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**Official Report
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(Hansard)**

Tuesday 30 August 2016

**Journal
des débats
(Hansard)**

Mardi 30 août 2016

**Standing Committee on
General Government**

Election Finances Statute Law
Amendment Act, 2016

**Comité permanent des
affaires gouvernementales**

Loi de 2016 modifiant des lois
en ce qui concerne
le financement électoral

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Hansard Reporting and Interpretation Services
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
GENERAL GOVERNMENT**

**COMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES**

Tuesday 30 August 2016

Mardi 30 août 2016

The committee met at 0903 in room 151.

**ELECTION FINANCES STATUTE LAW
AMENDMENT ACT, 2016
LOI DE 2016 MODIFIANT DES LOIS
EN CE QUI CONCERNE
LE FINANCEMENT ÉLECTORAL**

Consideration of the following bill:

Bill 201, An Act to amend the Election Finances Act and the Taxation Act, 2007 / Projet de loi 201, Loi visant à modifier la Loi sur le financement des élections et la Loi de 2007 sur les impôts.

The Chair (Mr. Grant Crack): Good morning, everyone: members of the committee, member of legislative counsel, Hansard, and of course translation; we have there. Madam Clerk, good morning, everyone. It's great to see you again.

I'll call the Standing Committee on General Government to order. Today, we're going to continue, as per the order of the House, clause-by-clause consideration of Bill 201, An Act to amend the Election Finances Act and the Taxation Act, 2007.

Yesterday, we had made progress through the proposed amendments up to section 46, which would be PC motion number 75 in your packages. Is everyone prepared to move forward? Mr. Dong.

Mr. Han Dong: Chair, I move that subsection 46—
Interjections.

The Chair (Mr. Grant Crack): Sorry.

Mr. Han Dong: I thought you called it.

The Chair (Mr. Grant Crack): Oh, okay. No, I'm just saying, is everyone prepared to get going? Okay, unless you tell me otherwise. Thank you very much. We're just ensuring proper procedure here.

At this time, we're going to deal with PC motion number 75 in section 46, which is an amendment to subsections 46(1) to (6) and (9), section 40 of the Election Finances Act. Mr. Dong.

Mr. Han Dong: Chair, I move that subsections 46(1) to (6) and (9) of the bill be struck out.

The Chair (Mr. Grant Crack): Further discussion on the motion? Ms. Malhi.

Ms. Harinder Malhi: I recommend voting against this motion because removing references to nomination contestants from the act is inconsistent with the government's commitment to strengthen rules around election

financing and to level the playing field for all political actors. Nomination contestants should be subject to the same kinds of rules as other political actors in our democratic process.

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife—oh, sorry. We'll let her finish.

Ms. Harinder Malhi: We believe that nomination contestants should be regulated in the same way as other political actors, and nomination contestants can ultimately become members of the Legislative Assembly and cabinet. Therefore, the same principles regarding access to funding, transparency and creating an even playing field should apply.

Regulating nomination contestants will help ensure that their activities are guided by a clear set of rules at every step of the electoral process, starting with the nomination process. Regarding nominations, the Chief Electoral Officer said, "the greater transparency, the better for all Ontarians."

Regulating nomination contestants will help ensure that their activities are guided by a clear set of rules at every step of the electoral process, starting with the nomination process. One of the goals of Bill 201 is to even the playing field by reducing the role of money in politics. Bill 201 seeks to create an even playing field by bringing nominations into the purview of the Election Finances Act.

Over 20 PC amendments are focused on removing nomination races from this bill. These amendments remove spending limits, donation limits, reporting requirements or limits as to where the funds come from. Due to the requirement of the nomination contestants to give surplus funds, as in section 7 of the bill, the amendments have the effect of creating a loophole to allow parties and their entities to be funded by unreported corporate and union donations without any limits.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: We would recommend supporting this motion. The intention, when the PCs brought this forward—essentially, this removes the requirement that a nomination contestant would have to appoint an auditor. While we haven't agreed with most of the amendments that the PCs have brought forward with regard to nomination races, we would listen to the electoral officer on this particular amendment. Obviously, we feel this would be unnecessarily onerous on nomination races, which, for the most part, raise very limited funds.

The Chief Electoral Officer made similar comments on this matter when he came to this committee and he said that the proposed donation limits and the disclosure requirements would act as a safeguard.

We want people to enter into—we want people to seek office. We want people to get involved in the electoral process. If they know they have to get an auditor to audit their nomination process, I really feel that this is a barrier to the political process.

Our New Democrats will be supporting amendment 75.

The Chair (Mr. Grant Crack): Further discussion on PC motion 75? There being none, I shall call for the vote.

Ms. Catherine Fife: Can I have a recorded vote?

The Chair (Mr. Grant Crack): There is a request for a recorded vote, which will be entertained.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion number 75 defeated.

Hence, there are no amendments to section 46. Is there any discussion on section 46 in its entirety? There being none, I shall call for the vote. Shall section 46 carry? I declare section 46 carried.

Section 48: Any discussion on section 48?

Mr. Lou Rinaldi: Forty-seven.

The Chair (Mr. Grant Crack): Sorry, 47. Thank you, Vice-Chair.

No discussion on section 47? I shall call for the vote. Those in favour of section 47? I declare section 47 carried.

We shall move to section 48. Any discussion on section 48? There being none, I shall call for the vote. Those in favour of section 48? Carried. I declare section 48 carried.

We shall move to section 49. There is an amendment, PC motion number 76, which is an amendment to section 49, subsection 41.1(3) of the Election Finances Act. Is there anyone that—Mr. Dong.

0910

Mr. Han Dong: I move that subsection 41.1(3) of the Election Finances Act, as set out in section 49 of the bill, be struck out.

The Chair (Mr. Grant Crack): Further discussion? Ms. Malhi.

Ms. Harinder Malhi: Just a second. I recommend—sorry, just give me one second.

I recommend voting against this motion because the proposed motion requires individuals to disclose a significant amount of personal information, including the name of their employer, and may result in these individuals forgoing their participation as volunteers in

election campaigns. It would introduce a significant record-keeping burden on registered political parties, registered candidates and registered constituency associations.

The goal of the bill is to ensure a fair and transparent electoral process that gives voice to all Ontarians. The proposed motion would introduce provisions that would introduce huge record-keeping burdens on political actors. They may have to keep records on hundreds or even thousands of volunteers.

In addition, the provisions have the potential to curtail participation in the democratic process. While we want to ensure—

Interjection.

Ms. Harinder Malhi: Oops.

One of the goals of Bill 201 is to even the playing field by reducing the role of money in politics. Bill 201 seeks to create the even playing field by bringing nominations into the purview of the Election Finances Act.

Over 20 PC amendments are focussed on removing nomination races from this bill. These amendments remove spending limits, donation limits, reporting requirements or limits as to where the funds can come from. Due to the requirement of nomination contestants to give surplus funds, as in section 7 of the bill, the amendments have the effect of creating a loophole to allow parties and their entities to be funded by unreported corporate and union donations without any limits.

Thank you.

The Chair (Mr. Grant Crack): Further discussion on PC motion number 76? There being none, I shall call for the vote. Those in favour of PC motion 76? Those opposed to PC motion 76? I declare PC motion number 76 defeated.

Therefore, there are no amendments to section 49. Is there any discussion on section 49? There being none, I shall call for the vote. Shall section 49 carry? Section 49 is carried.

We shall move to section 50. We have PC motion number 77, which is proposing a new subsection 50(1.1), new subsection 42(3.2) of the Election Finances Act. Mr. Dong.

Mr. Han Dong: I move that section 50 of the bill be amended by adding the following subsection:

“(1.1) Section 42 of the act is amended by adding the following subsection:

“Record of volunteers

“(3.2) A registered political party, registered candidate or registered constituency association that receives any service that does not come within the definition of “contribution” during the campaign period shall,

“(a) require that the person who performed the service sign a form that,

“(i) lists the person’s name, contact information and occupation and the name of the person’s employer, if any, and

“(ii) confirms that the person has not received compensation for performing the service, whether from the

party, candidate, constituency association or any other person or entity; and

“(b) keep a copy of all forms required by clause (a) for examination by the Chief Electoral Officer.”

The Chair (Mr. Grant Crack): Further discussion? Mr. Berardinetti.

Mr. Lorenzo Berardinetti: I recommend voting against this motion because the proposed motion requires individuals to disclose a significant amount of personal information, including the name of their employer, and may result in these individuals forgoing their participation as volunteers in election campaigns. Furthermore, it would introduce a significant record-keeping burden on registered political parties, registered candidates and registered constituency associations.

The proposed motion requires the registered political party, registered candidate or registered constituency association receiving a service that does not qualify as a contribution to record the personal information of the volunteer, including their name, residence, occupation, and the address of the volunteer’s place of employment, and to confirm that the volunteer received no compensation for the service. For practical purposes, this would introduce a significant record-keeping burden on registered political parties, registered candidates and registered constituency associations.

In addition, it may raise privacy concerns for individual volunteers who have not previously been required to provide personal information, particularly about their occupations.

The Chair (Mr. Grant Crack): Any discussion on PC motion 77? Ms. Fife.

Ms. Catherine Fife: We will not be supporting this motion. We should be encouraging volunteers, not discouraging them, and this simply creates more red tape for volunteers.

The Chair (Mr. Grant Crack): Further discussion? There being none, I shall call for the vote on PC motion number 77. Those in favour of PC motion 77? Those opposed? I declare PC motion 77 defeated.

There are no amendments to section 50. Any discussion on section 50 in its entirety? There being none, I shall call for the vote. Shall section 50 carry? I declare section 50 carried.

We shall move to section 51. There are no amendments. Any discussion on section 51? There being none, I shall call for the vote. Shall section 51 carry? I declare section 51 carried.

We shall move to section 52. There are no amendments. Is there any discussion on section 52? There being none, I shall call for the vote. Shall section 52 carry? Carried.

We shall move to section 53. There was an amendment.

Interjection.

The Chair (Mr. Grant Crack): We’re going to just backtrack for a second. One of the first motions that we had dealt with yesterday morning was government motion 78, which was a money motion which was moved

by Minister McGarry yesterday and passed by the committee. Unfortunately, on my sheet it says it’s in section 53, but it is in fact in section 52. So with the committee’s permission, I will go back to section 52. That amendment is in section 52, and we can re-debate that particular section. Is that fair enough? Thank you very much.

Okay, so we’re going back to section 52. There is one amendment. Is there any discussion on section 52 with that one amendment? There being none, I shall call for the vote on section 52, as amended. Shall section 52, as amended, carry? I declare section 52, as amended, carried. Thank you all very much, and thank you to legislative counsel and the Clerk for the clarification.

We shall move to section 53. There are no amendments to section 53. Is there any discussion on section 53? There being none, I shall call for the vote. Shall section 53 carry? I declare section 53 carried.

We shall move to section 54. There are no amendments proposed. Any discussion on section 54?

Mr. Han Dong: There are amendments.

The Chair (Mr. Grant Crack): On section 54? I don’t think—no. We’ll deal with those. Those are proposing new sections. It’s not part of the actual section 54; these are new sections that need to be dealt with on an individual basis.

There are no amendments to section 54 in its entirety. Any discussion? There being none, I shall call for the vote. Shall section 54 carry? I declare section 54 carried.

We shall move to NDP motion number 79, which is proposing a new section, 54.1, subsection 1(1) of the Government Advertising Act, 2004. However, there are 11 proposed new sections of section 54. The rules of clause-by-clause consideration, traditionally, are that—

Ms. Catherine Fife: Can you please speak up? I’m sorry, I can’t hear you.

The Chair (Mr. Grant Crack): Sorry. Okay.

The traditional rules of clause-by-clause when we deal with new sections are that we deal with them individually. But if the committee agrees, we can deal with them and debate them all at the same time, if that’s satisfactory. Okay? Okay.

Ms. Fife, if you could move all 11 of them.

0920

Ms. Catherine Fife: So you want me to read through amendment 79, all five pages. Do I have to read it into the record?

The Chair (Mr. Grant Crack): That would make sense, because it is one motion, but it deals with five subsections.

Ms. Catherine Fife: Okay, let’s go.

The Chair (Mr. Grant Crack): So, enjoy and we’ll look forward to hearing it.

Ms. Catherine Fife: Have a coffee.

Mr. Lou Rinaldi: Call us when you’re done.

Ms. Catherine Fife: I move that the bill be amended by adding the following sections:

“Government Advertising Act, 2004

“54.1(1) The definition of ‘item’ in subsection 1(1) of the Government Advertising Act, 2004, is repealed and the following substituted:

“‘item’ means a reviewable advertisement, reviewable printed matter or a reviewable message, as the case may be; (‘document’)”

“(2) The definition of ‘prescribed’ in subsection 1(1) of the act is repealed and the following substituted:

“‘prescribed’ means prescribed by a regulation made under this act;”

“(3) The definition of ‘regulations’ and the definition of ‘standards’ in subsection 1(1) of the act are repealed.

“54.2 Section 1.1 of the act is repealed.

“54.3 Subsection 2(2) of the act is repealed and the following substituted:

“‘Submission for review

“(2) The head of the government office shall give a copy of the advertisement to the Office of the Auditor General for review.

“‘Prohibition on use pending review

“(3) The government office shall not publish, display or broadcast the advertisement before the head of the office receives notice, or is deemed to have received notice, of the results of the review.

“‘Prohibition

“(4) The government office shall not publish, display or broadcast the advertisement if the head of the office receives notice that, in the Auditor General’s opinion, the advertisement does not meet the standards required by this act.’

“54.4 Subsection 3(2) of the act is repealed and the following substituted:

“‘Submission for review

“(2) The head of the government office shall give a copy of the printed matter to the Office of the Auditor General for review.

“‘Prohibition on use pending review

“(3) The government office shall not distribute the printed matter before the head of the office receives notice, or is deemed to have received notice, of the results of the review.

“‘Prohibition

“(4) The government office shall not distribute the printed matter if the head of the office receives notice that, in the Auditor General’s opinion, it does not meet the standards required by this act.’

