarifies. I feel that it makes it muddy. I think it opens a potential loophole. When we’re talking about this definition of remuneration that can be interpreted by those who would want their plans and their employees to be exempt and not have to participate in the ORPP, then we’re looking at a situation, potentially, where the employer could use a low salary figure and say that everything above that low salary is a bonus, whereas otherwise it might have been considered part of their actual legitimate salary and wages, their actual remuneration.

Back to my original point here: The CPP includes these payments, the ones that I’ve mentioned—advances, bonuses, retroactive pay increases, overtime pay—they will qualify as remuneration and set a higher standard. So the fact that we are not seeing that here, that we are seeing this “as determined under the plan for the purposes of the plan”—shouldn’t it be for the purposes and the benefit of the most people, to make Ontario a better place in retirement? I tend to think it should.

Again, what does this include and why are you leaving it so open that an employer could take advantage of this? You’re creating a loophole where the CPP doesn’t. I thought this was supposed to mirror the CPP. I thought that was the goal.

If the member would like to clarify, she can. If she doesn’t want to, I know she doesn’t have to.

The Chair (Mr. Peter Tabuns): Ms. McGarry?

Mrs. Kathryn McGarry: Thank you very much for your comments. I’ll go back to what this motion talks about.

Not all employers have the same compensation plan across Ontario. There’s not just one plan that all employers use. Some companies have bonuses; some don’t etc.; some have part-time employees; some don’t. What this legislation is going to do is allow the employers, who have a variety of compensation packages, in concert with the ORPP Administration Corp., to determine whether indeed their compensation package, in terms of salaries and wages, and their existing workplace pension plan, are comparable to the ORPP. Because there are so many varieties across Ontario, this allows the companies to have some flexibility in determining it. But the ORPP Administration Corp. will be the body that will help consult with the employers to decide whether or not they have a comparable plan to the ORPP. It’s not something that we are going to put into this legislation because we already have that mechanism for the employer to determine, along with the ORPP Administration Corp., whether they in fact have a comparable plan to the ORPP.

The Chair (Mr. Peter Tabuns): Ms. French?

Ms. Jennifer K. French: To the member’s point that different employers have different compensation packages: great; as they should. However, to leave out

advances and bonuses, to not include that, is problematic because—it isn't limiting their flexibility. It isn't a problem to say that regular salary and wages, also including these examples and maybe some others because employers have different compensation packages—but by leaving them out entirely, you could theoretically have an employer that says, "Hey, how can we be exempt? How can we be considered comparable? Let's pay everyone minimum wage and then give them a bonus up to \$80,000, and—ha ha—we don't have to participate." Maybe that isn't likely, but the fact that it could happen now because we're getting tricky with our wording—"as determined under the plan for the purposes of the plan," or for the purposes of giving people a loophole—I think that that is a mistake.

If you want to pretend that this plan is going to mirror the CPP, then let's take the opportunity and have it mirror the CPP in this example. There's an opportunity here. I think that that is what this amendment should seek to do: actually provide clarity for potential members and for Ontarians.

The Chair (Mr. Peter Tabuns): Ms. McGarry?

Mrs. Kathryn McGarry: I'm kind of wondering whether the member opposite is looking at the difference between pensionable earnings with the comparability test. That's a bit of a difference. We're talking here about remuneration for the comparability test, not pensionable earnings for contributions to the ORPP. Under this motion, it means that the employer, along with the ORPP Administration Corp., will determine the remuneration in that particular company for the comparability test only.

The Chair (Mr. Peter Tabuns): Any further commentary?

Ms. Jennifer K. French: I recognize that, so if there is a lower limit that would allow them to not be considered comparable, or to be considered comparable—I just think that if there's any wiggle room that we can identify ahead of time, let's do away with the wiggle room. The CPP includes payments such as advances, bonuses, retroactive pay increases and overtime pay. Here, we don't see that, and that's a missed opportunity, I think.

The Chair (Mr. Peter Tabuns): Further debate? There being none, the committee is ready to vote? All those in favour? All those opposed? It is carried.

We've come to the end of amendments in section 5. Ready for the vote? Shall section 5, as amended, carry? Opposed? It is carried.

