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Jeudi 19 février 2009

Standing Committee on Finance and Economic Affairs

Pre-budget consultations

Comité permanent des finances et des affaires économiques

Consultations prébudgétaires

Chair: Pat Hoy
Clerk: William Short

Président : Pat Hoy
Greffier : William Short

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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Thursday 19 February 2009

Jeudi 19 février 2009

The committee met at 0906 in room 151.

PRE-BUDGET CONSULTATIONS

The Chair (Mr. Pat Hoy): The Standing Committee on Finance and Economic Affairs will come to order. We're here this morning—and this afternoon, if need be—for report writing.

For the first order of business, I would ask if there's any comment on the draft report.

Mr. Wayne Arthurs: I just want to take the opportunity to thank the staff, the research officers, the committee clerks and all the support staff in the process that we've been into to date, both in our hearings here in Toronto and during our time on the road, as part of those deliberations. As usual—no surprise—the report in and of itself is comprehensive. It certainly covers the broad range of submissions that were made to us and the suggestions that were made. I want to take the opportunity to thank the staff for all the work they've done on our behalf.

The Chair (Mr. Pat Hoy): Mr. Barrett.

Mr. Toby Barrett: With respect to that consultation process—and I sat in on the hearings, although I was unable to attend the Niagara Falls hearings—I question just how comprehensive the testimony was that we received. As I recall, on a number of days we ran out of presenters by about noon. I would estimate that there was maybe one third of what we normally receive, as far as applications to come before the witness table. I would think the reason was because all of the hearings were crammed into one week, and that was one week before Christmas. Normally, as this committee will know—and I've been a member for five years—as I understand it, it really doesn't commence until late January and on into February. I could understand having all of the hearings done before Christmas if there was a budget coming in January, given the rapid change in the economic climate not only in the province of Ontario or across the Dominion of Canada, but right around the industrialized world. However, we weren't called back for a budget in January. I don't think we'll be seeing a budget in February. We may not see a budget until—I'm not sure when the fiscal year wraps up—the very end of March, perhaps later.

What I'm suggesting is that we do have time for what I would consider more fulsome consultation. I'm just very concerned—and I'll go through the rest of the reports. I'm not sure to what extent we heard from the auto industry or the auto unions, the car dealerships across this province, the parts suppliers for the auto industry, let alone farmers, business people, customers themselves, who rely on having the access to credit to be able to purchase a vehicle, whether it's a car or a truck or whether it's a used vehicle or a brand new vehicle.

We have explained some of this in a dissenting report that we will bring forward, but I wanted to limit my initial comments to my concerns with the consultation process. I think all parties agree we are in unusual economic times right now, and I think this finance committee has to shoulder some more responsibility in this regard.

I don't know whether Mr. Hudak has any comments.

Mr. Tim Hudak: Mr. Barrett put it quite well. I want to similarly register my regret that the committee hearings were crammed in under the shadow of Christmas. As Mr. Barrett noted, we ended, many days, at noon. In terms of my time on this committee, it was by far the lowest turnout of people making presentations to the committee. Despite Mr. Johnston's estimable skills in crafting a report, and doing his best, he was handicapped by the fact that a lot of the groups that would normally present to this committee were absent. We saw, as well, in the first couple of days, as you remember, during our Toronto hearings, that groups were scrambling to get their presentations done, doing everything off the cuff, because of the poor notice that was given.

0910

The government had made the argument that they wanted the committee hearings done early so they could come forward with an early budget, so they could get moving on finally kick-starting our economy, helping to restore job creation to the province of Ontario. Sadly, it appears the finance minister has done a flip-flop on that, announcing in the papers that the budget will be at the end of March, at best. So we are in the worst of both worlds. We crammed these hearings into the pre-Christmas season, we had a low turnout for advice, and the fact that the finance minister is not proceeding with an early budget, I think, indicates that the Premier and his finance minister have little regard for the work of the finance committee and therefore little regard for those who took the time to make presentations to this committee.

So that's the regret that the official opposition approaches this with. I suspect from some of the apple-pie motions that we've seen from the government—I know my friend Mr. Prue has put forward some very thoughtful motions on behalf of the third party. We have a number of, I think, substantive motions to the report. The government's motions are largely feel-good, hand-holding, Kumbaya-singing exercises. I just think it shows that in a time of economic crisis, the finance committee is not being taken seriously by the government.

We will, Chair, be tabling a dissenting report, in anticipation that our amendments will be voted down, as has been the usual approach by the government. When you have an opportunity to let us know the deadline for submitting that to the clerk for publication, it would be appreciated.

The Chair (Mr. Pat Hoy): Any other comments?

Mr. Michael Prue: I just want to express, I guess, muted disappointment. As the members of the government will know, I stood both in this committee and in the House and asked for the early hearings, but that was on the condition and the understanding that the finance minister had indicated that he wanted to proceed in February. We're not proceeding in February, so I am disappointed that I put my political neck on the line to the government and to the finance minister in an effort to be co-operative and to deal with what I thought was an imminent crisis. Obviously, the finance minister and the government do not feel it is as imminent as they did when we went out on the road in December.

It seems to me that we are missing a huge opportunity to take corrective action at the earliest possible time. By leaving the budget exercise to the end of March, it is likely that it will impact on the next fiscal year. That was something that, in my view, needed to be avoided, so that people, when they went into April 1 and the new fiscal year, clearly understood where the government was coming from, what revenues were going to be available. I do not believe that they will have sufficient time if the budget is released after the March break. I certainly know that it is not likely to come before the March break, but after, and it will leave municipalities, universities, schools, hospitals and everyone else reliant upon government monies scrambling, should those monies suddenly dry up, as I am afraid they may.