“54.5 Subsection 4(2) of the act is repealed and the following substituted:

“‘Submission for review

“(2) The head of the government office shall give a copy of the message to the Office of the Auditor General for review.

“‘Prohibition on use pending review

“(3) The government office shall not convey the message before the head of the office receives notice, or is deemed to have received notice, of the results of the review.

“‘Prohibition

“(4) The government office shall not convey the message if the head of the office receives notice that, in the Auditor General’s opinion, the message does not meet the standards required by this act.’

“54.6 Section 4.1 of the act is repealed.

“54.7 Subsection 5(1) of the act is repealed and the following substituted:

“‘Review by the Auditor General

“(1) When an item is given to the Office of the Auditor General for review, the Auditor General shall review it to determine whether, in his or her opinion, it meets the standards required by this act.’

“54.8 Sections 6, 7 and 8 of the act are repealed and the following substituted:

“‘Required standards

“6(1) The following are the standards that an item is required to meet:

“1. It must be a reasonable means of achieving one or more of the following purposes:

“i. To inform the public of current or proposed government policies, programs or services available to them.

“ii. To inform the public of their rights and responsibilities under the law.

“iii. To encourage or discourage specific social behaviour, in the public interest.

“iv. To promote Ontario or any part of Ontario as a good place to live, work, invest, study or visit or to promote any economic activity or sector of Ontario’s economy.

“2. It must include a statement that the item is paid for by the government of Ontario.

“3. It must not include the name, voice or image of a member of the executive council or a member of the assembly.

“4. It must not be partisan.

“5. It must not be a primary objective of the item to foster a positive impression of the governing party or a negative impression of a person or entity who is critical of the government.

“6. It must meet such additional standards as may be prescribed.

“‘Advertising outside Ontario

“(2) Paragraph 3 of subsection (1) does not apply with respect to an item for which the primary target audience is located outside of Ontario.

“‘Partisan advertising

“(3) An item is partisan if, in the opinion of the Auditor General, a primary objective of the item is to promote the partisan political interests of the governing party.

“‘Same

“(4) The Auditor General shall consider such factors as may be prescribed, and may consider such additional factors as he or she considers appropriate, in deciding whether a primary objective of an item is to promote the partisan political interests of the governing party.

“‘Notice of results of review

“7(1) The Office of the Auditor General shall notify the head of the government office of the results of the review within the prescribed number of days after receiving an item for review.

“Deemed notice

“(2) If the notice is not given within that period, the head shall be deemed to have received notice that the item meets the standards required by this act.

“Submission of revised version

“8(1) If the head of a government office is notified that an item does not meet the standards required by this act and if the government office proposes to use a revised version of it, the head shall give the revised version to the Office of the Auditor General for a further review.

“Prohibition on use pending review

“(2) The government office shall not use the revised version before the head of the office receives notice, or is deemed to have received notice, of the results of the review.

“Prohibition

“(3) The government office shall not use the revised version if the head of the office receives notice that, in the Auditor General’s opinion, the revised version does not meet the standards required by this act.

“Review of revised version

“(4) Sections 5 and 6 apply with respect to the review.

“Notice of results of review, revised version

“(5) The Office of the Auditor General shall notify the head of the results of the further review within the prescribed number of days after receiving the revised review.

“Deemed notice

“(6) If the notice is not given within that period, the head shall be deemed to have received notice that the revised version meets the standards required by this act.’

“54.9 Subsection 9(2) of the act is amended by striking out ‘4.1’.

“54.10 Section 10 of the act is amended by striking out ‘4.1’.

“54.11(1) Clauses 12(1)(a.1), (a.2) and (a.3) of the act are repealed.

“(2) Clause 12(1)(c) of the act is amended by striking out ‘paragraph 3’ and substituting ‘paragraph 6’.

“(3) Clauses 12(1)(d), (e) and (f) of the act are repealed and the following substituted:

“(d) prescribing additional factors for the purposes of subsection 6(4);

“(e) prescribing a number of days for the purposes of subsection 7(1) and for the purposes of subsection 8(5).’

“(4) Subsection 12(2) of the act is repealed.”

The Chair (Mr. Grant Crack): Could you repeat that?

Laughter.

The Chair (Mr. Grant Crack): Okay. I’m not sure if legislative counsel or anyone—I just noticed one issue: just that second-last page, number 5. It’s indicated in writing here, “after receiving the revised version.” I believe you had indicated “after receiving the revised

review.” I believe it’s “version” that perhaps you had wanted to say.

Ms. Catherine Fife: Okay, thank you.

The Chair (Mr. Grant Crack): You’re welcome. That’s for clarification. Anything else? I thought it went very well. Thank you.

Further discussion on NDP motion number 79? Ms. Fife.

Ms. Catherine Fife: We have been very consistent that, in order to instill some confidence again in the electoral financing system in the province of Ontario, we need to ensure that the government does not have the advantage or the upper hand as elections play themselves out.

Yesterday, the government side of the House refused to support a 90-day blackout period prior to the election. This amendment essentially is a response to the Auditor General’s presentation to this committee where you’ll remember that she described the process that she is currently part of, in determining whether or not a government advertisement is partisan or non-partisan, as essentially being “a joke.” Those were her words. She said that her office plays no meaningful part in this process because her only recourse is to rule whether or not an advertisement is compliant with the revised Government Advertising Act or non-compliant, and the Government Advertising Act has been greatly diminished.

0930

Now, I will give the Liberal government full credit for bringing in a strong, principled piece of legislation in 2004 which was, quite honestly, cutting-edge in this country, that would limit partisan advertising on behalf of any government. In the Budget Measures Act of 2015, the Government Advertising Act was greatly diminished. I will read directly from the Auditor General’s presentation. She said, “However, the” Government Advertising Act’s “effectiveness was largely eliminated when the government included amendments to the” Government Advertising Act “in last year’s Budget Measures Act.” This would have been 2015.

The first point that she makes is, “The standards that required government ads to serve a legitimate purpose by providing useful information to the public and not inappropriately praising the governing party or criticizing those who oppose the government were removed.

“As well, a very narrow and limited definition of what constitutes partisan advertising was introduced. The amendments repealed two critical subsections”—which we’ve included back in through this amendment. Those are subsections 6(3) and 6(4) in the previous version of the GAA. “These subsections allowed the Auditor General discretion in considering additional factors beyond the GAA’s specific standards to assess whether a primary objective of a government ad was to promote the partisan interests of the governing party.”

She gives an example: “In the earlier version of the GAA, we could look at the ad and ask ourselves some reasonable questions such as: Is the message fair, balanced and objectively presented? Are the factual and

numerical data accurate and supportable? Is the tone overly self-congratulatory? Is the timing of the ad likely to net significant political gains for the government?"

Her main point is that her discretion with regard to these very important questions—I mean, when I hear, “Is the message fair and balanced? Is it factual and numerical,” for me, “If it’s factually and numerically accurate” means, is it the truth? That’s what I read when I read this statement: Is it an honest advertisement? Is it telling the people of the province the truth about what’s happening at Queen’s Park? The people of the province are paying for those ads, so it’s important to be honest with them.

She goes on to say, “This discretion to consider these questions has effectively been removed. In its place is now a very narrow definition of what constitutes partisan advertising.” It may be of interest to the members of the government to hear that “the Auditor General can now only deem a government advertisement as partisan if it includes the name, voice or image of a member of the executive council or a member of the assembly”—so none of our pictures are supposed to be in ads; that’s fine—“or it includes the name or logo of a recognized party in the assembly; or it directly identifies and criticizes a recognized party or member of the assembly; or it includes, to a significant degree, a colour associated with the governing party.” That’s it.

When the Auditor General came here, she specifically came to this committee because of the money that was being invested in advertising: the money that belongs to the people of this province, the money that is being spent—and I’ll give examples later after the debate—to basically congratulate the government on doing a good job. As I said yesterday, when you’re sitting in an emergency room, and you’ve been there for five or six hours, and an advertisement comes on and says that wait times have been reduced by half or reduced by a third, and you have another three or four hours in front of you in that emergency room, it adds insult to injury. It should not be allowed. If the government is serious about reforming election finances, then government advertising is a key piece of the puzzle.

I’ll be interested to hear some of the comments by the government side. I hope I don’t get the regular piece, the regular lines, though. I really don’t. I mean, we have to have this debate here. It is first reading. There’s an opportunity for us to make some substantive changes, and that’s why this amendment is before you. We can do it right here in this committee, and we can do it today at first reading. Thank you.

The Chair (Mr. Grant Crack): Thank you very much. Further discussion? Mr. Rinaldi.

Mr. Lou Rinaldi: Before I get to my comments, I just want to clarify something. The member, Ms. Fife, said that what we had in the act in 2004 was cutting-edge in this country. Well, I just want to remind her that it’s cutting-edge today because no other province in this country has anything close to what we have. I just wanted to put that in the record.

Chair, I will recommend voting against this motion, for the reason that it’s overturning the amendments made to this act in 2015, with the exception of retaining digital advertising in the scope. It does not help even the playing field because government advertisement, by law, is not partisan.

While the government has put forward motions related to the Government Advertising Act, the changes proposed in this motion have been advanced to eliminate any perception that government advertising may be able to influence a campaign, which is in keeping with the intent of the bill.

As I said a minute ago, Ontario is still the first and only jurisdiction in Canada to have legislation that bans government-paid partisan advertising in newspapers, magazines, billboards, radio and television. We passed this historic legislation because we are against the government using taxpayer dollars for partisan advertising. That was our position in 2004, and that’s our position today. Ontario needs government advertising that is appropriate, reasonable and effective because the public has a right to know how tax dollars are being spent and when the government is bringing forward policy changes like children’s vaccines, tax changes and transit programs.

The PCs and NDP have both spoken about the need for further limits on government advertising in the lead-up to a regularly scheduled general election. Government motion number 80 accomplishes that.

Ontario is already a leader when it comes to oversight on government advertising. We are the only province that requires the Auditor General’s approval of ads not only once but twice. Ads are not allowed to serve partisan political purposes. Ontario already limits government advertising during the elections. We are proposing to extend these limits to 60 days prior to a scheduled general election, based on the feedback we heard during the general government committee process.

What we do not want to do is to remove the clarity the Government Advertising Act provides in making decisions in advertising. What we also do not want to do is limit the ability of independent crown agencies to advertise on important issues across the province just because there’s a by-election in one riding in the province, potentially not even in the same media market.

The Chair (Mr. Grant Crack): Thank you very much. Further discussion? Ms. Fife.

Ms. Catherine Fife: I guess that we have a different definition of “cutting-edge,” and quite honestly, the government has a serious credibility issue on this piece.

The Auditor General is an independent officer of the Legislature. She does not look at this legislation through a partisan lens. Quite honestly, when she comes to this committee and basically says that her powers to actually protect the taxpayers and the citizens of this province from overspending on partisan advertising—that should raise a serious red flag for government members.

I think that it’s worth noting how much money has been spent on government advertising, especially within

the context of the limitations that have been put on third parties and political parties. That's the context here. Bill 201 puts some very strict restrictions on third-party advertising, which has our approval. It also places some strict advertising limits on political parties, but there are no limits on government advertising whatsoever.

0940

“Last fiscal year”—this is from the same delegation—“from April 1, 2015, to March 31, 2016, the government spent more than \$40 million running more than 1,200 advertisements, with the top 10 advertising campaigns amounting to a total of more than \$30 million” in the following year.

“As for political parties, under the proposed legislation, they would be limited to spending \$1 million.”

We talk here at this committee about levelling the playing field. If you're not going to limit the government's ability to spend on partisan advertising as we limit the other political actors, as we've heard today and all day yesterday, then you are creating an unfair advantage that the government has. And we heard from delegations. We heard from people in London, in Kingston, in Ottawa about the government's unfair advantage.

This process was set up to be collaborative. We were told from the very beginning that we were going to take the voices of Ontarians and bring those voices to this process and be respectful of those voices, and yet here we are.

It is also worth noting, and the Auditor General pointed this out, that in May 2016, so just this past spring, “the government of Canada updated its communication policy so that federal government advertising cannot take place in the 90 days before a fixed general election date.” So Justin Trudeau has imposed this 90-day blackout period, the 90-day blackout period that the Ontario Liberal Party voted against—our NDP amendment yesterday.

“In Ontario, no similar rule exists, and the changes the government made to the Government Advertising Act in 2015 have effectively removed the safeguards, a key one being the Auditor General's discretion.”

The question is, what is this government hiding? Why are they not being open and transparent? We heard from this Premier during her original speech from the throne that she was going to do politics differently, that she was going to rule from the activist centre that was going to be respectful of all voices. We heard that this government was going to be open and transparent. And yet we have as an opportunity right here at first reading of Bill 201 the ability to reinvigorate and really restore some trust in the Government Advertising Act and in the Election Finances Statute Law Amendment Act.

All I'm hearing is stonewalling. It's no wonder that the PCs walked out, because this process has not been an honest process. If you are not willing to even consider strengthening a trust issue like government advertising around election financing, then we are really stuck going nowhere. All we have today is a press release from the Attorney General saying things are going to change, and

that's incredibly disappointing. It's not just disappointing for the people who travelled this summer and were part of this process, but it's disappointing for the Ontarians who actually came and presented and raised their voices.

I'm glad that Mr. Rinaldi raised the issue of the by-election, because there is a by-election going on in Scarborough. The election will happen this Thursday, and the airwaves are all Ontario Liberal ads. I just heard one yesterday advertising the fact that the federal government is going to modernize the CPP. Why are Ontarians paying for that ad? Why is it on the airwaves every hour or every hour and a half? That's a good question to ask. It's a good question to ask of the government. It would be a good question to ask of the Auditor General, but the act that you changed in 2015, through the Budget Measures Act, does not give her the power to actually use her discretion in that matter. But in the past, she has.

I'm going to read again from her presentation. She said that she “exercised ... discretion regarding government advertising during the by-elections in 2014 for the ridings of Thornhill and Niagara. The government already had our approval for four TV spots about tuition rebates and one TV spot on cancer screening. We became concerned, however, when we received two additional TV ads for approval.