Colleagues, we have no amendments from here to section 15, inclusive. If you're agreeable, I'd like to move them as a bunch. Shall sections 6 to 15, inclusive, carry? Opposed? They are carried.

We go then to amendment 11. Mr. Coe.

Mr. Lorne Coe: I move that section 16 of the bill be struck out and the following substituted:

"Contribution rate

"16. The contribution rate is,

"(a) 1.9 per cent in the case of an employee who does not participate in a workplace pension plan that is

comparable to the ORPP for the purposes of section 5 in respect of the employee's employment; or

"(b) 1.9 per cent or such other rate provided for in the amendments to the text of the ORPP made, under section 45 or 46, by the administration corporation or the Lieutenant Governor in Council, in the case of an employee not described in clause (a)."

Through you, Chair, I defer to my colleague.

The Chair (Mr. Peter Tabuns): Ms. Martow.

Mrs. Gila Martow: This is just based on recommendations that many of us heard from the Ontario Chamber of Commerce and perhaps some other stakeholders. The concern is that if there's a fiscal shortfall—perhaps if the ORPP funds were not invested wisely—that it wouldn't be on the backs of the employees and employers. The government would want to raise the percentage. That's the concern: that the money must be handled wisely.

The Chair (Mr. Peter Tabuns): Okay. Further debate? Ms. McGarry.

Mrs. Kathryn McGarry: I'm going to be recommending that we oppose this motion, and oppose it because the government does agree that the contribution rate of 1.9% should not be subject to change except in very limited circumstances. This amendment does not align with the government's intent, as approved by cabinet, for the contribution rate to be one of the possible levers to be used in the event of a funding shortfall or excess.

The ORPP is designed to be funded on a sustainable basis, which is why the contribution rate can be adjusted only in very specific circumstances and applied to all ORPP members.

The Chair (Mr. Peter Tabuns): Further debate?

Mrs. Gila Martow: I don't have the exact quote in front of me, but it was read into the record during the deputations, which is that concerns were red flagged after the government put in their own budget that they were planning to somehow use the funds from the ORPP to invest—that's their key word, "invest"—in transit. Perhaps that is a wise investment and perhaps it's not a wise investment, but it shouldn't be that it's invested in transit with, "Oh, well, if it doesn't work out, then we can always raise the rates." I think in this way we're kind of ensuring that the money is invested wisely.

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The Chair (Mr. Peter Tabuns): Ms. McGarry.

Mrs. Kathryn McGarry: Just as a final comment, I just wanted to point out that the ORPP was carefully designed to be funded on a sustainable basis. I know that the members of the third party certainly wanted to make sure that it's sustainable as well. There was extensive consultation with actuarial experts, so I know that they've been very involved in this and have only outlined very specific instances where this rate could be changed.

The Chair (Mr. Peter Tabuns): Further debate? Mr. Coe.

Mr. Lorne Coe: Very quickly, to my colleague's comment about the actuarial opinion: Even this afternoon, the Associate Minister of Finance is meeting with

Mercer and some of Mercer's clients, and it's with regard to some of the concerns we've just raised and other concerns that have been raised overall.

The Chair (Mr. Peter Tabuns): Ms. Martow.

Mrs. Gila Martow: I would just quote the member when she used the word invested in "sustainable"—if it's truly sustainable, then you won't have situations where you have a fiscal shortfall. Of course, it's a global economy and things can happen. We saw what happened with the price of crude oil, but basically, if it's going to be sustainable, then it shouldn't be a problem. We're not going to have to raise the rate.

The Chair (Mr. Peter Tabuns): Further debate? There being none, you're ready for the vote? All those in favour of PC motion 11? All those opposed? It is lost.

Now we go to the vote on the section as a whole. Are people ready to vote? Shall section 16 carry? Opposed? It is carried.

We go to NDP amendment 12. Ms. French.

Ms. Jennifer K. French: I move that subsection 17(2) of the bill be amended by striking out "2017" and substituting "2014".

The Chair (Mr. Peter Tabuns): Commentary?