Having said that, let's go on with the exercise. I've looked through the government motions; I cannot say that I find any of them substantive. But let's hear what they're all about. I'm disappointed that a finance committee made up of government members hasn't directed a single dollar to any of them. Anyway, let's go.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, we will commence our report writing. In your packet, individual motions are numbered, so we'll go with the first one, which is a government motion. Mr. Arthurs.

Mr. Wayne Arthurs: I move that the Standing Committee on Finance and Economic Affairs recommends that the government undertake stimulus spending that has both short-term benefits such as creating jobs and long-term benefits such as improved competitiveness. A key component of the stimulus spending should go towards infrastructure projects related to, but not limited to:

(i) Transportation;

(ii) Skills training; and

(iii) Municipal infrastructure.

The Chair (Mr. Pat Hoy): Comment? Mr. Arthurs.

Mr. Wayne Arthurs: I think it's important for the committee to be able to say to the government, at this point in time, that infrastructure spending, short- and long-term benefits, should be an important part of the budget consideration. They are key components. The government has worked on these in the past. We currently see what's happening with both the provincial and federal government in that regard, and to reinforce that in a substantive way should be an important part of our recommendations to the government to ensure that they stay on track in the context of the budget they bring forward for job creation and competitiveness, particularly in the areas related to transportation, skills training and municipal infrastructure, all of which certainly deserve our attention.

The Chair (Mr. Pat Hoy): Further comment? Mr. Prue.

Mr. Michael Prue: It's a question. Here, again, this is probably key to what the government members intend to recommend to the finance minister, but there is not a single dollar figure here. Am I voting for $1,000, $10 billion? What kind of recommendation is being made? How is it being cut down to transportation, skills training and municipal infrastructure? Is this just more of the same because the government has put some money into transportation, skills training and municipal infrastructure? Are you just saying, "Keep going along the same path"? I don't understand the purport of this at all. I don't understand where it's heading. I don't understand what you're trying to say. Is it just to make everybody feel good? That's my question. I don't understand. What is this motion going to accomplish?

The Chair (Mr. Pat Hoy): Thank you.

Mr. Tim Hudak: I don't know if the parliamentary assistant is responding.

The Chair (Mr. Pat Hoy): Mr. Arthurs.

Mr. Wayne Arthurs: The scope of the motion speaks to priorities that should be the priorities during this budget cycle, that I believe the finance committee should be recommending to the government. It's also reflective of initiatives that have been undertaken so far. The actual fiscal scale of those is something that the minister will have to determine within the fiscal capacities that he has available to him, in light of both the agreements and in co-operation with our federal and municipal partners—to some extent on the municipal infrastructure side—as well as the current revenue stream as it flows in, which we all know is not what it was in the past. I think the actual scale of the expenditures is one that the minister will have to determine within the capacity that he has, but these should be priorities for him to consider.

The Chair (Mr. Pat Hoy): Thank you. Mr. Barrett.

Mr. Toby Barrett: Well, just to follow up on Mr. Prue's comments, we're asked to vote on spending, and I would ask again, what is the dollar figure? Could we at least get a ballpark figure? And, if we could not get a ballpark dollar figure, could we get a ratio or a percentage figure? Would this be an increase in spending, for example, compared to the last five years? It was not referred to as stimulus spending over the last five years—five years of good economic times, which immediately rolled us into a deficit and a have-not status position in Canada—but this is now labelled "stimulus spending." Would this be merely matching the federal stimulus spending announcements in their budget? Is this a ratio to match federal stimulus spending? Is this stimulus spending to match, for example, municipal property-tax-based spending? What are the ratios or percentages? Is this an increase in spending over the last five years of increased spending? We know the percentage increase in spending over the past five years during the good times. Maybe that was stimulus spending, but how is this stimulus spending different from the last five years? I just need a ballpark feel for this; we may not get dollar figures from you. That's my question.

The Chair (Mr. Pat Hoy): Mr. Arthurs?

Mr. Wayne Arthurs: The questions that are being asked are matters that really are in the hands of the minister in developing his budget. They might very well be the kinds of questions, at a point in time, if the minister was asked to come before the estimates committee to have that kind of discussion—that's not a number that, as a member of this committee, I'm in a position to know what the minister's thinking might be around that. We are making a recommendation around what the priorities should be in the context of infrastructure expenditure for the creation of jobs, both short- and long-term benefits and some priority areas within that that we feel are important.

0920

The types of detail or the percentages are something that really and truly is in the hands of the minister in developing the budget, not something in the hands of the members of this committee on the government side.

Mr. Toby Barrett: This motion may not be appropriate for this committee if we do not have that kind of power.

The Chair (Mr. Pat Hoy): Mr. Prue?

Mr. Michael Prue: I just want to comment. We are making motion 2. It is a specific motion, and this is what I was hoping the government would do: We're talking about a minimum of $2 billion in stimulus, and we outline where that stimulus should be. One billion dollars in infrastructure investments, and then we break it down: $500 million for municipal infrastructure, $225 million for the MUSH sector, $275 million for new housing and $1 billion for sustaining jobs; and then we break that down: grants and loans to the auto sector, refundable manufacturing investment tax credit, industrial hydro rate—where we think the money should be spent.

I don't see anything in the motion here. I can vote for motherhood if you're asking for a vote for motherhood, but please be blunt and tell me that this is a motherhood statement. It has no impact whatsoever to the minister, to the finance committee, to anybody. It's meaningless to me. I have to tell you, it's meaningless to me, and I think it shows a little bit of contempt for the committee.

The Chair (Mr. Pat Hoy): Mr. Hudak?

Mr. Tim Hudak: We're not off to a good start here, unfortunately, as my colleague said.