“Individually, these ads met the standards of the GAA. However, in the context of the upcoming by-elections, I was concerned that the sheer volume of the ads could have given the governing party a political advantage. We therefore chose to make our approval for these two campaigns conditional on their starting to run the day after the by-elections.”

She said she no longer has this discretion.

When the government members say that the Government Advertising Act of 2015 is cutting-edge, it simply is not. It was, and I'll give credit to the former Dalton McGuinty government, when he brought it in in 2004. But there is a serious credibility issue when we have the ability to rectify a wrong which is well documented, not just by the auditor but by regular Ontarians, regular citizens who came to this committee throughout the summer and asked for serious changes to be made.

When you look at the \$40 million that the government spent in one year on government ads, and then the limitations that are now on political parties and the limitations that are on third parties, there is no denying that this gives the government an unfair advantage in any election—and, it should be noted, any government. That's what we should be planning for. We should be planning to prevent the abuse of power of government advertising in any future government. We have that ability to do that right here today.

I'd like to hear from the government why they are so resistant to reviewing the Government Advertising Act and giving the Auditor General the powers that she needs to do her job.

The Chair (Mr. Grant Crack): Thank you. Mr. Rinaldi.

Mr. Lou Rinaldi: Just very quickly, Chair, I certainly understand the passion the member has. But just for context, we keep on referring to the announcement that we heard yesterday from Minister Naqvi that “threw everything under the bus.” Well, that’s not what I heard last night from some of my constituents and some of my media. The reality is, just as a heads-up, that we hear we need to go further and level the playing field. So we’re not changing the process. We’re just saying, as we move to second reading, that the opposition has options to bring further amendments in, which I think we all believe is a good thing.

We talk about advertising. Just for the record, the most spent on advertising topics last year—there were three. One was spending money advertising Foodland Ontario, which promotes locally grown Ontario produce. I think we want to support our agricultural industry. The others were on sexual violence—frankly, not only did it benefit Ontarians but it was recognized, I believe, in large part, outside this country—and on consumer protection, when we talk about people not being fooled by the phony hot water salesman. I believe those are all things that benefited Ontarians in one way or another.

We do have proposed changes to the Government Advertising Act. Motion 80 addresses some of that. So I believe that we’re in a good place to move forward, Chair.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: To Mr. Rinaldi’s point of the heads-up and his description of the process, what happened yesterday was really unprecedented. It really was. Reviewing why we got here, the government ministers were found to be having high-priced, stakeholder-driven fundraising events that prompted a confidence issue and a trust issue, and then this committee was set up.

The Premier says she wrote—self-described—the first edition of Bill 201. There was no banning of cash-for-access in that first edition. She did not include it, even though she was at her kitchen table and even though she said, “I wrote this. I gave this some thought.” There was no banning of cash-for-access in that first edition of Bill 201, and there were no substantive amendments included by the Liberal Party in this amendment process.

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But there was a bombshell yesterday, promising wholesale change. While we’re interested in what that announcement was—of course we are—right now we only have a press release. We have no details.

But do you know who would have wanted to know about this? The people of the province, the people who came out as delegations in London, Ottawa, Kingston and Kitchener-Waterloo. They would have wanted to weigh in on this. Riding associations would have wanted to weigh in on this.

Unless the government is going to give us some assurance that we’re going to take this bill back out for second reading and go around the province again—

Mr. Lou Rinaldi: We said that.

Ms. Catherine Fife: Well, you say a lot of things; you do. You said that you were serious about banning cash-for-access, but it wasn’t in the first edition of the bill and it wasn’t in any of the amendments.

I just want to go back to the advertising piece, because please remember, this is a direct ask from the Auditor General, who presented research to us. She presented evidence to this committee and was very clear: There are currently examples right now on the airwaves, that Ontarians are paying for, which she would have found in violation of the 2004 version of the Government Advertising Act.

Those examples, of course, are on the Ontario Retirement Pension Plan:

“—Part of campaign’s timing overlapped with the Ontario Liberal Party TV advertisement featuring the Premier speaking about ensuring that” Ontarians “have an adequate pension.” These are from her notes, just for the record.

“—Part of campaign’s timing overlapped with the federal election campaign, which included public disagreements between the Premier and the Conservative Prime Minister over this issue.” We later found out that during that campaign, the Ontario Liberal government spent \$600,000. They accelerated the spending during that election. If the NDP or the Progressive Conservative Party did that, you would be up in arms. You would be, and you would be right. You would be very upset with us, and you would have good reason for that.

“—TV ads left the impression that the ORPP will close the retirement savings gap rather than just help shrink it.” All of us want that person to get over that bridge, right? Everybody knows these commercials. If you’re in Scarborough, you can still see some of them.

“—After ORPP was cancelled, government starting advertising about changes to the CPP, which is outside of its jurisdiction, still before Parliament for approval and not effective until 2019.” Are these ads really going to run until 2019? “The ads appeared to have the objective of fostering a positive impression of the government.”

Climate change was another example listed by the Auditor General:

“—One TV advertisement depicted animals that an announcer addressed as ‘fellow Ontarians’ and who responded ‘enthusiastically’ when told about the actions the government is taking on the environment.” It’s like some bad Sesame Street version.

“—Digital ads about cap-and-trade conveyed the sense that the program was already in place and left the impression that industry would be financing the program,” which is completely false. It’s completely false. Also, when these ads aired, we hadn’t even seen the act. Parts of it had been leaked, but we hadn’t seen it.

“—Two TV spots on climate change provided viewers with no useful information and appeared designed to create apprehension about the effects of climate change so viewers would support the government’s action plan.” This is manipulative. It’s manipulative government advertising that is playing on the emotions of Ontarians, and they are paying for it.

The final one is the investments in infrastructure that the Auditor General listed. These were the TV advertisements that were “focused on the government’s nearly \$160-billion investment in infrastructure. As this investment will occur over the next 12 years, there could be at least three provincial elections”—God willing—“that could alter these plans, as well as a number of other unanticipated economic developments.”

Her final thing was:

“—The government indicated in its background information about the campaign that less than 50% of Ontarians have any familiarity with these plans. This led us to believe that the purpose of this campaign was to ensure the government is receiving credit.”

For us, this needs to be fixed. That’s why we brought this amendment forward. For people to say that the Government Advertising Act, as it is written, has some integrity is not true, and we do have a responsibility, I believe, as a committee, to draw attention to this.

There should be a 90-day ban before the election, at the very least. The act needs to be reinstated to its 2004 version. While I know the government is not going to support this, these points need to be made, and they need to be part of the public discourse on what’s happening in this province, because it all comes back to confidence and trust in our democracy. For the government to have the advantage going forward for the 2018 election, where you can outspend 40 to 1, clearly is the strongest signal to us that this is not a serious process with any credibility.

Thank you, Mr. Chair.

The Chair (Mr. Grant Crack): Thank you very much. Further discussion? There being none—

Ms. Catherine Fife: A recorded vote, please.

The Chair (Mr. Grant Crack): Okay. Thank you. There is a request for a recorded vote. In the best interests of clarity, I think we’ll deal with all 11, one at a time. We’ll go through the recorded vote one at a time for the 11 of them, okay?

There will be no further discussion on any of 79. I shall call for the recorded vote on NDP motion 79, which proposes new section 54.1.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 79, proposing new section 54.1, defeated.

NDP motion 79, proposing new section 54.2, section 1.1, Government Advertising Act.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 79, new section 54.2, defeated.

We shall move to NDP motion 79, which proposes new section 54.3.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 79, proposing new section 54.3, defeated.

We shall move to NDP motion 79, proposing new section 54.4.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 79, proposing new section 54.4, defeated.

We shall move to NDP motion 79, proposing new section 54.5.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 79, proposing new section 54.5, defeated.

We shall move to NDP motion 79, proposing new section 54.6.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi.

The Chair (Mr. Grant Crack): I declare NDP motion 79, proposing new section 54.6, defeated.

We shall move to NDP motion 79, proposing new section 54.7.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 79, proposing new section 54.7, defeated.

We shall move to NDP motion 79, proposing new section 54.8.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 79, proposing new section 54.8, defeated.

We shall move to NDP motion 79, proposing new section 54.9.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 79, proposing new section 54.9, defeated.

We shall move to NDP motion 79, proposing new section 54.10.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

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The Chair (Mr. Grant Crack): I declare NDP motion 79, proposing new section 54.10, defeated.

We shall move to NDP motion 79, proposing new section 54.11.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 79, proposing new section 54.11, defeated. Thank you, all.

We'll move to government motion number 80, which is a proposal for new section 54.1, subsection 8(3) of the Government Advertising Act, 2004.

Who would be reading that in? Mr. Rinaldi.

Mr. Lou Rinaldi: I move that the bill be amended by adding the following section:

“Government Advertising Act, 2004

“54.1 Subsection 8(3) of the Government Advertising Act, 2004 is repealed and the following substituted:

““On use during election periods

“(3) Despite notice or deemed notice that an item meets the standards, a government office shall not publish, display, broadcast, distribute or convey the item, unless permitted under subsection (4), during the following periods:

“1. The period begins on the day of the issue of a writ under the Election Act for a general election and ending on polling day, in the case of any general election.

“2. The additional period of 60 consecutive days ending on the day of the issue of a writ under the Election Act, in the case of a general election held in accordance with subsection 9(2) of the Election Act.”

The Chair (Mr. Grant Crack): Thank you very much. For clarification, under number 1, “the period begins” is what I believe you had indicated, but is it possible you would like to say “the period beginning” on the day of the issue of a writ?

Mr. Lou Rinaldi: I would. Thank you.

The Chair (Mr. Grant Crack): Thank you. Further discussion on government motion 80? Mr. Rinaldi.

Mr. Lou Rinaldi: Sure, Chair. Obviously, I would recommend voting for this motion. Governments have ongoing obligations to communicate with citizens on a range of issues, including public health warnings; emergency preparedness; access to identification documents, i.e., health cards, birth certificates etc.; and public education on civic responsibility, i.e. submitting taxes etc.

It will extend the existing restriction on government advertising in the GAA for a period of 60 days prior to the drop of the writ for a scheduled election. Although the Government Advertising Act already requires all government advertising to be non-partisan, it is important to avoid even a perception that the government's advertising might be able to influence an election campaign. That's why we want to extend the time period during which government advertising will be restricted to a very narrow set of subjects, like advertising for flu shots.

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife.

Ms. Catherine Fife: I guess the question is, why 60 days and not 90 days? The federal government, the federal Liberal government, has brought in 90 days. We brought in an amendment to make a 90-day blackout period. Except for that, and except for the fact that this amendment does not address by-elections, which is

something that we have as part of our going-forward direction at second reading—I mean, why 60 days and not 90 days? I would really like to know why.

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife.

Ms. Catherine Fife: So nobody knows why? I mean, this number had to come from someplace. Why 60 days and not 90 days? We modelled our amendment on Manitoba, which has been very successful at controlling partisan advertising prior to an election and, of course, during an election, with the exception of the listed issues, like health and safety, or economic in this one. I want to know: Why, for Kathleen Wynne, is it 60 days, and for Justin Trudeau, 90 days?

The Chair (Mr. Grant Crack): Mr. Rinaldi.

Mr. Lou Rinaldi: We believe Saskatchewan has 60 days, but having said that, we're talking 60 days pre-writ, and obviously there's a just-under-30-days writ period, so that's pretty close to 90 days.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: It's actually 30 days short of 90 days.

Anyway, we want a blackout period. Of course, we want a 90-day blackout period. We are going to support 60 days, but we're going to try to address the blackout period for by-elections as well, because as I indicated, the Scarborough by-election is ongoing right now, and the government ads are all over the radio, all over the TV, all over online. I saw one this morning online. You have to admit that it gives the government an advantage.

Flip-flopping on sex ed also gives the government an advantage, I guess, but that's another story.

However, there's no good reason. For me, this is just game-playing. There's no good reason not to have 90 days. If you can't give me a good reason, then it's just because we want 90 days and you guys don't want to give us 90 days. I think that a three-month blackout period of time is advisable, and that's what we'll continue to fight for.

The Chair (Mr. Grant Crack): Further discussion? There being none, I shall call for the vote on government motion number 80.

Mr. Lou Rinaldi: Recorded vote.

The Chair (Mr. Grant Crack): There is a request for a recorded vote, which will be entertained.

Ayes

Berardinetti, Dong, Fife, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): Those opposed? I declare government motion number 80 carried.

Members of the committee, you'll notice motion number 81 is not between 80 and 82, the reason being that it was misnumbered. It deals with section 55, which is after 82, 83, 84, 85, 86, 87, 88, 89—which one is it, then? It's 96. So we'll have to go to 96 to come back to 81. Is that fair enough?

Mr. Lou Rinaldi: So you want to go to 96?

The Chair (Mr. Grant Crack): No, no, we're just going to skip number—well, we're going to go to 82. How's that?

Mr. Lou Rinaldi: Perfect.

The Chair (Mr. Grant Crack): Okay. Number 82 is PC motion 82, which is proposing a new section 54.1, section 1.1, Government Advertising Act, 2004. Ms. Fife.

Ms. Catherine Fife: I move that the bill be amended by adding the following section:

“Government Advertising Act, 2004

“54.1 Section 1.1 of the Government Advertising Act, 2004 is repealed.”

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: You will note that we are, of course, very supportive of this PC motion, because I think it seeks to strengthen the Auditor General's discretion, as we debated during amendment 79.

The Toronto Star has said, “What's missing” in Bill 201 “is a move to restore the ... Auditor General's power to veto any government ad deemed partisan in nature.” That was an editorial from the Toronto Star. The media recognizes that the government has this advantage.

We will be supporting PC motion 82, which would alter the Government Advertising Act, 2004, as repealed.

The Chair (Mr. Grant Crack): Mr. Rinaldi.

Mr. Lou Rinaldi: Obviously, I recommend voting against this motion for the reason that overturning the amendments made to this act in 2015, with the exception of retaining digital advertising in the scope, does not help to even the playing field, as government advertising, by law, is not partisan.