Ms. Jennifer K. French: This amendment is meant to hold the government accountable for the promises that it has made, and therefore, requires that the maximum pensionable earnings be reverted to \$90,000 in 2014 dollars. In August 2015, the calculation of pension benefits was said to be based on a maximum of \$90,000 in 2014 dollars. What we see in legislation now is a change that the legislation is showing that it's \$90,000 in 2017 dollars, not 2014 dollars. Under the Liberals' previous promise, the maximum pensionable earnings would have been nearly \$93,000 in 2017 dollars.

We know that the greater the amount of money used in the calculation of pension benefits, the greater the future payout for Ontarians. What we're seeing here is, by this little change, from 2014 dollars to 2017 dollars, that right out of the gate—actually, that's a lie; we're not even out of the gate. Before we're even out of the gate, we're shaving money off of future benefits for Ontarians, and that is problematic. Hence, the amendment that we revert back to what had originally been proposed by this government, which is the \$90,000 in 2014 dollars.

The Chair (Mr. Peter Tabuns): Further debate? Ms. McGarry.

Mrs. Kathryn McGarry: I'm going to be recommending opposing the motion, because the maximum earnings threshold of \$90,000 in 2017 dollars still achieves one of ORPP's key objectives in providing an appropriate benefit for Ontario's middle-income earners. As I said, we consulted extensively across Ontario, including businesses and employees. We changed the maximum earnings threshold to 2017 dollars in part to help ease the transition for employers and employees for the new plan, based on our consultation. The difference in dollar value accounts for only a small impact on an individual's overall benefit.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: The fact that the government recognizes that they've made a change that benefits the transition side for employers, and does not benefit the individual plan members—and to still call it an appropriate benefit.

The idea of it being appropriate—"appropriate" isn't the right word. It should be a stable benefit, it should be a maximized benefit, it should be an increased benefit. And to hear them say that they've consulted extensively—whether we're arguing that point or not, I don't know which future retiree you consulted with who said, "Oh, sure," right out of the gate, before we even get started, "Sure. Take away some of my potential benefit. I'm good with that."

Consulting extensively—it should be consulting with those who are in their twenties and thirties now, who are going to be benefiting from this plan. When you say, "It's just a small impact, for the sake of a smoother transition for our Bay Street friends," I don't think that any of those future retirees were consulted with extensively or even at all and would have ever said, "Sure, jimmy the numbers at the beginning so we have, while a small impact, a lesser benefit at the end of this." That's absurd.

Anyway, sticking with it: It should go back to what you originally committed, which was 2014 dollars. There. Done.

The Chair (Mr. Peter Tabuns): Thank you. Ms. McGarry?

Mrs. Kathryn McGarry: I just want to say in response that the actuaries have estimated that this change would not have a meaningful impact on the benefits that ORPP members are expected to accrue over a 40-year career. As ORPP benefits are only accrued as contributions are made, there is no actual loss of benefit associated with this change.

The Chair (Mr. Peter Tabuns): Further debate?

Ms. Jennifer K. French: There may not be any lack of actual benefit because they haven't put the money in, but they could have. You go back to the beginning, which is where we are now, where we get to fine-tune and design and make the best and strongest public pension plan that we could be making. But at every single opportunity we say, "Oh, no, let's rule out more people, let's disqualify more people, let's shave a little off because—don't worry—it's not a meaningful impact."

I'm not in government so I can't say what their goal is, but I think that part of their goal should be to have the public at large have faith in what it is you're doing. So to say, "We want everybody in, we want everyone to benefit"—but all of these little tweaks and take-aways are not benefiting you, let alone benefiting Ontarians. Just a thought.

The Chair (Mr. Peter Tabuns): Any other debate? There being none, the committee is ready for the vote? All those in favour? All those opposed? The motion is lost.

We now have the vote on section 17 itself. Ready for a vote? Shall 17 carry? Opposed? There being none, it is carried.

Colleagues, I would like to group sections 18 to 31, inclusive, because we have no amendments. Are there any objections? Shall sections 18 to 31, inclusive, carry? Opposed? There being none, those are carried.

We go now to government motion 13. Ms. McGarry, I assume?