If I could interpret what motion 1 says, it basically says that the minister should spend some money—perhaps more or perhaps less than currently in the fiscal plan—that does good things. Some of the spending, whether it goes up or down, should go to pretty well anything. I don't know if the parliamentary assistant wants to reword that motion in more plain language, as I had suggested, or stick with what's there. Come on; that's basically what it says.

I'll try to be helpful here, Chair, to get a point across from the opposition perspective. I'm going to move an amendment to the motion that would add, after "Municipal infrastructure," "(iv) Motherhood; and (v) Apple pie."

The Chair (Mr. Pat Hoy): Any comment? Hearing none, we'll vote on the amendment to the motion. All in favour? Those opposed? The motion is lost.

Now back to the main motion. Any other comment? Mr. Hudak?

Mr. Tim Hudak: Yes. My colleague Mr. Barrett put it quite well. The following motion by the NDP actually has some specifics in it, some projects it picks out; it actually took the time to assign some spending figures.

I'm not going to vote on government motion 1. I think it shows contempt for the committee process to put that kind of motion forward, and I'm not going to justify it by casting a vote on it.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, we're ready for the vote. All in favour? Opposed? The motion is carried.

Now we'll move to motion 2, an NDP motion.

Mr. Michael Prue: Jobs stimulus plan:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, introduce a $2-billion jobs stimulus plan consisting of the following measures:

—at least $1 billion in infrastructure investments, including $500 million for municipal infrastructure improvements like local roads and public transit, $225 million for a MUSH sector energy retrofit, and $275 million for 7,500 new units of affordable housing. This investment would address social needs while creating 11,000 jobs;

—at least $1 billion to sustain jobs in our manufacturing and resource sectors, including $300 million in grants and loans to the auto sector so that Ontario builds the high-demand vehicles of the future, $400 million for a refundable manufacturing investment tax credit to reward employers for investing in machinery and plant expansions, and $300 million for an industrial hydro rate, to reduce business costs while promoting conservation and guaranteeing employment.

If I may just speak to this, this is the kind of motion that I think the finance committee should be making. If the members disagree with how the money should be spent, I would welcome amendments and discussion on it. But I think that the finance committee should be recommending a dollar figure of at least $2 billion to the minister for a jobs stimulus plan, to create the 11,000 jobs, to give manufacturers, the general public and the MUSH sector the tools they need to help pull us out of these recessionary times and to give some kind of solace, I guess, to those who are facing job crises, both the manufacturers themselves and the workers in those industries; and I guess hope on an industrial hydro rate, that we at least understand the pain that many in the manufacturing and forestry sectors especially are seeing with the added increase of hydro rates which are impacting on their bottom line and their ability to stay open.

If the members opposite disagree with any of this or think that the stimulus should be elsewhere, I'm more than happy to listen to reasoned amendment, but I think the finance committee has to come forward and strongly indicate to the finance minister where the stimulus should be and how much it should be. That's the motion.

The Chair (Mr. Pat Hoy): Thank you. Further comment?

Mr. Tim Hudak: I want to commend my colleague Mr. Prue on putting forward a very detailed stimulus plan. A number of these initiatives he himself has championed in the Legislature and asked questions about during committee, so obviously he's done his homework and is being very consistent in his views.

As the PC finance critic, I think members are aware we have suggested a more balanced approach in our jobs stimulus program, including tax reductions in the business and personal sector, as well as greater restraint in public sector hiring that has ballooned under the McGuinty government. I do note that Mr. Prue reduces taxes for manufacturing investment. We think improving the ability of companies to invest in machinery and therefore improve productivity is a very helpful step forward.

Mr. Prue was kind enough to say that he would contemplate amendments to the motion, so I would like to add another bullet at the end after the word "employment." I move that the motion be amended by adding, after "employment," "And immediate elimination of the capital tax, a scheduled reduction in corporate tax rates and public sector hiring restraint."

The Clerk of the Committee (Mr. William Short): Could I ask you to repeat that?

Mr. Tim Hudak: You bet. Again, after the word "employment," I move that the words "And immediate elimination of the capital tax, a scheduled reduction in corporate tax rates and public sector hiring restraint," would be added. Is that okay?

The Clerk of the Committee (Mr. William Short): I'll just get it in writing.

The Chair (Mr. Pat Hoy): Comment on the amendment?

Mr. Toby Barrett: Maybe I shouldn't comment on the amendment. I'm sorry; I was going to comment on the—

The Chair (Mr. Pat Hoy): Okay. We're on the amendment now.

Mr. Toby Barrett: In a sense, this is a comment on the amendment as well, and I do commend the NDP. At least we know where they're coming from, and they have put out something valuable for discussion.

Of course, as a Progressive Conservative, to have the third party talk about a $400-million refundable manufacturing investment tax credit is in keeping with a lot of our thinking, and I appreciate that. With respect to manufacturing, I think of auto specifically. There is a concern as well with what we have seen at the national level, both in Canada and the United States, about where some of the already-announced funding is going. There is a concern, and we also hear this with respect to the banking community in the United States, from people I speak with: "Where did this money go?" And with respect to auto, "Why are my taxpayer dollars going to big companies and big unions?" I hear this as well.

I know one thought that has come up locally in my riding and also elsewhere in the province of Ontario: The taxpayers who are providing all of the dollars that are listed in this motion have indicated to me, if the companies can't sell cars or manufacture cars and their dealers can't sell them, "If I can't access credit or if I don't have confidence enough to buy that new truck for my farm, why not take some of my money and roll it back to me in sales tax credit?"—PST and GST? This is something that has been proposed by the Canadian car dealers' association. It has been proposed by the American automobile dealers' association. I know there are petitions floating around in the Legislature calling for a sales tax holiday on vehicle sales at the provincial level, the state level and the federal level in both countries. I just wanted to use the opportunity to mention that.