While the government has put forward motions related to the Government Advertising Act, the changes proposed in that motion have been advanced to eliminate any perception that the government's advertising might be able to influence an election campaign, which is in keeping with the intent of the bill.

The Chair (Mr. Grant Crack): Further discussion? There being none, I shall call the vote on PC motion number 82.

Ms. Catherine Fife: A recorded vote, please.

The Chair (Mr. Grant Crack): There is a request for a recorded vote, which will be entertained.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion 82 defeated.

We shall move to PC motion number 83, which is an amendment proposing a new section 54.2, subsections 2(1) to (4), Government Advertising Act, 2004. Mr. Dong.

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Mr. Han Dong: I move that the bill be amended by adding the following section:

“54.2 Subsections 2(1) and (2) of the act are repealed and the following substituted:

“Requirements re advertisements

“(1) This section applies with respect to any advertisement that a government office proposes to pay to have published in a newspaper or magazine, displayed on a billboard, broadcast on radio or on television or published on the Internet.

“Submission for review

“(2) The head of the government office shall give a copy of the advertisement to the Office of the Auditor General for review.

“Prohibition on use pending review

“(3) The government office should not publish, display or broadcast the advertisement before the head of the office receives notice, or is deemed to have received notice, of the results of the review.

“Prohibition

“(4) The government office shall not publish, display or broadcast the advertisement if the head of the office receives notice that, in the Auditor General’s opinion, the advertisement does not meet the standards.”

The Chair (Mr. Grant Crack): Just for clarification purposes, in “(3) The government office shall not”—I believe you said “should not.” Would you prefer “shall not” or “should not”?

Mr. Han Dong: “Shall not,” please.

The Chair (Mr. Grant Crack): “Shall not.” Thank you.

Further discussion on PC motion 83? Mr. Rinaldi.

Mr. Lou Rinaldi: I recommend voting against this motion for the reason that it overturns the amendments made to this act in 2015, with the exception of retaining digital advertising in the scope. It does not help even the playing field, as government advertising, by law, is not partisan. While the government has put forward motions related to the Government Advertising Act, the changes proposed in those motions have been advanced to eliminate any perception that government advertising might be able to influence an election campaign, which is in keeping with the intent.

Further, I want to reiterate that Ontario still is the first and only jurisdiction in Canada to have legislation that bans government-paid advertising in newspapers, magazines, billboards, radio and television.

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife.

Ms. Catherine Fife: The NDP will be supporting this amendment by the PC Party. I would just like to remind the committee members that one of the delegations, Patti Dalton from the London and District Labour Council, on July 27 said very clearly that “the party that currently forms government”—as it relates to government advertising—“privileges and gives media airtime to that government. The expenditure of public money on government

advertising is clearly an unfair advantage and should be revisited.”

The Chair (Mr. Grant Crack): Further discussion? There being none, I shall call for the vote on PC motion number 83. Those in favour of PC motion number 83? Those opposed? I declare PC motion 83 defeated.

We shall move to PC motion number 84, which is an amendment proposing new section 54.3, subsections 3(2) to (4), Government Advertising Act. Mr. Dong.

Mr. Han Dong: I move that the bill be amended by adding the following section:

“54.3 Subsection 3(2) of the act is repealed and the following substituted:

“Submission for review

“(2) The head of the government office shall give a copy of the printed matter to the Office of the Auditor General for review.

“Prohibition on use pending review

“(3) The government office shall not distribute the printed matter before the head of the office receives notice, or is deemed to have received notice, of the results of the review.

“Prohibition

“(4) The government office shall not distribute the printed matter if the head of the office receives notice that, in the Auditor General’s opinion, it does not meet the standards.”

The Chair (Mr. Grant Crack): Further discussion? Mr. Rinaldi.

Mr. Lou Rinaldi: This proposed motion will re-enact a pre-2015 version of a section of the Government Advertising Act. This motion is connected with the other PC motions intended to restore the Government Advertising Act to its original state prior to the amendments enacted in 2015 while retaining the 2015 addition of digital advertising to the scope of the act.

Chair, I recommend voting against this motion for the same reason I stated before: Overturning amendments made to this act in 2015, with the exception of retaining digital advertising in the scope, does not help even the playing field, as government advertising, by law, is not partisan. While the government has put forward motions related to the Government Advertising Act, the changes proposed in that motion have been advanced to eliminate any perception that the government’s advertising might be able to influence an election campaign, which is in keeping with the intent of the bill, Chair.

The Chair (Mr. Grant Crack): Ms. Fife?

Ms. Catherine Fife: The NDP will be supporting this amendment. I’d just like to remind committee members that in London, Nelson Wiseman pointed out that Manitoba bans all government advertising in the 90 days leading up to an election, except for emergency, tendering and employment announcements. He says that sounds good to him. “I think there’s too much government advertising generally and much is of no use except to the government, which is trying to promote its image.” That was from Nelson Wiseman in London.

The Chair (Mr. Grant Crack): Further discussion? There being none, I shall call for the vote on PC motion number 84. Those in favour?

Ms. Catherine Fife: Sorry, recorded vote?

The Chair (Mr. Grant Crack): There will be a recorded vote.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion number 84 defeated.

We shall move to PC motion number 85. Mr. Dong?

Mr. Han Dong: I move that the bill be amended by adding the following section:

“54.4 Subsection 4(2) of the act is repealed and the following substituted:

“Submission for review

“(2) The head of the government office shall give a copy of the message to the Office of the Auditor General for review.

“Prohibition on use pending review

“(3) The government office shall not convey the message before the head of the office receives notice, or is deemed to have received notice, of the results of the review.

“Prohibition

“(4) The government office shall not convey the message if the head of the office receives notice that, in the Auditor General’s opinion, the message does not meet the standards.”

The Chair (Mr. Grant Crack): Further discussion? Mr. Rinaldi.

Mr. Lou Rinaldi: Again, Chair, I will recommend voting against this motion. Overturning the amendments made in the act in 2015, with the exception of retaining digital advertising in the scope, does not help even the playing field, as government advertising, by law, is not partisan. While the government has put forward motions related to the Government Advertising Act, the changes proposed in this motion have been advanced to eliminate any perception that government advertising might be able to influence an election campaign, which is in keeping with the intent.

In 2004, we passed this historic legislation because we are against the government using taxpayer dollars for partisan advertising. That position still stands today.

The Chair (Mr. Grant Crack): Further discussion on PC motion 85? Ms. Fife.

Ms. Catherine Fife: The NDP will be supporting PC motion 85. The member opposite references that in 2004, the Government Advertising Act was strengthened. We would agree with that, but in 2015 the strength and the integrity of the Government Advertising Act was greatly

diminished. I would like to remind the committee members that when the Auditor General came here, she said, “So, if the intention of Bill 201 is to level the playing field, the influence of government advertising must be considered. There is an advantage to the governing party if it is able to advertise on any issue at any time prior to an election, and at any cost, in the guise of government advertising, especially now that the 2015 changes to the Government Advertising Act allow partisan ads to be deemed non-partisan in nature.”

The Chair (Mr. Grant Crack): Further discussion on PC motion 85? If not, I shall call for the vote.

Ms. Catherine Fife: Recorded vote, please.

The Chair (Mr. Grant Crack): There is a request for a recorded vote on PC motion 85, which proposes new subsection 54.4, subsections 4(2) to (4) of the Government Advertising Act, 2004.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion number 85 defeated.

We shall move to PC motion number 86, which proposes a new section 54.5, section 4.1 of the Government Advertising Act. Mr. Dong.

1020

Mr. Han Dong: I move that the bill be amended by adding the following section:

“54.5 Section 4.1 of the act is repealed.”

The Chair (Mr. Grant Crack): Further discussion on PC motion 86? Mr. Rinaldi.

Mr. Lou Rinaldi: The proposed motion will repeal section 4.1, which was enacted in 2015. It provides for the Auditor General’s final review of an advertisement as part of a two-stage process involving preliminary and final review.

This motion is connected with other PC motions intended to restore the Government Advertising Act to its original state prior to the amendment enacted in 2015, while retaining the 2015 addition of digital advertising in the scope of the act.

Chair, I would recommend voting against this motion. Overturning the amendments made to this act in 2015, with the exception of retaining digital advertising in the scope, does not help even the playing field, as government advertising, by law, is not partisan.

While the government has put forward motions related to this Government Advertising Act, the changes proposed in the motions have been advanced to eliminate any perception that the government’s advertising might be able to influence an election campaign, which is in keeping with the intent of the bill.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: The NDP will be supporting this motion. I'd like to remind the committee members that when the Auditor General came to this committee, specifically on the issue of government advertising, she said, "If Bill 201 is passed as is and not changed, the governing party, through its use of taxpayer-funded advertising prior to an election, might very well have a political advantage, especially since political parties and third parties will be much more limited in their spending during the same time."

The Chair (Mr. Grant Crack): Further discussion on PC motion 86? There being none, I shall call for the vote.

Ms. Catherine Fife: Recorded vote, please.

The Chair (Mr. Grant Crack): There is a request for a recorded vote.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion 86 defeated.

We shall move to PC motion number 87, which proposes new section 54.6, section 6 of the Government Advertising Act, 2004. Mr. Dong.

Mr. Han Dong: I move that the bill be amended by adding the following section:

"54.6 Section 6 of the act is repealed and the following substituted:

"Required standards

"6(1) The following are the standards that an item is required to meet:

"1. It must be a reasonable means of achieving one or more of the following purposes:

"i. To inform the public of current or proposed government policies, programs or services available to them.

"ii. To inform the public of their rights and responsibilities under the law.

"iii. To encourage or discourage specific social behaviour, in the public interest.

"iv. To promote Ontario or any part of Ontario as a good place to live, work, invest, study or visit or to promote any economic activity or sector of Ontario's economy.

"2. It must include a statement that the item is paid for by the government of Ontario.

"3. It must not include the name, voice or image of a member of the executive council or a member of the assembly.

"4. It must not be partisan.

"5. It must not be a primary objective of the item to foster a positive impression of the governing party or a negative impression of a person or entity that is critical of the government.

"6. It must meet the additional standards, if any, that are prescribed.

"Advertising outside Ontario

"(2) Paragraph 3 of subsection (1) does not apply with respect to an item for which the primary target audience is located outside of Ontario.

"Partisan advertising

"(3) An item is partisan if, in the opinion of the Auditor General, a primary objective of the item is to promote the partisan political interests of the governing party.

"Same

"(4) The Auditor General shall consider the factors, if any, that are prescribed, and may consider the additional factors that he or she considers appropriate, in deciding whether a primary objective of an item is to promote the partisan political interests of the governing party."

The Chair (Mr. Grant Crack): Any further discussion on PC motion 87? Mr. Rinaldi.

Mr. Lou Rinaldi: Chair, I'm going to repeat what I said in the past, because these motions all really are targeted at the same object.

I recommend voting against this motion. Overturning the amendments made to this act in 2015, with the exception of retaining digital advertising in the scope, does not help even the playing field, as government advertising, by law, is not partisan.

While the government has put forward motions related to the Government Advertising Act, the changes proposed in this motion have been advanced to eliminate any perception that the government's advertising might be able to influence an election campaign, which is in keeping with the intent of the bill.

Ontario needs government advertising that is appropriate, reasonable and effective because the public has a right to know how tax dollars are being spent and why the government is bringing forward policy changes, like children's vaccines, tax changes and transit programs.

The Chair (Mr. Grant Crack): Thank you very much. Ms. Fife.

Ms. Catherine Fife: We will be supporting this amendment, as it mirrors our previous amendment, amendment 79.

I'd just like to remind the committee that when the Auditor General came here, she actually proposed amendments to the Government Advertising Act as part of this process.

She said: "In order to ensure that the effects of the proposed changes to the Election Finances Act do not result in the governing party using government advertising to its partisan advantage, statutory changes are proposed.

"Re-enacting the review standards and discretionary power enabling the Auditor General to determine if a government advertisement is partisan may be done in one of the following two ways:

"(1) Reinstate the previous version of the Government Advertising Act, 2004, as it appeared on June 3, 2015, while leaving in December 2015 amendments that

updated digital advertisements to be included as a reviewable medium.

“(2) Make the following amendments” that are before you.

This was a direct ask of the Auditor General. Both the NDP and the PCs have tried to bring these amendments forward for government consideration. Thus far, we have been unsuccessful in changing the government’s mind.

The Chair (Mr. Grant Crack): Further discussion? There being none, I shall call for the vote on PC motion 87. Those in favour of PC motion 87? Those opposed? I declare PC motion number 87 defeated.

We shall move to PC motion number 88, which is an amendment proposing new section 54.7, section 7, Government Advertising Act, 2004. Mr. Dong.

Mr. Han Dong: I move that the bill be amended by adding the following section:

“54.7 Section 7 of the act is repealed and the following substituted:

“Notice of results of review

“7(1) The Office of the Auditor General shall notify the head of the government office of the results of the review within the prescribed number of days after receiving an item for review.

“Deemed notice

“(2) If the notice is not given within that period, the head shall be deemed to have received notice that the item meets the standards.”

The Chair (Mr. Grant Crack): Further discussion on PC motion 88? Mr. Rinaldi.

Mr. Lou Rinaldi: Chair, again, I recommend voting against this motion. Overturning the amendments made to this act in 2015, with the exception of retaining digital advertising in the scope, does not help even the playing field, as government advertising, by law, is not partisan. While the government has put forward motions related to the Government Advertising Act, the changes proposed in the motion have been advanced to eliminate any perception that the government’s advertising might be able to influence an election campaign, which is in keeping with the intent of the bill.

Chair, I would also indicate that the PCs and the NDP have both spoken about the need for further limits in government advertising in the lead-up to our regularly scheduled general election. Hence, government motion number 80 accomplishes that.

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife.

Ms. Catherine Fife: The NDP will be supporting this PC motion, as it mirrors our previous amendment.

I’d just like to quote from a press release from the Auditor General from May 12, 2015, where she addresses the weaknesses of the current Government Advertising Act, which was changed in the Budget Measures Act.