Mrs. Kathryn McGarry: I move that section 32 of the bill be amended by striking out subsections (1) and (2) and substituting the following:

“10-year guarantee—for pension payable for life of member

“32.(1) If the pension”—Sorry. You know what? May I just switch to another copy?

The Chair (Mr. Peter Tabuns): Absolutely.

Mrs. Kathryn McGarry: Just give me a second. This one is not very clear. Now I can see with my glasses too; just saying. All right. Let me try that again.

I move that section 32(1), (2) and (2.1) of the bill be struck out—I’m sorry. Can I just have a second?

The Chair (Mr. Peter Tabuns): Yes. Start over.

Mrs. Kathryn McGarry: I will try that again. Thank you.

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I move that section 32 of the bill be amended by striking out subsections (1) and (2) and substituting the following:

“10-year guarantee—for pension payable for life of member

“32.(1) If the pension a member is being paid is not a joint and survivor pension and the member dies before being paid 120 monthly instalments, a lump sum shall be paid to the personal representative of the member, or if a beneficiary has been designated in accordance with the regulations, to that beneficiary.

“Determination of amount

“(2) The lump sum paid under subsection (1) shall be determined in accordance with the regulations so that it is equal to the present value of the further monthly instalments the member would have been paid had the member been paid 120 instalments.

“Application to resumption of suspended pension

“(2.1) For the purposes of applying subsections (1) and (2) to a pension that resumed after being suspended under section 31, the references to instalments are references only to instalments paid after the pension resumed, not instalments paid before the pension was suspended.”

The Chair (Mr. Peter Tabuns): Commentary?

Mrs. Kathryn McGarry: I vote in favour of this motion because the amendment would provide clarity for ORPP members and for the purposes of enforcement. The amendment provides clarity for ORPP members regarding the 10-year guarantee. Specifically, this amendment clarifies how it would be paid out and what would happen when a member dies after their pension was suspended and then resumed.

The Chair (Mr. Peter Tabuns): Further debate? There being none, the committee is ready to vote? Good. All those in favour? All those opposed? It is carried.

Now we get to vote on section 32 as a whole, as amended. Shall section 32, as amended, carry? Opposed? It is carried.

Colleagues, again, I would like to group sections 33 to 54, inclusive, as we have no amendments. No objections to that? Good. Shall sections 33 to 54, inclusive, carry? Opposed? They are carried.

That takes us to government amendment 14. Mrs. McGarry.

Mrs. Kathryn McGarry: I move that clause 55(3)(b) of the bill be struck out and following substituted:

“(b) if the disclosure would reasonably be expected to do any of the things described in subsection 14(1) of the Freedom of Information and Protection of Privacy Act; or”

The Chair (Mr. Peter Tabuns): If you would like to comment?

Mrs. Kathryn McGarry: I recommend voting in favour of the motion. The ORPP Administration Corp. has a regulatory mandate to enforce compliance with the provisions of Bill 186, so the amendment would be consistent with the Freedom of Information and Protection of Privacy Act. The Office of the Information and Privacy Commissioner has been consulted and has no concerns with this amendment.

The Chair (Mr. Peter Tabuns): Fine. Is there any debate? There being none, the committee is ready to vote? All those in favour? All those opposed? It is carried.

Then we go to government motion 15. Mrs. McGarry.

Mrs. Kathryn McGarry: I move that section 55 of the bill be amended by adding the following subsection:

“Same, refusal under clause (3)(a) or (b)

“(4.1) If the head refuses to disclose the individual’s personal information under clause (3)(a) or (b), the notice under subsection (4) shall also set out,

“(a) whether the disclosure is being refused under clause (3)(a) or under clause (3)(b); and

“(b) the reason clause (3)(a) or (b) applies to the information.”

The Chair (Mr. Peter Tabuns): Thank you, Mrs. McGarry. Commentary?

Mrs. Kathryn McGarry: I’m going to be voting in favour of this because the Information and Privacy Commissioner requested this amendment. The amendment would be consistent with the Freedom of Information and Protection of Privacy Act.

The Chair (Mr. Peter Tabuns): Okay. Further debate? There being none, the committee is ready to vote? Shall the motion carry? Opposed? It is carried.