0930

So I credit this analysis with dollar figures attached. There are many, many other measures that are being kicked around as well, certainly, beyond some of these ideas.

The Chair (Mr. Pat Hoy): Further comment?

Mr. Michael Prue: I just have a question about the capital tax. Does the capital tax you're proposing include tax reductions for Exxon, Shell and the oil companies which last year made the largest recorded profits of any companies in the entire world history? Because if you're intending to give them more money, I think that I can't do that.

Mr. Tim Hudak: I'll respond quickly. I can't speak to individual companies, but our view is that the capital tax, no matter what corporation it applies to, is a job-killing tax. It's an outdated tax. It originally would have been eliminated by now, except the McGuinty government extended it for a number of years. We just want to see it eliminated across the board.

The Chair (Mr. Pat Hoy): Further comment, if any?

Mr. Wayne Arthurs: There are a number of motions in the package that we will get to that deal with the amendment, in part or in whole. We look forward to the opportunity to comment on those at that point in time, but we won't be supporting the amendment.

The Chair (Mr. Pat Hoy): Any other comment? Are we ready to vote on the amendment?

All in favour of the amendment? Those opposed? The amendment is lost.

Now we're back to the main motion. Is there any other comment on the main motion?

Mr. Tim Hudak: Again, as I said in my opening comments, I commend Mr. Prue for bringing forward a thoughtful plan with a great level of detail. The Progressive Conservative caucus believes that we need a balanced approach, from investing in infrastructure to improve productivity of our businesses, for example, to also reducing the heavy burden of taxation that holds back job creation in the province of Ontario. Therefore, I don't think Mr. Prue's motion has the required balance for the PC caucus to support at this time.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour of the motion? Those opposed? The motion is lost.

Now we go to number 3, a PC motion. Mr. Hudak.

Mr. Tim Hudak: My apologies: It should read, "Deficit recovery plan." The motion reads:

Whereas the government of Ontario has revealed it will run a significant deficit; and

Whereas the Fiscal Transparency and Accountability Act states that the executive council must develop a deficit recovery plan;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance immediately present a plan to get Ontario out of deficit.

The Chair (Mr. Pat Hoy): Comment?

Mr. Tim Hudak: I think members know that in the government's own legislation, the so-called Fiscal Transparency and Accountability Act, there is a requirement on the finance minister to table a deficit recovery plan when they announce a deficit. Minister Duncan formally announced that in his economic statement this past fall, but has yet to produce a plan to describe how the province will return to balance. In my view, he is in violation of his own legislation. Technically, there's not a date in there that says that he has to do it within a certain number of months, but I fully expect the minister to immediately indicate how far we're going into deficit and then, very importantly, the plan to get Ontario back into balance.

The Chair (Mr. Pat Hoy): Comment?

Mr. Wayne Arthurs: If the PC caucus would like to amend this in a modest way, I think it's something the government could support.

First, I think it really should immediately speak to the 2009-10 budget. On the presentation of the budget, it would be reasonable to consider the inclusion of something along with it, as per the legislation. The second component: It would take some wording difference at the end, to speak to achieving a balanced budget within a specified time period or the period within which the balanced budget will be achieved. So rather than talking about getting out of deficit, it would speak to balancing the budget. So there are two items: One would be to immediately speak to the 2009-10 budget, as a time frame for the minister to be able to make that recommendation, and secondarily, to achieve a balanced budget within a specified time period.

The Chair (Mr. Pat Hoy): Mr. Hudak.

Mr. Wayne Arthurs: If that's helpful—

Mr. Tim Hudak: Obviously, we always like to see some of our motions pass.

I take it that the government members won't support the word "immediately." That's sort of a deal-breaker on this particular motion.

Mr. Wayne Arthurs: There are two items, in my view. One is the immediacy, since we are working as a committee for our presentation and the minister will bring forward his budget when he can—whenever that might be. I don't know when that is either. The secondary part is to get out of deficit. We'd much prefer to speak, as per the Fiscal Transparency and Accountability Act, to the issue of a balanced budget, as opposed to getting out of deficit. It's just a phraseology, I think, that probably all of us have a comfort with.

Mr. Tim Hudak: Obviously, I think it's important to have this in the minister's plan. Our preference as the PC caucus, as I've expressed at this committee and in estimates, was for more immediacy from the finance minister and to present that plan shortly after his October statement. Nonetheless, if we get some of the motion through, I am very much open to the friendly amendment offered by my friend the parliamentary assistant, with that caveat. We would prefer it sooner. If we make it part of his budget, that is not as good as we hoped for, but satisfactory.

The other point is that we do hope the province will, over time, pay back any of the deficits that have been incurred and piled on to the debt; right? So we would like to see debt reduction as an ongoing strategy of the provincial government, whoever it is, once we restore balance.

That having been said on the record, I'm open to the amendments to the motion, as suggested by the parliamentary assistant.

Mr. Toby Barrett: And just to clarify—

The Chair (Mr. Pat Hoy): I have Mr. Prue. Did you—

Mr. Toby Barrett: Oh, I'm sorry.

Mr. Michael Prue: Oh no, I was just going to ask: Can I see the amendment?

The Chair (Mr. Pat Hoy): Yes, I'm going to ask for that for ourselves too.

Mr. Michael Prue: Because I don't want to discuss it without actually seeing what's being proposed.

The Chair (Mr. Pat Hoy): I'm going to ask for that in any regard. Any other comment to this proposal?

Mr. Toby Barrett: I just wanted to clarify. I know the parliamentary assistant talked about debt recovery, and that may well be in that act, but we were specifically talking just about deficit and, as the parliamentary assistant indicated, about a balanced budget. We're not specifically asking for a debt recovery plan, recognizing that the debt is nothing more in many ways than accumulated deficits. We're just asking for a plan to get Ontario out of a deficit position, which we're in now, and we assume is projected for a number of years into the future. We're talking deficits, not debt.