She says that “the proposed changes, if enacted, would allow a government to run ‘self-congratulatory’ ads praising its performance and making inflated—and unsubstantiated—claims about the benefits of its actions.”

She says, “This would damage the credibility of my office, ... with citizens rightly asking how the Auditor General could have approved controversial advertisements as being non-partisan.”

The Chair (Mr. Grant Crack): Further discussion on PC motion 88? There being none, I shall call for the vote.

Ms. Catherine Fife: A recorded vote, please?

The Chair (Mr. Grant Crack): There will be a recorded vote on PC motion number 88.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion number 88 defeated.

Mr. Rinaldi?

Mr. Lou Rinaldi: Chair, could we have a health break for five minutes?

The Chair (Mr. Grant Crack): Do we have consensus?

Interjection: Of course.

The Chair (Mr. Grant Crack): Of course. Mr. Rinaldi, your wish has been granted. We are recessed for around five minutes.

The committee recessed from 1031 to 1039.

The Chair (Mr. Grant Crack): All right, back to order at this great general government committee.

We are dealing with PC motion number 89 at this point, which proposes a new section 54.8, section 8, Government Advertising Act, 2004. Mr. Dong.

Mr. Han Dong: I move that the bill be amended by adding the following section:

“54.8 Section 8 of the act is repealed and the following substituted:

“Submission of revised version

“8(1) If the head of a government office is notified that an item does not meet the standards and if the government office proposes to use a revised version of it, the head shall give the revised version to the Office of the Auditor General for a further review.

“Prohibition on use pending review

“(2) The government office shall not use the revised version before the head of the office receives notice, or is deemed to have received notice, of the results of the review.

“Prohibition

“(3) The government office shall not use the revised version if the head of the office receives notice that, in the Auditor General’s opinion, the revised version does not meet the standards.

“Review of revised version

“(4) Sections 5 and 6 apply with respect to the review.

“Notice of results of review, revised version

“(5) The Office of the Auditor General shall notify the head of the results of the further review within the prescribed number of days after receiving the revised version.

1040

“Deemed notice

“(6) If the notice is not given within that period, the head shall be deemed to have received notice that the revised version meets the standards.

“Definitions

“(7) In submissions (8), (9) and (10),

““by-election” has the same meaning as in the Election Finances Act;

““crown agency” has the same meaning as in the Crown Agency Act;

““election period” has the same meaning as in section 37.1 of the Election Finances Act;

““general election” has the same meaning as in the Election Finances Act.

“On use during election period, etc.

“(8) Despite notice or deemed notice that an item meets the standards, a government office or a crown agency shall not publish, display, broadcast, distribute or convey the item during the following periods, unless permitted under subsection (9):

“1. Any election period, whether for a by-election or a general election.

“2. The six-month period immediately before the issue of a writ of election for a general election held in accordance with subsection 9(2) of the Election Act.

“Exceptions

“(9) Subsection (8) does not apply if publishing, displaying, broadcasting, distributing or conveying the item is,

“(a) required by law;

“(b) done for the purpose of soliciting proposals or tenders for contracts or applications for employment with a government office or crown agency;

“(a) done for a purpose relating to important matters of public health or safety;

“(b) done by a crown agency with respect to ongoing programs offered by the agency, if the agency has previously published, displayed, broadcasted, distributed or conveyed the item before the period described in paragraph 2 of subsection (8); or

“(c) done during an election period with respect to,

“(i) ongoing programs offered by a government office, if the office has previously published, displayed, broadcasted, distributed or conveyed the item in accordance with this act, or

“(ii) a bill, resolution or other matter that is or was before the assembly in the session immediately before the election.

“Pre-existing publication, etc.

“(10) Subsection (8) requires a government office or a crown agency to cease any ongoing or continued publication, display, broadcasting, distribution or conveying of an item that began before the beginning of the period described in that subsection, unless, in the opinion of the

head of the office or agency, as the case may be, it is not practicable to do so.”

The Chair (Mr. Grant Crack): Thank you very much. Okay, I appreciate that.

We’re just going to get some clarification here under “Definitions,” which is on the second page. In (7), you mentioned “In submissions,” but it’s—

Mr. Han Dong: “In subsections.” Sorry.

The Chair (Mr. Grant Crack): Thank you very much.

Also, under “Exceptions” on that page, number (9), you went (a), (b), (a), (b), (c). Would you want to clarify that and go (a), (b), (c), (d), (e)?

Mr. Han Dong: Sure. It’s (a), (b)—

The Chair (Mr. Grant Crack): —(c), (d), (e). You went (a), (b), (c), (a), (d), (b)—I’m not sure if there’s a typo there.

Mr. Han Dong: Let me just get this right. Are we talking about under “Exceptions”?

The Chair (Mr. Grant Crack): “Exceptions.” So you have (a), (b)—

Mr. Han Dong: It’s (a), (b)—

The Chair (Mr. Grant Crack): Then you had said “(a)” again, but it’s (c). And then for “(d),” you said “(b),” and for “(e),” you said “(c).” I just want to make sure that it’s (a), (b), (c) and (d) for the record.

Mr. Han Dong: It’s (a), (b), (c), (d)—

The Chair (Mr. Grant Crack): And (e).

Mr. Han Dong: —and (e).

The Chair (Mr. Grant Crack): Thank you very much.

Mr. Han Dong: Hold on, hold on. Excuse me, Chair. Just give me a second here.

Interjections.

The Chair (Mr. Grant Crack): Okay. Just for clarification purposes, it should be (a), (b), (c), (d) and (e) of the line items.

Mr. Han Dong: Sure. I just want to make sure that we don’t change any part of the motion submitted by the PCs.

You’re right, Chair: It’s (a), (b), (c), (d) and (e).

The Chair (Mr. Grant Crack): Thank you very much.

Further discussion on PC motion number 89? There being none—oh, Ms. Fife.

Ms. Catherine Fife: Lou had his hand up.

Mr. Lou Rinaldi: I’m confused here with the alphabet.

Laughter.

The Chair (Mr. Grant Crack): Mr. Rinaldi.

Mr. Lou Rinaldi: Chair, I recommend voting against this motion because extending the restriction on government advertising to by-elections will restrict the ability of government to meet its duty to communicate with citizens on a range of issues, including public health warnings; emergency preparedness; access to identification documents, i.e. health cards, birth certificates etc.; and public education on civic responsibility, i.e. sub-

mitting taxes etc. This duty continues even during a by-election campaign.

Overturing the amendments made to the act in 2015, with the exception of retaining digital advertising in the scope, does not help even the playing field, as government advertising, by law, is not partisan. While the government has put forward a motion related to the Government Advertising Act, the changes proposed in the motions have been advanced to eliminate any perception that government advertising might be able to influence an election campaign, which is in keeping with the intent of the bill.

Ontario is already a leader when it comes to oversight on government advertising. We are the only province to require Auditor General approval of ads not only once, but twice. Ads are not allowed to serve partisan political purposes. Thank you.

The Chair (Mr. Grant Crack): Thank you very much. Ms. Fife.

Ms. Catherine Fife: This was an interesting amendment. It really throws the government a bone in some respects, because this is an amendment to the current act. We've been very critical of the current act, but in this one, the Tories are trying to work with you.

We'll of course be supporting the amendment because we want to see some substantive changes to this act. I'd just like to remind the committee members on the government side of the House that when the Auditor General delivered her special report to the Legislature after the changes and the amendments to the 2004 advertising act were brought in, she said, and this is quoting from her report:

"If the government decides not to make substantive changes to the proposed amendments, I respectfully ask that it bring forth another amendment to relieve my office of its advertising review responsibilities and to assign the task of reviewing ads for partisanship to a government ministry or agency.

"Over 10 years ago, when introducing the GAA, the minister responsible stated that 'any advertisement deemed by the Provincial Auditor to promote partisan interest would never see the light of day.' Should the proposed amendments pass, taxpayer-funded partisan government advertisements could very well see the light of day."

She was right, because we currently have government partisan advertisements on the airwaves in the province of Ontario.

The Chair (Mr. Grant Crack): Thank you. Further discussion? There being none, I shall call for the vote on Progressive Conservative motion number 89.

Ms. Catherine Fife: Recorded vote, please.

1050

The Chair (Mr. Grant Crack): There is a request for a recorded vote, which will be entertained.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion number 89 defeated.

We shall move to PC motion number 90, which is an amendment proposing a new section, 54.8, subsections 8(3), (4) and (5) of the Government Advertising Act, 2004. Ms. Hoggarth.

Ms. Ann Hoggarth: I move that the bill be amended by adding the following section:

"54.8 Subsections 8(3), (4) and (5) of the act are repealed and the following substituted:

"Definitions

"(3) In subsections (4), (5) and (6),

"by-election" has the same meaning as the Election Finances Act;

"crown agency" has the same meaning as the Crown Agency Act;

"election period" has the same meaning as in section 37.1 of the Election Finances Act;

"general election" has the same meaning as the Election Finances Act.

"On use during election period, etc.

"(4) Despite notice or deemed notice that an item meets the standards, a government office or a crown agency shall not publish, display, broadcast, distribute or convey the item during the following periods, unless permitted under subsection (5):

"1. Any election period, whether for a by-election or a general election.

"2. The six-month period immediately before the issue of a writ of election for a general election held in accordance with subsection 9(2) of the Election Act.

"Exceptions

"(5) Subsection (4) does not apply if publishing, displaying, broadcasting, distributing or conveying the item is,

"(a) required by law;

"(b) done for the purpose of soliciting proposals or tenders for contracts or applications for employment with a government office or crown agency;

"(c) done for a purpose relating to important matters of public health or safety;

"(d) done by a crown agency with respect to ongoing programs offered by the agency, if the agency has previously published, displayed, broadcasted, distributed or conveyed the item before the period described in paragraph 2 of subsection (4); or

"(e) done during an election period with respect to,

"(i) ongoing programs offered by a government office, if the office has previously published, displayed, broadcasted, distributed or conveyed the item in accordance with this act, or

"(ii) a bill, resolution or other matter that is or was before the assembly in the session immediately before the election.

"Pre-existing publication, etc.

“(6) Subsection (4) requires a government office or a crown agency to cease any ongoing or continued publication, display, broadcasting, distribution or conveying of an item that began before the beginning of the period referred to in that subsection, unless, in the opinion of the head of the office or agency, as the case may be, it is not practical to do so.”

The Chair (Mr. Grant Crack): Just under “Definitions,” section 3, I believe you wanted to have said “has the same meaning as in.” On three occasions, you omitted the “in.”

Ms. Ann Hoggarth: Under which one?

The Chair (Mr. Grant Crack): Under “by-election,” under “Definitions”: “has the same meaning as in.”

Ms. Ann Hoggarth: Yes, “as in the Election Finances Act.”

The Chair (Mr. Grant Crack): And “‘crown agency’ has the same meaning as in”—

Ms. Ann Hoggarth: Yes.

The Chair (Mr. Grant Crack): And also “‘general election’ has the same meaning as in”—

Ms. Ann Hoggarth: Yes.

The Chair (Mr. Grant Crack): Okay. Thank you. Also, “it is not practicable,” which would be at the very end—

Ms. Ann Hoggarth: “Practicable”? I’ve never heard of that.

The Chair (Mr. Grant Crack): “Practicable.”

Ms. Ann Hoggarth: It was in another one.

The Chair (Mr. Grant Crack): Yes.

Ms. Ann Hoggarth: I believe it should be—

The Chair (Mr. Grant Crack): It’s “practicable.” I believe you said “practical.”

Thank you very much. That’s clarified. Further discussion? Mr. Rinaldi.

Mr. Lou Rinaldi: The proposed motion is an alternate version of a previous motion which focused on provisions related to the restriction of government advertising in an election period. Notably, the restrictions on government advertising during an election period would be extended to by-elections, would apply to crown agencies as well as government offices and ministries, and will be extended for six months prior to the writ period of a fixed-date general election. There are special exceptions to these restrictions. This motion is connected to other PC motions intended to restore the Government Advertising Act to its original state prior to the amendment enacted in 2015 while retaining the 2015 addition of digital advertising to the scope of the act.

So, Chair, I recommend voting against this motion. Extending these restrictions on government advertising to by-elections will restrict the ability of the government to meet its duty to communicate with citizens on a range of issues, including public health warnings; emergency preparedness; access to identification documents, i.e., health cards and birth certificates; and public education on civic responsibilities, i.e., submitting taxes etc. This duty continues over and during a by-election campaign. Overturning the amendments made to this act in 2015,

with the exception of retaining digital advertising in the scope, does not help even the playing field, as government advertising, by law, is not partisan. While the government has put forward a motion related to the Government Advertising Act, the changes proposed in that motion have been advanced to eliminate any perception that government advertising might be able to influence an election campaign, which is in keeping with the intent of the bill.

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife.

Ms. Catherine Fife: We will be supporting this PC amendment. As stated earlier, all of the government amendments to Bill 201 leave out government advertising in and around by-elections, and only bring forward a 60-day blackout period for that. This matters. It matters to the people of this province. The government has been using this language of “the political actors.” Well, the political actors in the by-election in Scarborough are inundated with government ads right now.

This was actually a concern that was highlighted by the Auditor General in her report. On page 2, she indicates the potential consequences of the proposed amendments, which changed a really good piece of legislation, the Government Advertising Act of 2004. She says, “It is not difficult to imagine the kind of advertisement that could pass muster under the proposed amendments: a television commercial where an actor portraying an Ontario citizen proclaims, ‘This government cares about me and my family ... new tax cuts, new pension plan, new policies to protect the environment. These things are important to me, and this government gets it ... not like those other guys.’”

She says, “While I am not implying that a government would run an advertisement so obviously partisan, it serves as an example of what would be allowable under the amended GAA.” She goes on to say, “I believe that any objective observer would conclude that a primary objective of such an advertisement is to promote the partisan interests of the governing party rather than delivering information needed by the public.”