We’ve had two amendments to this section. We’ll go to the vote on section 55. Shall section 55, as amended, carry? Opposed? There being none, it is carried.

We now go to government motion 16. Mrs. McGarry.

Mrs. Kathryn McGarry: I move that section 56 of the bill be amended by adding the following subsections:

“Same

“(3) If the head refuses the request for a correction, the individual is entitled to,

“(a) require that a statement of disagreement be attached to the information reflecting any correction that was requested but not made; and

“(b) require that any person or body to whom the personal information has been disclosed within the year before the time a statement of disagreement is required be notified of the statement of disagreement.

“Notification of correction

“(4) If the head makes the correction, the individual is entitled to require that any person or body to whom the personal information has been disclosed within the year before the time the correction is requested be notified of the correction.”

The Chair (Mr. Peter Tabuns): Commentary? Mrs. McGarry.

Mrs. Kathryn McGarry: I recommend that we vote in favour of the motion because the Information and Privacy Commissioner requested the amendment. It does bring it more in line with the privacy information protection act.

The Chair (Mr. Peter Tabuns): Debate? Ms. French.

Ms. Jennifer K. French: Just as a point of clarification: This states that an individual may request that their personal information be corrected. Great.

The amendment also says that the individual is entitled to a statement of disagreement. What is unclear is if this statement is required to explain the refusal. I guess my question in terms of clarity is the statement of disagreement. What has to be in that? Is that a standard form that elsewhere is explained? Does it have to explain the refusal? What’s in it?

The Chair (Mr. Peter Tabuns): Mrs. McGarry.

Mrs. Kathryn McGarry: Sorry, I’m just going to reiterate that it was the Information and Privacy Commissioner requesting this amendment to make sure it was already in line with the Freedom of Information and Protection of Privacy Act.

Ms. Jennifer K. French: That’s great. I’m glad to know that these amendments are coming from the right places. But just for that statement of disagreement: Is it written elsewhere? Is this something that the commissioner recognizes, that the statement of disagreement must have this or that in it, and that’s why it isn’t included here? I’m just asking what’s in it. Is that elsewhere or is that going to be left to regulation? I’m just curious.

It sounds like a good idea. I’d just like to know if it is required to explain refusal. Those who have received the perceived incorrect information also would be notified that a statement of disagreement exists. That’s great, but what is actually in that statement of disagreement?

Mrs. Kathryn McGarry: I’m just going to say, without going through all of the legislation in the privacy and information act, that the commissioner asked that we add this in there to already mirror the Freedom of

Information and Protection of Privacy Act. If the member wishes, that is outlined in that act.

The Chair (Mr. Peter Tabuns): Thank you. No further debate? The committee is ready to vote? All those in favour? All those opposed? It is carried.

We now get to vote on section 56. Shall section 56, as amended, carry? Opposed? It is carried.

Colleagues, we can now group together sections 57 to 89, inclusive, as there are no amendments. I see no objection to that. Shall sections 57 to 89, inclusive, carry? They are carried.

We now go to section 90 and NDP amendment 17. Ms. French.

Ms. Jennifer K. French: I move that subsections 90(2) and (3) of the bill be struck out and the following substituted:

“Dates for different employers

“(2) The regulations shall provide that employers and their employees are not required to begin to contribute,

“(a) for large and medium employers, before January 1, 2018; and

“(b) for small employers, before January 1, 2019.

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“Interpretation

“(3) In subsection (2),

“‘large employers’ means employers who employ 500 employees or more;

“‘medium employers’ means medium employers as determined in accordance with the regulations;

“‘small employers’ means employers who are not large or medium employers.”

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: We’re essentially changing the definition of large-sized businesses. This amendment defines the size of “large corporation” as those with 500 or more employees. This is consistent with Industry Canada’s definition for both service and goods-producing industries.

New Democrats want to ensure that the Liberal government doesn’t further cave in to the demands of big industry and broaden the definition of “large corporation” so that more companies can be considered small and medium-sized when in fact they don’t face the same constraints. The fact that the government had previously defined business sizes in various announcements leading up to this bill—it’s confusing that we don’t see that in this piece of legislation. So the Liberals have decided again to put off that important information until regulation.