The Chair (Mr. Pat Hoy): We're going to get this proposed amendment in writing, and I'll read it for everyone.

Interjections.

The Chair (Mr. Pat Hoy): So if you would, Mr. Arthurs, reread the amendment into the record.

Mr. Wayne Arthurs: In the last clause, replace "immediately" with "in the 2009-10 budget" and replace "to get Ontario out of deficit" with "present a plan to achieve a balanced budget within a specified time frame."

The Chair (Mr. Pat Hoy): Does everyone understand it? Mr. Prue?

Mr. Michael Prue: I just want to be clear: What the amendment is going to do is to ask the minister, at the time of the tabling of the budget, to also table to the Legislature his plan to balance the budget at the same time and be in compliance with the laws of Ontario?

Mr. Wayne Arthurs: Yes.

Mr. Michael Prue: So he does that at the same time as the budget presentation?

Mr. Wayne Arthurs: The amendment would recommend that within the budget there is a plan to achieve a balanced budget within a specified time frame. I think that's reflective of the legislation. The words may not be exactly the same as the legislation.

The Chair (Mr. Pat Hoy): Any other comment on the amendment? We're ready for the vote. All in favour of the amendment? Carried.

Now we'll talk to the motion, as amended. Are there any other comments? Hearing none, all in favour of the motion, as amended? Carried.

Now we move to number 4. It's a PC motion. Mr. Hudak?

0940

Mr. Tim Hudak: The motion reads:

Whereas the provincial government has increased spending by an average of 8% per year; and

Whereas the total provincial debt has increased $24 billion equalling $1,870 of new debt for every man, woman and child living in Ontario; and

Whereas much of the increased spending is going to an expanding public sector that has created 209,100 new public sector jobs;

The standing Committee on Finance and Economic Affairs recommends that the Minister of Finance implement a public sector hiring freeze and salary freeze for senior management in government, crown corporations and agencies.

The Chair (Mr. Pat Hoy): Comments?

Mr. Tim Hudak: With revenues dropping off with a slowing economy—in fact, Ontario may have the slowest growth of any other province, and certainly has in the last number of years—we need to show some restraint in our own spending. No doubt the government will be making some announcements on one-time, short-lived programs, perhaps for transportation and infrastructure, by way of example. By restraining our own spending, that will ensure that we minimize the impact on the potential deficit—by finding savings as much as possible internally first.

The Chair (Mr. Pat Hoy): Any other comments?

Mr. Michael Prue: We have waiting lists for autistic children that run into months and years, and you're suggesting, by way of this motion, that we not staff up those positions and that we leave the waiting lists in a broad range of government services, hospitals; that we not hire the nurses who are needed in order to provide care? I'm trying to understand. Is this a hiring freeze across every area of the broader civil service? Is it targeted? Or are you asking us to accept the waiting lists, as they exist, in so many needed services?

Mr. Tim Hudak: We believe that the motion gives ample flexibility to the Minister of Finance and various ministers to ensure that they can invest in the front-line services, while holding back or reducing the positions that aren't on the front line.

Certainly, when you look at the number of folks in communications and policy positions, there has been a substantial growth in ministers' offices. We think that this motion will enable the finance minister to find savings without impacting on front-line services.

The Chair (Mr. Pat Hoy): Further comment?

Mr. Toby Barrett: I would just draw the committee's attention to the phrase in the last sentence. This refers to "senior management," not front-line nurses, not people who are working with children with autism.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Michael Prue: I take what Mr. Barrett is trying to say, but that's not what the motion says. The motion says—it is in two parts—"recommends that the Minister of Finance implement a public sector hiring freeze and salary freeze for senior management in government...."

The first part is the problematic one to me. It's problematic because I'm not sure that there are enough savings just by taking out some of the Liberal staffers in the Premier's office—I know there are about 100 people or so—that it's going to be able to solve the front-line problems in a broad range of government services.

I'm particularly thinking about the reduction in staffing for nurses; I'm thinking about families with autistic children—and I have some who regularly contact me in my riding, who are waiting sometimes months or years or having their children cut off when they reach six years of age or being transferred out against their will. There are all kinds of things going on here that I do not want to add to. It's bad enough and tough enough out there for many families and the services upon which they rely without having a hiring freeze.

The Chair (Mr. Pat Hoy): Mr. Hudak.

Mr. Tim Hudak: For the sake of clarity, I'll do two separate motions. The first one will be as it stands, which is an overall public sector hiring freeze and salary freeze on senior management, as Mr. Prue reads it. If that fails, then I'll clarify—I'll rewrite the last paragraph to then limit the hiring freeze to senior management, if that's more palatable. But I want the motion on the floor to stand for an initial vote, and then I can—

Interjection.

Mr. Tim Hudak: Pardon me? That's fine. Thank you.

The Chair (Mr. Pat Hoy): We can do that. Mr. Arthurs.

Mr. Wayne Arthurs: The government has already taken some initiative, not all that long ago, to incorporate a degree of restraint on the Ontario public service within the context of our own roles as well as encouraging our broader public sector partners to follow suit, to the extent possible, to bring some constraints on the overall process without being a little more draconian, I guess, with public sector freezes in hiring or in wages, and allowing people to work through the legitimate processes that they have available to them as well as constraining, at least with the OPS/public sector we deal with, the footprint in place. What we've done allows for the very type of thing that Mr. Prue is referencing, and obviously a concern to government as well. Obviously all the objectives won't be met for all of the specific areas, but it doesn't put the level of constraint on, it doesn't allow us then to address the priority needs as they're addressed. So we won't be in a position to support the motion as it's presented by the PC caucus.