Not even the Auditor General could ever predict that the government would run and pay for and solicit a TV advertisement that depicted animals that an announcer addressed as fellow Ontarians and that would respond enthusiastically when told about the actions the government is taking on the environment. I mean, the Auditor General warned us that this would happen, but not even she could predict that we would have an advertisement depicting Ontarians as animals responding to a government announcement.

We’re going to support this motion by the PCs, and we’re going to continue to address the weakness of the Government Advertising Act of 2015.

The Chair (Mr. Grant Crack): Further discussion on PC motion number 90? There being none, I shall call for the vote.

Ms. Catherine Fife: A recorded vote, please.

The Chair (Mr. Grant Crack): There is a request for a recorded vote, which will be entertained.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion number 90 defeated.

We shall move to PC motion number 91, which is an amendment proposing new section 54.8, subsections 8(3), (4) and (5), Government Advertising Act, 2004. Ms. Hoggarth.

1100

Ms. Ann Hoggarth: I move that the bill be amended by adding the following section:

“54.8 Subsections 8(3), (4) and (5) of the act are repealed and the following substituted:

“Definitions

“(3) In subsections (4), (5) and (6),

““by-election” has the same meaning as in the Election Finances Act;

““crown agency” has the same meaning as in the Crown Agency Act;

““election period” has the same meaning as in section 37.1 of the Election Finances Act;

““general election” has the same meaning as in the Election Finances Act.

“On use during election period, etc.

“(4) Despite notice or deemed notice that an item meets the standards, a government office or a crown agency shall not publish, display, broadcast, distribute or convey the item during the following periods, unless permitted under subsection (5):

“1. Any election period, whether for a by-election or a general election.

“2. The period of 90 days immediately before the issue of a writ of election for a general election held in accordance with subsection 9(2) of the Election Act.

“Exceptions

“(5) Subsection (4) does not apply if publishing, displaying, broadcasting, distributing or conveying the item is,

“(a) required by law;

“(b) done for the purpose of soliciting proposals or tenders for contracts or applications for employment with a government office or crown agency;

“(c) done for a purpose relating to important matters of public health or safety;

“(d) done by a crown agency with respect to ongoing programs offered by the agency, if the agency has previously published, displayed, broadcasted, distributed or conveyed the item before the period described in paragraph 2 of subsection (4); or

“(e) done during an election period with respect to,

“(i) ongoing programs offered by a government office, if the office has previously published, displayed,

broadcasted, distributed or conveyed the item in accordance with this act, or

“(ii) a bill, resolution or other matter that is or was before the assembly in the session immediately before the election.

“Pre-existing publication, etc.

“(6) Subsection (4) requires a government office or a crown agency to cease any ongoing or continued publication, display, broadcasting, distribution or conveying of an item that began before the beginning of the period referred to in that subsection, unless, in the opinion of the head of the office or agency, as the case may be, it is not practicable to do so.”

The Chair (Mr. Grant Crack): Mr. Rinaldi, further discussion?

Mr. Lou Rinaldi: The proposed motion is a second, ultimate version of the previous motions which focuses on the provisions relating to restrictions on government advertising in an election period, so I recommend voting against this motion.

Extending restrictions on government advertising to by-elections will restrict the ability of the government to meet its duty to communicate with citizens on a range of issues, including public health warnings, emergency preparedness, access to identification documents—for example, health cards, birth certificates etc.—submitting taxes, and so on. This duty continues during a by-election campaign. Overturning the amendments made to this act in 2015, with the exception of retaining digital advertising in the scope, does not help even the playing field as government advertising, by law, is non-partisan.

While the government has put forward motions related to the Government Advertising Act, the changes proposed in the motions have been advanced to limit any perception that the government’s advertisements might be able to influence an election campaign, which is in keeping with the intent of the bill. Governments of all levels have a duty to communicate with citizens on a range of public safety and security issues as well as other issues at all times during the year, even during a by-election campaign.

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife.

Ms. Catherine Fife: New Democrats will be supporting this amendment put forward by the PCs. Once again, in crafting this amendment, the PC members have incorporated the amendment within the current legislation, the Government Advertising Act of 2015. In many respects, they’re reaching out to try to work with the government and the government is not willing to be flexible in any way, shape or manner on this issue, which is really unfortunate.

The Chair (Mr. Grant Crack): Further discussion on PC motion number 91? There being none, I shall call for the vote.

Ms. Catherine Fife: Recorded vote, please.

The Chair (Mr. Grant Crack): There is a request for a recorded vote, which will be entertained.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion number 91 defeated.

We shall move to PC motion number 92, which proposes a new section, 54.9, sections 9 and 10, Government Advertising Act, 2004. Ms. Fife.

Ms. Catherine Fife: I move that the bill be amended by adding the following section:

“54.9 The following provisions of the act are amended by striking out ‘4.1’ wherever that expression appears:

“1. Subsection 9(2).

“2. Section 10.”

The Chair (Mr. Grant Crack): Further discussion on PC motion 92? Ms. Fife.

Ms. Catherine Fife: This amendment looks to eliminate the government’s ability to use regulations to exempt certain ads from the Auditor General’s review. We of course are supportive of this because we have been trying, over the last two days and throughout the course of the summer, to bring forward the Auditor General’s complaints, which are valid, that the current Government Advertising Act, which was amended in the Budget Measures Act of 2015, is really a substandard piece of legislation.

The government already has the upper hand in this regard, but process also matters. In her special report to the Legislature—it’s interesting, because it sort of mirrors the experience that we have had through this committee—she says:

“I was surprised to see the extensive changes” to the Government Advertising Act “put forward by the government in Bill 91. My office was not provided with any opportunity to review the draft legislation, nor were we consulted or invited to discuss the proposed changes. I was notified only on the day Bill 91 was tabled.”

She says, “I maintain that the” Government Advertising Act of 2004 “is effective in its current form.”

I think, actually, that’s an important piece to read into the record, because this Bill 201 was not a piece of legislation that was allowed to be or permitted to be informed by those experts in the province of Ontario. While the Chief Electoral Officer was part of the committee, he had no hand in drafting the original legislation. Had he done so, you would have definitely seen very clear guidelines around banning cash for access, around conflict of interest. If the Integrity Commissioner had been allowed to be part of the process, you would have definitely seen his recommendation of research and polling and travel expenses being included in the campaign finance ceiling. It would have saved a lot of us, and the delegations, the citizens who came to speak to us, a lot of time, so process does matter.

I think that this motion is looking to give some greater balance to the Auditor General, and I think that would be well received by the public in general.

The Chair (Mr. Grant Crack): Mr. Rinaldi.

Mr. Lou Rinaldi: I would recommend voting against this motion. Overturning the amendments made on this act in 2015, with the exception of retaining digital advertising in the scope, does not help even the playing field, as government advertising, by law, is not partisan. While the government has put forward motions related to the Government Advertising Act, the changes proposed in that motion have been advanced to eliminate any perception that government advertising might be able to influence an election campaign, which is in keeping with the intent of the bill.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: I have to say that the lines that we keep getting back from the government on the Government Advertising Act lack credibility. They really do, when the Auditor General of this province has a well-documented report that she gave to the Legislature indicating the concerns around how that act was changed, and when she provides evidence and examples of violations that would have normally been ruled out of order around government advertising in previous years.

1110

I’m getting frustrated; there’s no doubt about it. It’s frustrating. It must be frustrating to have to read that the Government Advertising Act, 2015 is a strong piece of legislation when all of us in this room know that it is not. I would really encourage the government side to perhaps just change up the script a little bit, because when you say the same things over and over again, and when I continue to keep quoting the evidence back at you—at least try a different line maybe. I mean, I’m not about to start clucking like a chicken any time soon or using strong language like “popycock.” But I really am—let’s at least have some respect for this side, which is presenting evidence to the contrary.

The Chair (Mr. Grant Crack): Further discussion on PC motion 92? There being none, I shall call for the vote.

Ms. Catherine Fife: Recorded vote, please.

The Chair (Mr. Grant Crack): A request for a recorded vote is granted.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion number 92 defeated.

We shall move to PC motion number 93, which is an amendment proposing new section 54.10, section 12, Government Advertising Act. Ms. Hoggarth.

Ms. Ann Hoggarth: I move that the bill be amended by adding the following section:

“54.10 (1) Clauses 12(1)(a.1), (a.2) and (a.3) of the act are repealed.

“(2) Clause 12(1)(c) of the act is amended by striking out ‘paragraph 3’ and substituting ‘paragraph 6’.

“(3) Clauses 12(1)(d), (e) and (f) of the act are repealed and the following substituted:

“(d) prescribing additional factors for the purposes of subsection 6(4);

“(e) prescribing a number of days for the purposes of subsection 7(1) and for the purposes of subsection 8(5).”

“(4) Subsection 12(2) of the act is amended by striking out ‘clause (1)(d)’ and substituting ‘clause (1)(e)’.”

The Chair (Mr. Grant Crack): Further discussion on PC motion number 93? Mr. Rinaldi.

Mr. Lou Rinaldi: As I indicated before, these motions are all very much related. I just want to reiterate that governments of all levels have a duty to communicate with citizens on a range of public safety and security issues, as well as other issues, at all times during the year, even during a by-election campaign.

Ontario is still the first and only jurisdiction in Canada to have legislation that bans government partisan advertising in newspapers, magazines, on billboards, radio and television. Ontario needs government advertising that is appropriate, reasonable and effective, because the public has a right to know how tax dollars are being spent and why the government is bringing forward policy changes, like children’s vaccinations, tax changes and transit programs.

The Chair (Mr. Grant Crack): Further discussion on PC motion 93? Ms. Fife.

Ms. Catherine Fife: We will be supporting PC amendment 93. It’s in keeping with the direction that we’ve put forward with our own amendments in prior motions.

The Chair (Mr. Grant Crack): Further discussion on PC motion 93? There being none, I shall call for the vote.

Ms. Catherine Fife: Recorded vote, please.

The Chair (Mr. Grant Crack): There is a request for a recorded vote, which is granted.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion number 93 defeated.

We shall move to NDP motion number 94, which is a proposal to create new section 54.12, new subsection (4.1), section 4, Lobbyists Registration Act, 1998. Ms. Fife.

Ms. Catherine Fife: I move that the bill be amended by adding the following sections:

“Lobbyists Registration Act, 1998

“54.12 Section 4 of the Lobbyists Registration Act, 1998 is amended by adding the following subsection:

““Same, political contributions

“(4.1) A consultant lobbyist who is required to file a return under subsection (1) shall, at the same time, file a return listing each contribution to which the Election Finances Act applies that was made by the consultant lobbyist or by any high level staff member of the consultant lobbyist’s client during the preceding 24 months.’

“54.13 The act is amended by adding the following section:

““Duty to file monthly report, consultant lobbyist

“4.1(1) If a consultant lobbyist’s lobbying is directed to a high level public office holder, the consultant lobbyist shall file a monthly report with the registrar in accordance with the following rules:

“1. The report shall contain, with respect to every lobbying activity that is of a prescribed type and that occurred in that month,

“i. the name of each high level public office holder who was the object of the lobbying,

“ii. the date of the lobbying,

“iii. particulars, including any prescribed particulars, to identify the subject-matter of the lobbying,

“iv. if the lobbying took place at a fundraising event, the particulars of the event, including the ticket price for admission, and

“v. any other prescribed information.

“2. The report shall be filed within 15 days after the end of every month, beginning with the month in which a return is filed under subsection 4(1).

“3. The report shall be filed in the prescribed manner and form.

““Transitional

“(2) A consultant lobbyist who has a duty to file a report under this section shall do so within 15 days after the day on which this section comes into force in respect of the month ending before the day this section comes into force and after that in accordance with paragraph 1 of subsection (1).”

The Chair (Mr. Grant Crack): Thank you very much. Further discussion? Ms. Fife.

Ms. Catherine Fife: When the Integrity Commissioner came to report to us, when various unions and, in fact, a couple of consultant lobbyists who were former lobbyists and may be future lobbyists came to speak to us, there was a general consensus that the bar is not high enough around reporting requirements. This amendment would improve lobbyist disclosures of client contributions and monthly communications reports, including fundraising.

The entire objective around improving election financing in the province of Ontario, as it relates to Bill 201, requires transparency. The media reports of lobbyists who have been acting on behalf of other stakeholders and who are asked to make serious fundraising donations—serious as in the thousands of dollars area—this needs to be fully disclosed. That’s a trust issue. It was a

trust issue that was identified by delegations who came to this committee throughout the summer. If we are going to improve the transparency of election financing, then lobbying disclosures need to be part of that.

I'm interested to hear what the government has to say to this amendment.

The Chair (Mr. Grant Crack): Thank you very much. Ms. Hoggarth.

Ms. Ann Hoggarth: I recommend voting against this motion because on August 11, the committee heard the Integrity Commissioner comment that the duty for consultant lobbyists to file reports monthly could be problematic for his office.

Our government has taken steps this year to expand the powers of the Integrity Commissioner and strengthen the lobbyist registry by requiring registration for lobbyists after 50 hours of in-house lobbying, by requiring the CEO to register on behalf of the corporation or partnership, by providing the Integrity Commissioner with the power to investigate potential breaches and punish those who fail to comply with the Lobbyists Registration Act, and by allowing the commissioner to create a lobbyist code of conduct. These changes came into effect just on July 1. Thank you.

1120

The Chair (Mr. Grant Crack): Thank you very much.

Further discussion? Ms. Fife.

Ms. Catherine Fife: I'm not sure why the government would not want to raise the bar on disclosures for lobbyists. The Integrity Commissioner recently had to investigate. I have his report here, the report that was done by the Hon. J. David Wake, the Integrity Commissioner, "Re: the Honourable Bob Chiarelli and the Honourable Charles Sousa." In that report, he did reference on page 15 the fact that "it is conceivable that a reasonably well-informed person could have reasonable concerns about a \$7,500 per person fundraising event, held one month after the conclusion of a significant transaction, chaired and attended largely by individuals affiliated with organizations that benefited from that transaction."

There is a disconnect between what the government has just said with regard to not improving disclosures and voting against an amendment which would raise the bar, which would make lobbyists and the lobbyist registry more transparent, more accurate and happening in real time.