I’m sure you can appreciate our suspicion, especially after hearing the finance minister, back in January 2016, say, “We have a mandate from Ontarians, and they can’t wait any longer,” talking about increased retirement security. One month later, and now in legislation, it was announced that the first phase of contributions was being pushed back a year, to January 2018. The thing is, that pushback was frustrating because the original announcement was, “We can’t wait any longer. This has to happen now,” and then we have a delay. All right, but it wasn’t

for small and medium-sized businesses. Small and medium-sized businesses were not affected by that announcement; it was the big corporations that can afford to be contributing and that do not require that extended transition period.

Again, this is another example of the government prioritizing the needs of—I don't know—their insider friends at the expense of Ontarians. I would say that businesses need to be able to plan and need the clarification. They deserve the clarification. Again, rather than caving in to big industry, they should define large corporations as they previously had in announcements rather than leaving it to regulations. I think that's fairer for the entire community affected.

The Chair (Mr. Peter Tabuns): Ms. McGarry.

Mrs. Kathryn McGarry: I will be recommending opposing this motion because the government has previously announced that it would mirror Statistics Canada's definition of employers. The government also announced its intention to provide more precise details on the definition of employer size and how that will be calculated in regulation. This motion doesn't provide sufficient precision to give employers clarity about how to determine in what wave they'll be enrolled in the ORPP rollout.

I'll just bring the member opposite's attention back to: Large employers as defined here in the proposed motion means employing 500 employees or more, but there's actually nothing listed under medium employers. So this gives way to some confusion in terms of the employers themselves as to where they're at in this list. "Small employers" means employers who are not large or medium employers." So there's no definition between the small and the medium employers here. Additionally, outlining this definition in regulation gives the government flexibility to align with the Statistics Canada definitions, should those definitions fluctuate over time. As I said, we previously announced that we're going to be aligning our definitions with Statistics Canada's, and this motion does not provide sufficient clarity to assist employers in determining when they will be enrolled in the ORPP.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: Certainly it's not the intention of the amendment to lay out the transition plan for employers, recognizing that they deserve the time and information to be able to plan so that they can transition.

To the member's point that they've previously announced, so what? Here we have the legislation and we don't see it laid out in the legislation. To previously announce it and to set forward specifics, but then to not enshrine it in legislation and to wait until this is done and then, as you said, things might fluctuate—well, that doesn't make me feel any better.

Businesses need to be able to plan. Businesses need and deserve that clarification. If you're going to say that you've previously announced it's based on StatsCan, why is that not in this legislation? Why are you waiting until regulation behind closed doors with—maybe napkins, that's great—no public debate, no input to be able to define it so that it can be in flux? It certainly doesn't inspire any confidence over here.

The goal of this amendment was to define the size of a large corporation, and then, as it's outlined here, the rest to be determined in accordance with regulation beyond that.

The Chair (Mr. Peter Tabuns): Ms. McGarry.

Mrs. Kathryn McGarry: My final wrap-up point is just to reiterate the fact that the government will mirror Statistics Canada's definitions of small, medium and large employers.

The Chair (Mr. Peter Tabuns): Ms. French.

Ms. Jennifer K. French: So if that's the intent and that's the plan, why is that not written in legislation? Why is that just something we've been promised in announcement and can cross our fingers to wait for?

The Chair (Mr. Peter Tabuns): No further debate? The committee is ready to vote? All those in favour? All those opposed? The motion is lost.

We now go to the vote on section 90 itself. Ready for the vote? Shall section 90 carry? Opposed? It is carried.

We can now group sections 91 to 99, if people have no problems with that.

Shall sections 91 to 99, inclusive, carry? Opposed? They are carried.

We go to the last votes on this bill.

Shall the preamble of the bill carry? Carried.

Shall the title of the bill carry? Carried.

Shall Bill 186, as amended, carry? Carried.

Shall I report Bill 186, as amended, to the House? Yes. Done.

With that, unless the Clerk needs to correct me, we stand adjourned. Thank you, members.

The committee adjourned at 1528.

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