The Chair (Mr. Pat Hoy): Further comment? Hearing none, I'll put the question. We are discussing the motion here—

Mr. Tim Hudak: Procedurally, we could vote on the motion as it stands and then I would suggest another compromise motion if this fails.

The Chair (Mr. Pat Hoy): So we've voting on the motion on page 4, as is. All in favour? Opposed? The motion is lost.

Mr. Tim Hudak: I'll just read in the rewritten motion as it is an additional motion or what have you, but it would read as follows:

Whereas the provincial government has increased spending by an average of 8% per year; and

Whereas the total provincial debt has increased $24 billion, equalling $1,870 of new debt for every man, woman and child living in Ontario; and

Whereas much of the increased spending is going to an expanding public section that has created 209,100 new public sector jobs;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance implement a hiring and salary freeze for senior management in government, crown corporations and agencies.

So the second sentence would read "implement a hiring and salary freeze for senior management in government, crown corporations and agencies."

The Chair (Mr. Pat Hoy): The committee understands that? Any comment? Mr. Hudak.

Mr. Tim Hudak: Again, I recognize, having been there, that the government will require some flexibility if somebody leaves, retires etc., so this would reflect total positions, not simply saying that if one person happened to—if William Short gets hired as the Clerk of the federal Parliament, they could replace his position.

The Chair (Mr. Pat Hoy): Very good. Any other comment? Mr. Prue.

Mr. Michael Prue: So you're not looking here at attrition; it's just a hiring freeze. So the number of senior bureaucrats that are there in the government—and I don't know what that number is, but let's make one up, 10,000 of them—there will still be 10,000 jobs at the end?

Mr. Tim Hudak: Obviously, if they can find positions that they want to reduce, this gives them the flexibility to do so. We're basically saying that enough is enough: There has been a rapid expansion in these areas and we need to put an end to it.

Mr. Toby Barrett: I'm not sure if we can legislate attrition. Attrition happens.

Mr. Michael Prue: That's what I'm trying to understand. This is a freeze. So if it's a freeze, what you're saying is, whatever number of senior bureaucrats there are, at the end of the budget cycle a year from now there has to be or there can be the same amount. Or there likely will be the same amount because if it's a freeze, a freeze is not a reduction. A freeze is the same number. So what you're saying is, you want it frozen. So the same number that are there now will be there at the end.

Mr. Toby Barrett: A hiring freeze.

Mr. Michael Prue: You're saying that if somebody retires or dies, they can be replaced. So then that's a freeze; if you're saying they retire or die and they're not replaced, that's attrition. That's what I'm trying to get at. So you're talking about a freeze; you're talking about the same number of senior bureaucrats at the end that we have today. If that's the motion, that's not so bad. If that's not the motion, you'd better tell me.

Mr. Toby Barrett: Did anyone here study grammar? I think that in the original motion if there had been a comma after freeze, it would have been okay.

Mr. Tim Hudak: The intention here is a cap. Obviously, the PC caucus would like to see the number of redundant positions reduced. The intention here is a cap on the total positions and to encourage government to actually find savings by reducing redundant positions. We could change the motion again, but I think it stands as an indication of important public sector restraint.

0950

The Chair (Mr. Pat Hoy): Mr. Arthurs.

Mr. Wayne Arthurs: Mr. Chairman, we won't be supporting the motion. "Salary freeze" seems pretty clear; it means that it's frozen. "Hiring freeze" sounds pretty clear; it means that there won't be any hirings. It doesn't mean that there are full-time equivalents, FTEs, and that there's a complement and that you will stay within that complement of staff even though currently the complement is one number and the actual number of hires is less than that—you always have vacancies in place.

But to me, this motion says that there's going to be a hiring freeze and a salary freeze. It doesn't say, at the end of the year, you're going to replace individuals because you have to work within the context of government activity, any more than it says that you're going to adjust the salaries because you work within the context of the way the government works. This says "freeze." I think Mr. Barrett's comment about, "Did anyone study grammar?"—I suggest that we probably all understand grammar. In my view, this says to freeze salaries, freeze hirings, and we're not prepared to support that motion.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Hudak.

Mr. Tim Hudak: Yes. I'm always willing to, as I said—it's nice to get some motions passed, and I'm always willing to make some friendly compromises. Is there something that you would support—a cap? Is there a way I could rephrase my amended motion that would win his support, which I value greatly?

The Chair (Mr. Pat Hoy): You would have to make an amendment, I guess.

Mr. Tim Hudak: I just wanted to ask you for some help.

Mr. Wayne Arthurs: If I can, Mr. Chairman: We dealt with the first motion that they had before us. This one is not one that we can support either.

The Chair (Mr. Pat Hoy): Any other comment? Are we ready for the question? All in favour?

Mr. Tim Hudak: For the motion?

The Clerk of the Committee (Mr. William Short): It's a new motion.

The Chair (Mr. Pat Hoy): This would be a new motion—4B, maybe. All in favour? Opposed? The motion is lost.

Mr. Tim Hudak: Chair, if I could—I'm not going to belabour this, but I'm going to make one last shot at this. I don't know if you need me to read the whole thing again, but the last paragraph would read:

"The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance implement a salary freeze for senior management in government, crown corporations and agencies."

That's a shot at one of these.

The Chair (Mr. Pat Hoy): "A salary freeze." The motion would be the same as motion number 1 on page 4, except the last paragraph would read, after "implement", "a salary freeze for senior management in government, crown corporations and agencies."

Mr. Tim Hudak: Yes.

The Chair (Mr. Pat Hoy): Any comment to that? Mr. Prue.

Mr. Michael Prue: I need to know who the senior managers are. Are they everybody who's under the sunset law, over $100,000, or is it deputy minister level and above? Where is it?