I have to say, as a relatively new MPP in this Legislature, being lobbied is a new experience for many of us. The onus right now is on the lobbyist or the lobbying organization. So why not improve those disclosures? Why not be open about when we are being lobbied if it's happening in this place during business hours, but especially if it's happening outside business hours?

If the only way that a lobbyist can access a minister or a parliamentary assistant or an MPP is outside business hours, then we have a serious problem. Right now, as has been the practice and even the culture of this place, we have heard from government relations and established

lobbyists that sometimes the only way to get access to a person who holds power in Queen's Park, in the Ontario Legislature, is to buy a ticket and attend a dinner. That is fundamentally wrong. It is wrong.

The Integrity Commissioner does not have the power to have all the information at his disposal when a lobbyist met with a cabinet minister. That's not fully disclosed in real time, as we would propose through this amendment. I think that the people of this province have the right to know if I met with a lobbyist during business hours or outside business hours, if there was a transaction that happened between us and I accepted a donation from that lobbyist. They especially have the right to know—and this is the fundamental difference, I think—if a minister is meeting outside business hours with stakeholders who have a direct connection to that minister's portfolio and they paid a significant amount of money. The people of this province have a right to know.

That's what this amendment is trying to do. We're trying to make this more transparent. For the government to say that it is not needed is a direct contradiction of the stated goals of the piece of legislation that is before us, Bill 201.

The Chair (Mr. Grant Crack): Thank you very much. Further discussion? There being none, I shall call for the vote.

Ms. Catherine Fife: Recorded vote, please.

The Chair (Mr. Grant Crack): The request for a recorded vote is granted. It will be in two sections because there are two new sections, 54.12 and 54.13, that were being discussed in that motion.

Those in favour of NDP motion number 94 with regard to new section 54.12?

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion number 94, which proposed a new section 54.12, defeated.

The recorded vote will continue on NDP motion number 94, which proposes new section 54.13.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion number 94, which proposes a new section, 54.13, defeated.

We shall move to NDP motion number 95, of which there are four new sections proposed: 54.14, 54.15, 54.16 and 54.17, which are all encompassed in motion 95. Ms. Fife, members of the committee, we'll have the discussion on the motion in its entirety and vote on the independent sections after the discussion. Ms. Fife.

Ms. Catherine Fife: I move that the bill be amended by adding the following sections:

“Members’ Integrity Act, 1994

“54.14 Section 1 of the Members’ Integrity Act, 1994 is amended by adding the following subsections:

“Conflict of interest

“(2) For the purposes of this act, a member of the assembly has a conflict of interest when the member exercises an official power or performs an official duty or function in the execution of his or her office and at the same time knows that in the performance of the duty or function or in the exercise of the power there is the opportunity to further his or her private interest.

“Apparent conflict of interest

“(3) For the purposes of this act, a member of the assembly has an apparent conflict of interest if there is a reasonable perception, which a reasonably well-informed person could properly have, that the member’s ability to exercise an official power or perform an official duty or function must have been affected by his or her private interest.’

“54.15 Section 2 of the act is repealed and the following substituted:

“Conflict of interest prohibition

“2. A member of the assembly shall not make a decision or participate in making a decision in the execution of his or her office if the member has a conflict of interest or an apparent conflict of interest.’

“54.16 The act is amended by adding the following section:

“Inquiry initiated by commissioner

“30.1 If the commissioner has reasonable and probable grounds to believe that a member has contravened this act or Ontario parliamentary convention, the commissioner may conduct an inquiry, after giving the member whose conduct is concerned reasonable notice, and section 31 applies as if the matter was referred by a member.’

“54.17 Subsection 34(1) of the act is amended by striking out ‘subsection 31(1) or (2)’ and substituting ‘section 30.1 or subsection 31(1) or (2).’”

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife.

Ms. Catherine Fife: I’m interested in this conversation with the government side because this amendment looks to include apparent conflict of interest in new conflict-of-interest rules and allows for the Integrity Commissioner to initiate investigations. I will be referencing the one decision that the Integrity Commissioner did make because I think it should inform this debate.

When the Integrity Commissioner did come here, I was surprised that he is one of the only Integrity Commissioners who does not have the privilege or the right to

initiate an independent investigation. Other jurisdictions do.

I also think that by moving this amendment and looking for support from the Liberal government, it would remove—I think it’s very uncomfortable and almost puts us in a personal conflict as members that the only way to initiate an investigation is to file a complaint against another member, which has us as colleagues policing each other. I feel that the Integrity Commissioner is in a position as an independent officer of the Legislature that he or she, going forward, should have the right to investigate when enough evidence is put forward. This would be a significant departure from our current practice and our current culture of this place. But we took his feedback seriously, and that is why we have brought forward this amendment.

1130

The Chair (Mr. Grant Crack): Further discussion? Ms. Hoggarth.

Ms. Ann Hoggarth: We agree that all elected officials should seek to avoid conflicts of interest and the appearance of conflicts of interest. The Integrity Commissioner has said that there is a correlation between donation limits and the degree of risk of a conflict of interest. The government’s amendments are the only proposal which lowered the donation limits for all entities of a party: leadership candidates, registered candidates, nomination contestants, parties and constituency associations.

I thank the NDP for supporting in principle the lower donation limits, but I recommend voting against this motion.

Throughout this process, our goal has been to change the way that politics is done in Ontario. When the House resumes in September, we will be introducing an amendment to ban fundraising events for all MPPs. All MPPs should be subject to the same rules, to ensure a truly even playing field.

There are currently no amendments before the committee that go as far as we need to go on this issue. My recommendation would be to vote against these weaker amendments on the issue and, instead, bring forward a stronger amendment at second reading.

We have made every effort to engage the opposition throughout this process, and I look forward to their co-operation as we bring forward the strongest changes to election financing in Ontario’s history.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: I’m not going to sit here and just accept the fact that, yesterday, a press release from the Liberal government Attorney General came out and announced that all fundraising for MPPs is now going to be in effect, and that will be introduced. We don’t have the details for that. We don’t actually know, in this press release, the role that staff would play, because there have been questions of late about the role that senior staff have in the issue of fundraising and perhaps participating or being caught up in a conflict of interest or apparent conflict of interest.

I just want to read from the Integrity Commissioner's report, because I'm not necessarily surprised but I'm disappointed that the government is not willing to address the issue of the appearance of conflict of interest, because it's very topical right now. The perception of conflict, and the appearance of conflict, for all of us poses a great issue of confidence in the work that we all do.

In the report from the Integrity Commissioner that I referenced earlier, from August 9, 2016—the commissioner's hands are tied on this issue, on the appearance of conflict. When he says, "It is conceivable that a reasonably well-informed person could have reasonable concerns about a \$7,500-per-person fundraising event, held one month after the conclusion of a significant transaction, chaired and attended largely by individuals affiliated with organizations that benefited from that transaction"—this, of course, is the Hydro One sell-off. He says that it is reasonable for us to have concerns, so that is why we brought forward this amendment on this issue.

On page 16, he says, "However, the ministers suggested that I not address the issue of the appearance of conflict of interest because the language of the act deals only with actual conflicts of interest, not the perception or appearance of conflicts."

This is a problem in and of itself. The finance minister and the Minister of Energy suggest to the Integrity Commissioner that he not investigate appearance of conflict because the act is so weak that he doesn't have to do so. Sometimes you can't even make this stuff up. I mean, really, this is a problem. The act is weak. The Integrity Commissioner does not have the tools at his disposal to address the appearance of conflict of interest.

He goes on to say, "The language of the conflict of interest provision that was in place under the act at the time" of a previous decision, the opinion of Commissioner Evans, "was different than the language in the current act." This is what we're trying to get to.

"The main differences are that in 1991 the act required a member to have (1) actual knowledge of a conflict and (2) limited the scope of a conflict to only those decisions that furthered a member's interest. The act as written now does not require the commissioner to establish that a member had actual knowledge about a conflict, but rather that the member 'reasonably should have known.' Additionally, under the current act, a member may also be in conflict if, in making a decision, there is an opportunity to further another person's interest improperly."

So the Integrity Commissioner, essentially, in this report—I mean, this should be a huge red flag for all of us as members of this Legislature who are now crafting a piece of legislation, a piece of law. We have the ability to cast aside and to make it very clear to the people of this province that the appearance of conflict is problematic and that the Integrity Commissioner needs to have the power, essentially, to do his or her job.

He goes on to say, and this is on page 17 of this finding, "Despite this change in language, it is not clear

to me that the Legislature intended the conflict provisions of the act to apply to the appearance of conflicts of interest. As such, I am unable to conclude that the ministers contravened section 2 of the act, as it is written. I would encourage the Legislature to review the act with a view to clarifying whether it should apply to the appearance of conflicts of interest."

Once again, we have an independent officer of the Legislature asking this committee, really, for the tools to do his or her job. The Auditor General has asked for her powers to be reinstated so that she can stop the partisan advertising that the Ontario taxpayers are paying for. The Integrity Commissioner has asked the Legislature very clearly in this report. He said, "I would encourage the Legislature to review the act with a view to clarifying whether it should apply to the appearance of conflicts of interest."

All we have right before us is, really, this effort to stonewall us on this very important issue. All of these amendments that we have brought forward have endeavoured to bring the voices of Ontarians to this place and to this process. Even though this process has really gone off the rails, as it did yesterday, all we have before us is a press release basically promising change with very little detail.

In fact, we know very little about what role staff will play. I raise this issue of staff, who are public servants and who often—not often, but who may find themselves in issues where their role as a supporter of a minister or role of an MPP is found to be compromised by their duty to fundraise or the expectation of fundraising. In fact, I was just looking through the Hansard, and I saw that when John Gerretsen appeared in Kingston on June 27, he said, "We all know why we got here. When I was Attorney General, I think I was asked to raise \$50,000 in my last year. I don't know whether I ever did it or not; I just let my staff look after it."

Now this press release that was given to us yesterday is going to—Mr. Naqvi says he's going to bring forward amendments. He says, "I want to be clear our amendments will not ban fundraising altogether but rather ban parties and riding associations from holding fundraising events where elected politicians of any party attend." So who's doing the fundraising, then? We can't. Political parties and riding associations can do some version of this, but without politicians present. So where is the role of staff in this?

I think that this speaks to the integrity of the process. This amendment is very important for us. I think that we are trying to do the right thing by the Integrity Commissioner in bringing forward this amendment. I think it would be welcomed by the Integrity Commissioner, because in his last report he basically asked the Legislature to consider the appearance of conflict of interest and yet, once again, we have the government saying that this is not needed.

1140

That's unfortunate because we will rarely get the opportunity to have a piece of legislation at first reading

where we can actually work together collaboratively. That was the promise of the work of this committee and that has not been realized. That's very unfortunate.

The Chair (Mr. Grant Crack): Further discussion on NDP motion number 95? There being none, I shall call for the vote.

Ms. Catherine Fife: A recorded vote, please.

The Chair (Mr. Grant Crack): There's a request for a recorded vote. Ms. Fife, would you like a recorded vote on all four of the proposed new sections?

Ms. Catherine Fife: Thank you.

The Chair (Mr. Grant Crack): We will entertain that. NDP motion number 95, which is a motion proposing new section 54.14:

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 95, proposing new section 54.14, defeated.

NDP motion 95, proposing a new section 54.15:

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 95, which proposes new section 54.15, defeated.

NDP motion number 95, which proposes new section 54.16:

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 95, which proposed new section 54.16, defeated.

We shall move to NDP motion 95, proposing new section 54.17.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare NDP motion 95, proposing new section 54.17, defeated.

We shall move to PC motion 96, which proposes new section 54.11, new subsections 4(a), (b), (c) and (d), section 17, Members' Integrity Act, 1994. Ms. Fife.

Ms. Catherine Fife: I move that the bill be amended by adding the following section:

"Members' Integrity Act, 1994

"54.11 Section 17 of the Members' Integrity Act, 1994 is amended by adding the following subsections:

"No fundraising from interested person or entity

"(4) The executive council and its members shall not solicit any contribution, within the meaning of the Election Finances Act, to a party, constituency association, candidate or leadership contestant registered under that act from,

"(a) any person or entity that, in the previous five years, has applied for a contract with or a benefit from the crown in right of Ontario, has been awarded a contract from the crown in right of Ontario or has received a benefit from the crown in right of Ontario, if the value of the contract or benefit exceeds \$1,000;

"(b) an employee of a person or entity described in clause (a);

"(c) a person whom a person or entity described in clause (a) retains under a contract whose value exceeds \$1,000;

"(d) any consultant lobbyist within the meaning of the Lobbyists Registration Act, 1998 or in-house lobbyist, within the meaning of subsection 5(7) or 6(5) of that act, if the lobbyist is acting on behalf of a person or entity described in clause (a);"

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife.

Ms. Catherine Fife: This amendment, PC amendment 96, asks that executive council members shall not solicit donations from people who in the past five years have applied for or benefited from the government in the amount of \$1,000 or more. It's a well-intentioned amendment. It can be improved at second reading, but I think it's a good starting point to, as I pointed out in the previous motion, add some greater transparency.

The Chair (Mr. Grant Crack): Further discussion? Mr. Berardinetti.

Mr. Lorenzo Berardinetti: Thank you, Mr. Chair. We'll be voting against this motion because the provisions will be extremely difficult to enforce. A significant number of people would be captured, insofar as any person or entity, and every employee of same, who has sought a government contract in the last five years, would be prohibited from making a contribution. This will unreasonably curtail political activity rights.

However, what we are seeking to do is to have rules that will apply to all members of the Legislature. That's why at second reading we will be introducing amend-

ments to prevent all MPPs, not just those of the governing party, from conducting fundraising events.

Throughout this process, our goal has been to change the way politics is done in Ontario. When the House resumes in September, we will be introducing amendments to ban fundraising events for all MPPs. All MPPs should be subject to the same rules, to ensure a truly even playing field. There are currently no amendments before the committee that go as far as we need to go on this issue.