The Chair (Mr. Pat Hoy): Mr. Hudak.

Mr. Tim Hudak: Yes. I recognize that the committee won't have all the knowledge of the various positions in ministries, agencies and crown corporations and how they'd be ranked. I think it's always important to give some degree of flexibility to the Minister of Finance on how to interpret this, but it would be a demonstration to the general public, in a time of potential significant deficit, that we're doing our best to hold the line on expenses here in the province.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Michael Prue: Except that I should have used the words "sunshine law," not "sunset." It just occurred to me.

The Chair (Mr. Pat Hoy): Mr. Arthurs.

Mr. Wayne Arthurs: Just two brief things. One is, Mr. Chairman, as you'd be aware, we've already put constraints on senior OPS salary increases. We have limited those to at or below the current inflationary rate, as a restraint measure, still recognizing the process that we're into.

The other question I have—and I don't expect a ruling, in that sense, at this point—but just as we move forward, how are we going to introduce motions? We do have a group of motions that we want to deal with today. I'm trying to be co-operative in that sense. Amendments to those motions seem always to be in order. I'm just wondering at what point we accept multiple motions on the same topic area, and how best to achieve our end results and still provide the flexibility that members would look for.

The Clerk of the Committee (Mr. William Short): It was an administrative deadline.

The Chair (Mr. Pat Hoy): The deadline for motions was only an administrative deadline for the purposes of packaging this and having it prepared for the members. Motions could be introduced throughout the day. Mr. Hudak?

Mr. Tim Hudak: Yes, Chair, just to give the parliamentary assistant some reassurance: We're not trying to be frivolous or anything here. I sensed that there may have been some room for some compromise on this motion and that's why I've changed it. I don't intend to do this with all the motions, just where I see there might be some potential to get agreement.

The Chair (Mr. Pat Hoy): Or motions can be dealt with by amendment as well.

So we're at the point of voting on the third—

Mr. Wayne Arthurs: Sorry. My only question in that regard was more so the "when" as opposed to the "if," and whether or not they'd be dealt with in sequence as we move the others, or whether they would be held to another point. I don't need a response at this point either. I'll leave it to the Chair's discretion, obviously.

The Chair (Mr. Pat Hoy): We're voting on the third motion put by Mr. Hudak, which would say, after "Minister of Finance," "implement a salary freeze for senior management in government, crown corporations and agencies." All those in favour? Opposed? That motion is lost.

Now we'll move to number 5, a government motion. Mr. Arthurs?

Mr. Wayne Arthurs: I move that the Standing Committee on Finance and Economic Affairs recommends that the government continue to increase the competitiveness of Ontario businesses in the long term by undertaking a systematic review and elimination of unnecessary regulations, as well as undertake tax initiatives to further stimulate growth. For example, the government should continue on its current schedule to eliminate the capital tax.

The Chair (Mr. Pat Hoy): Any comment?

Mr. Wayne Arthurs: The government has, over time, initiated a number of tax measures to lessen the burden on the tax front, and has done some work in regard to the regulatory burden. We believe that needs to continue, if not be accelerated in some fashion, on the regulatory side. At the very least, we should not fall away from commitments that we've made in the context of tax reductions, the capital tax certainly being a high priority amongst those, having been retroactively eliminated in some sectors. We feel that the government should continue to do this in as expeditious a fashion as possible; within the context of the current schedule would be important. It was a matter that has been raised with us on a consistent basis by business as a regressive tax and one that should be eliminated at the earliest possible time.

The Chair (Mr. Pat Hoy): Further comment? Mr. Prue.

Mr. Michael Prue: I just want to make sure that I understand this. This is a motion being put forward by government members that says, "Steady as she goes. Don't change anything. This is where we were going in the past; this is where we want you to go tomorrow"—status quo. Is this a status quo motion? It appears that way to me.

Mr. Wayne Arthurs: The motion is to not lose sight of the commitments that have been made, in spite of other challenges that are out there. Tax reductions are important, particularly those that are seen by business as being the most regressive and for which there's a plan in place—and not to let those kinds of things slide. As well as this regulatory burden matter, it should be expedited to the greatest extent possible.

The Chair (Mr. Pat Hoy): Mr. Prue.

Mr. Michael Prue: Here we are in a mess. Here we are, as a government, floundering around, trying to figure out what to do, and here's a motion saying, "Do the same old same old." There's nothing here that I see that's anything new at all. The government has said for the longest time that they want to increase competitiveness by a systematic review and elimination of unnecessary regulations, so the motion is, "Keep doing what you're already doing, and as well, undertake tax initiatives to further stimulate growth," which is what the finance minister has said for the last three budgets. "For example, the government should continue on its current schedule to eliminate the capital tax." So it's saying, "Continue along that."

The Conservatives are saying, on the one hand, "Eliminate it now," which, whether you agree with it or not, is something new. The Liberals are saying, "Don't change anything the way it is. Just have everything go as if we're not in a crisis, as if nothing's happening."

I don't understand the rationale behind this motion. I don't understand, because it's not advocating any change whatsoever to the Minister of Finance, except to keep doing what he's already doing. It's like last year's motion. I think there was one motion last year: "We commend the minister for what he's doing. Keep doing it." That was the one that passed. That was last year's motion from the finance committee, and this is the same thing again.

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Mr. Tim Hudak: Who wrote that? I think Sousa wrote that.

Mr. Michael Prue: Yes. I mean, I don't know. That's what it is. I don't know why we're having a committee if all we say to the minister is, "Keep doing what you're already doing."

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs?