My recommendation would be to vote against these weaker amendments on the issue, and instead bring forward a stronger amendment at second reading. We have made every effort to engage the opposition throughout this process and I look forward to their co-operation as we bring forward the strongest changes to election financing in Ontario's history.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: It's interesting, the language that the government side of the House is describing in this press release in, because just as early as last Wednesday, the Attorney General was defending cash-for-access fundraising. He said his spaghetti dinner—if 10 lawyers come to his spaghetti dinner, would he be allowed to do that?

I just want to put it on the record that Ontarians are not concerned with the \$50 spaghetti dinner or the \$25 tea with the MPP or the corn roasts for \$15; that's not the concern. Those are not the events—the community-building activities—that Ontarians have a concern with. Some people like those events. Some MPPs like those events. They regard them as community builders. They're very open and they're very public. It's interesting that just last Wednesday the Attorney General was defending this practice of MPPs conducting fundraisers, yet as of yesterday that's no longer going to be allowed. No consultation. No discussion, regardless of the work of this committee, which travelled across the province all summer long.

Just to be clear, the concern that Ontarians have are those high-priced ticket items which are stakeholder-specific to a specific minister who holds a huge amount of power in this Legislature to establish legislation, within the context of a majority government especially. The perception that policy can be bought in the province of Ontario: That is the concern that Ontarians have. They are not concerned with my \$15 corn roast event.

There are so many contradictions in this process, in the language that the government has used, in the defence of cash-for-access fundraisers as early as last Wednesday. For me, it's very clear that the government is making it up as they go along and scrambling for credibility on election financing.

To not support an amendment like this is—at every turn you have said one thing, but done another. It's our job, obviously, as opposition members, to hold you to account. But on the issue of integrity, at this stage in the process, you cannot claim to have any integrity in this process when you are just dropping policy in front of committee members at the last minute and not giving the

public as a whole the opportunity to be part of this discussion.

1150

I'm disappointed, but I'm not surprised, that the government side of the House is not willing to amend the Members' Integrity Act in any way. It's not a perfect amendment, but at least it is well intended, and it could potentially make a very big difference to the culture of fundraising at Queen's Park.

The Chair (Mr. Grant Crack): Further discussion? There being none, I shall call for the vote on PC motion number 96.

Ms. Catherine Fife: Recorded vote, please.

The Chair (Mr. Grant Crack): There is a request for a recorded vote, which will be granted.

Ayes

Fife.

Nays

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare PC motion number 96 defeated.

We shall move back to the numbering issue. We are going to deal with government motion number 81 at this point, which is creating new subsection 55(0.1), subsection 53.1(2), Taxation Act, 2007. Ms. Hoggarth.

Ms. Ann Hoggarth: No, I just wanted to ask—maybe I'm confused. Did we not have to approve section 54 first?

The Chair (Mr. Grant Crack): No. Section 54 was already approved previously. These were all new proposed sections.

Ms. Ann Hoggarth: Okay. Thank you.

The Chair (Mr. Grant Crack): You're welcome.

Who would like to read in government motion 81? Ms. Hoggarth.

Ms. Ann Hoggarth: I move that section 55 of the bill be amended by adding the following subsection:

“(0.1) Subsection 53.1(2) of the Taxation Act, 2007 is amended by striking out ‘A contribution made by a corporation during a taxation year’ at the beginning and substituting ‘A contribution made by a corporation during a taxation year and before January 1, 2017.’”

The Chair (Mr. Grant Crack): Thank you very much. Further discussion on government motion 81? Mr. Berardinetti.

Mr. Lorenzo Berardinetti: Thank you, Mr. Chair. This is something that we, of course, support.

This amendment means that contributions made by a corporation after December 31, 2016, will not be eligible for the political contributions tax credit. Corporations would continue to be able to carry forward unclaimed contributions made before January 1, 2017.

Subsection 53.1(2) of the Taxation Act, 2007, provides the conditions under which a contribution made

by a corporation to a registered candidate, registered constituency association or registered party is an eligible contribution for the purposes of the political contributions tax credit. The proposed amendments to subsection 53.1(2) would ensure that an eligible contribution must be one that is made before January 1, 2017, and would thereby ensure that eligibility for the credit is limited to contributions made before the date.

We're putting this motion forward because the proposed motion is one of a series of motions that revamps the political contributions tax credit to be consistent with policy changes to political contributions in the bill. Political contributions made by a corporation after December 31, 2016, won't be eligible, as I mentioned, for the political contributions tax credit. Corporations would continue to be able to carry forward unclaimed contributions made before January 1, 2017.

These changes support the political contributions amendments currently proposed for the Election Finances Act.

The Chair (Mr. Grant Crack): Thank you very much. Further discussion on government motion 81? There being none, I shall call for the vote on government motion number 81. Those in favour of government motion 81? I declare government motion 81 carried.

We shall move to government motion number 97, which is a proposal to create new subsection 55(0.2), clause 53.2(b), Taxation Act, 2007. Ms. Hoggarth.

Ms. Ann Hoggarth: I move that section 55 of the bill be amended by adding the following subsection:

“(0.2) Clause 53.2(b) of the act is repealed and the following substituted:

“(b) the amount determined by multiplying the corporation's basic tax rate for the year by,

“(i) if the taxation year ends before January 1, 2017, the amount determined by multiplying \$15,000 by the indexation factor determined under section 40.1 of the Election Finances Act, as it read at the end of that taxation year, in respect of the calendar year in which the taxation year ends, or

“(ii) if the taxation year ends after December 31, 2016, 19,950; and”

The Chair (Mr. Grant Crack): It's "\$19,950; and”?

Ms. Ann Hoggarth: Oh, sorry. Yes, dollars.

The Chair (Mr. Grant Crack): Thank you. Further discussion? Mr. Berardinetti.

Mr. Lorenzo Berardinetti: We're bringing this motion forward and supporting it because the proposed motion is one of a series of motions that revamps the political contribution tax credits to be consistent with policy changes to political contributions in the bill. Political contributions made by a corporation after December 31, 2016, will not be eligible for the political contribution tax credit. Corporations would continue to be able to carry forward unclaimed contributions made before January 1, 2017. These changes support the political contribution amendments currently proposed for the Election Finances Act.

The Chair (Mr. Grant Crack): Further discussion on government motion 97? There being none, I shall call for the vote on government motion 97. Those in favour? Those opposed? I declare government motion 97 carried.

We shall move to government motion 98, which is a proposal to create new subsection 55(2), (a) and (b), subsection 102(6), Taxation Act, 2007. Ms. Hoggarth.

Ms. Ann Hoggarth: I move that section 55 of the bill be amended by adding the following subsection:

“(2) The definition of ‘first contribution level’ in subsection 102(6) of the act is amended by,

“(a) striking out ‘\$300’ and substituting ‘\$399’; and

“(b) striking out ‘five-year period’ and substituting ‘calendar year’.”

The Chair (Mr. Grant Crack): Further discussion? Mr. Berardinetti.

Mr. Lorenzo Berardinetti: We're bringing this motion forward because this is one of several amendments designed to continue to allow the value of the political contribution tax credit that can be claimed by individuals to keep up with inflation. The \$300 amount that is being replaced is used in calculating the political contribution tax credit for individuals. This amount has been indexed to inflation since 2004 and has now grown to a current value of \$399. This amendment proposes to write this current value into the legislation and allow it to continue to be indexed to inflation. This would be done in conjunction with proposed improvements to the legislation for indexation in the Election Finances Act.

This is one of several amendments designed, as I just mentioned, to continue to allow the value of the political contribution tax credit that can be claimed by individuals to keep up with inflation. These changes support, as I just said, the political contribution amendments currently proposed for the Election Finances Act.

The Chair (Mr. Grant Crack): Further discussion on government motion 98? There being none, I shall call for the vote. Those in favour of government motion 98? Those opposed? I declare government motion 98 carried.

We shall move to government motion number 99, which is an amendment—Mr. Rinaldi?

Mr. Lou Rinaldi: I wasn't quick enough. I wondered if we could get unanimous consent—we're so close—to continue past 12 o'clock.

The Chair (Mr. Grant Crack): Okay. We have another couple of minutes prior to lunch. That's what you're asking—that we just continue? Is the committee in agreement? Yes. Thank you very much, Mr. Rinaldi.

We'll move to government motion number 99, which is an amendment proposing new subsection 55(3), (a) and (b), subsection 102(6) of the Taxation Act, 2007. Ms. Hoggarth.

Ms. Ann Hoggarth: I move that section 55 of the bill be amended by adding the following subsection:

“(3) The definition of ‘second contribution level’ in subsection 102(6) of the act is amended by,

“(a) striking out ‘\$1,000’ and substituting ‘\$1,330’; and

“(b) striking out ‘five-year period’ and substituting ‘calendar year’.”

The Chair (Mr. Grant Crack): Further discussion? Mr. Berardinetti.

Mr. Lorenzo Berardinetti: We're putting this motion forward. This is one of several amendments designed to continue to allow the value of the political contribution tax credit that can be claimed by individuals to keep up with inflation. The \$1,000 amount that is being replaced is used in calculating the political contribution tax credit for individuals. This amount has been indexed to inflation since 2004 and has now grown to a current value of of \$1,330. This amendment proposes to write this current value into the legislation and allow it to continue to be indexed to inflation. This would be done in conjunction with proposed improvements to the legislation for indexation in the Election Finances Act.

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The Chair (Mr. Grant Crack): Thank you very much, Mr. Berardinetti. Further discussion on government motion 99? There being none, I shall call for the vote. Those in favour of government motion 99? Those opposed? I declare government motion number 99 carried.

We shall move to government motion 100, which is an amendment proposing new subsection 55(4)(a) and (b), subsection 102(6) of the Taxation Act, 2007. Ms. Hoggarth.

Ms. Ann Hoggarth: I move that section 55 of the bill be amended by adding the following subsection:

“(4) The definition of ‘tax credit limit’ in subsection 102(6) of the act is amended by,

“(a) striking out ‘\$1,000’ and substituting ‘\$1,330’; and

“(b) striking out ‘five-year period’ and substituting ‘calendar year’.”

The Chair (Mr. Grant Crack): Further discussion? Mr. Berardinetti.

Mr. Lorenzo Berardinetti: We are going to be voting for this motion because this is one of several amendments designed to continue to allow the value of the political contribution tax credit that can be claimed by individuals to keep up with inflation. The proposed motion would ensure that the current indexation rules are clearly documented in the act.

The \$1,000 amount that is being replaced is used in calculating the political contribution tax credit for individuals. This amount has been indexed to inflation since 2004 and has now grown to a current value of \$1,330. This amendment proposes to write this current value into the legislation and allow it to continue to be indexed to inflation. This would be done in conjunction with proposed improvements to the legislation for indexation in the Election Finances Act.

The Chair (Mr. Grant Crack): Further discussion on government motion 100? There being none, I shall call for the vote. Those in favour of government motion 100? Those opposed? I declare government motion 100 carried.

Section 55 was amended. Any discussion on section 55 in its entirety, as amended? There being no discussion,

I shall call for the vote. Shall section 55, as amended, carry? I declare section 55, as amended, carried.

Section 56: There are no amendments. Any discussion on section 56? There being none, I shall call for the vote. Shall section 56 carry? I declare section 56 carried.

Section 57, short title: There are no amendments. Any discussion? There being none, shall section 57 carry? I declare section 57 carried.

Title: We have an amendment, NDP motion 101, to the long title of the bill. Ms. Fife.

Ms. Catherine Fife: I move that the long title of the bill be struck out and the following substituted:

“An Act to amend various statutes with respect to election matters”

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife.

Ms. Catherine Fife: The title of the bill is Election Finances Statute Law Amendment Act, and we've been talking about finance a lot. But when you do talk about finance, you are talking about integrity; you are talking about transparency and reporting measures; you're talking about government advertising; and ultimately you're talking about trust. So we think that this would be a suitable long title and change.

The Chair (Mr. Grant Crack): Further discussion? Ms. Malhi.

Ms. Harinder Malhi: I recommend supporting this motion because the government was looking to address the same issue through motion 102.

The Chair (Mr. Grant Crack): Further discussion? Ms. Fife.

Ms. Catherine Fife: Chair, did the government member say they're going to support this motion?

The Chair (Mr. Grant Crack): Yes. Further discussion on NDP motion 101? There being none, I shall call for the vote. Those in favour of NDP motion 101? I declare NDP motion 101 carried.

Title of the bill: government motion number 102. Ms. Malhi.

Ms. Harinder Malhi: I'd like to withdraw the motion.

The Chair (Mr. Grant Crack): Sorry?

Ms. Harinder Malhi: I'd like to withdraw the motion.

The Chair (Mr. Grant Crack): So it's not withdrawn; you're just not moving it.

Ms. Harinder Malhi: Yes, that's it.

The Chair (Mr. Grant Crack): The government has chosen not to move government motion 102.

There is one amendment to the title of the bill. Any further discussion on the title of the bill, as amended? There being none, I shall call the vote. Shall the title of the bill, as amended, carry? I declare the title of the bill, as amended, carried.

Shall Bill 201, as amended, carry? Any discussion? Mr. Rinaldi.

Mr. Lou Rinaldi: A recorded vote, please.

The Chair (Mr. Grant Crack): There is a recorded vote request on Bill 201. Any discussion on Bill 201? Shall Bill 201, as amended, carry?

Ayes

Berardinetti, Dong, Hoggarth, Malhi, Rinaldi.

The Chair (Mr. Grant Crack): I declare Bill 201, as amended, carried.

Shall I report the bill, as amended, to the House? Those in favour? Those opposed? I shall then carry that and I shall report the bill to the House.

Mr. Lou Rinaldi: Good job, Chair.

The Chair (Mr. Grant Crack): Thank you very much, everyone, for the hard work over the last couple of days. I was looking forward to actually spending almost the entire week with you all, but unfortunately you've all worked so diligently that we can adjourn the meeting early. I thank you again. Thanks to the support from staff here, as well, and thanks to everyone.

This meeting is adjourned.

The committee adjourned at 1207.

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