Mr. Wayne Arthurs: Respectfully, to the member opposite, I think if one were to review the Hansard and the committee work from a year ago, we'd find that there was certainly more than one motion that was passed. I would suggest there was probably a motion or motions passed that came from all around the table. This motion speaks to the need to pay close attention on matters that are regulatory, that frustrate business, to continue that process, to enhance that process, to find further tax initiatives to help stimulate growth; but importantly, not to lose sight of the fact that there is a major initiative to eliminate a capital tax currently in place, and in spite of all the economic activity going on, we shouldn't lose sight of that. We heard from business during this round of our deliberations. They've said that remains a regressive tax and that we should make sure we don't lose sight of the need to eliminate that one as a priority.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Barrett?

Mr. Toby Barrett: With respect to government motion 2, it actually covers two major issues. I'm sure it's grammatically correct, I'm sure the commas are in the right place, but it is difficult to vote on a motion that covers two major things: on the one side, regulation and red tape—and I go on and on about rules and forms to fill out and all the things that kind of take the fun out of business—and then, of course, the capital tax, which, as I read it, no change here as to status quo, the current schedule with respect to the capital tax. I don't know whether that would accelerate or assist as far as a stimulus that is now required.

But just leaving that second part, to go back to the first part, if this motion was limited, say, just to that first part with respect to unnecessary regulation, I would refer to this as the Randy Hillier bill. I was just reading in today's Toronto Sun an article written by Randy Hillier, who had a private member's bill, the Red Tape and Regulatory Review Act, "which the Liberal government soundly defeated in a whipped vote in April 2008," according to MPP Hillier's article. We all recognize that Norm Miller and—gosh, it goes back—a number of MPPs, especially when we were in government, did Herculean work with respect to the constellation of rules and regulations and red tape and forms to fill out and all of the stuff that is not only a barrier to business, but essentially a barrier to enjoying one's work and enjoying business.

As Mr. Hillier points out—and if he was here, I think Randy Hillier would support this motion—in today's newspaper, in his column, "Ontario has more than 500,000 provincial laws and regulations that are killing jobs and investments." He goes on to acknowledge that Mr. McGuinty has taken what Mr. Hillier describes as "a refreshing 180-degree turn from the 'nanny state' tune he's sung to the province since 2003."

It's not mentioned here, but I do know that if we take a look at Hansard, June 2000, Mr. McGuinty is quoted as saying, "red tape is good for us, some red tape is in the public interest, some red tape is helpful and protects us." In that same year, on that same day, actually, Mr. McGuinty indicated, "They might call that red tape. I call that essential and desirable." So we do see a heartening turn in this government's approach to the rules and regulations and things that occur. As legislators—and I don't mean to focus solely on Mr. McGuinty; all of us are here as legislators—we get caught up in a trap, if you will, of introducing legislation and passing legislation. It's like the old saw: When you have a hammer, every problem looks like a nail. We don't seem to spend as much time looking at other options beyond passing legislation and, of course, the attendant regulation that invariably comes along with that. I think that in any given year there are, I'm not sure, 800 or 900 different forms of regulation that come along with the attendant legislation that we have passed over the years. So that part of this bill does fall on fallow ground on this side of the fence, and much of it seems to be in keeping with Randy Hillier's column today in the Toronto paper.

Mr. Michael Prue: Again, I just listened to my colleague from the PC caucus and it sent shivers up my spine. "Eliminating unnecessary regulations" was code in the Harris-Eves time for stripping important protection. I just wonder where the government's going with this. Is this stripping protection around food safety, water safety? Is this stripping protection around workers' rights or WSIB and workplace health and safety? What kind of protections are going to be stripped? This is awfully open-ended to me. It seems that we are doing better in Ontario than our American counterparts because we have regulation—because we have it. I'm just not willing to eliminate—I know it says "unnecessary," but I'm just not willing to buy a pig in a poke.

Mr. Wayne Arthurs: Just quickly, in the time available, the member makes a good point. It's not the government's intent to strip the regulatory regime as it reflects on the health and safety of the folks in the province of Ontario, but I think we would probably generally agree that there are regulatory restraints on the capacity to do business, in some fashions, in an effective way. It's to expedite the removal of those regulations that frustrate business, but obviously not at the expense of the health or safety of folks in the province of Ontario.

As well, the member opposite wasn't talking about the second part of the motion, which speaks to the capital tax. I think it's important to acknowledge that the minister made a choice to expedite by eliminating immediately, retroactively, the capital tax on manufacturing and some of the resource sector. This motion speaks to the government to continue its current schedule and eliminate the capital tax and is saying to the minister, "Don't lose sight of the need to get rid of this capital tax." I was pleased last year when he had the capacity to be able to make some other changes beyond what would have been recommended to this committee at that point in time, to do some things retroactively. So, at the very least, this will put to his attention the need for the capital tax to be eliminated as one of the priorities that business has put before us on an annual basis, for this one to find an end.

Mr. Toby Barrett: Just to continue my comment on regulation, I know it gets confusing when you have a motion that covers two major areas: regulation on the one side and tax on the other. I do hear what Mr. Prue indicated, and it's very important that those words "unnecessary regulation" are in there. We have a situation in Ontario where we assume there will be an announcement at some point with respect to nuclear construction in this province. I don't think this province is doing an environmental assessment with respect to building a nuclear plant. There's a federal EA that's required. I'm not sure; I don't think a provincial EA has been called for or is in the cards.

Wind farms: We may hear a bit about that once the proposal for a green energy act for Ontario is debated in this Legislature. Will the necessary environmental regulation be there with respect to establishment of wind farms? We hear quite a bit about a natural gas peaker plant that is proposed to be built in Ontario's salad bowl—the Bradford-Holland Marsh area. I would not want to see that peaker plant built on some of the best farmland in North America, equivalent to what we see in the Niagara Peninsula or the sand plain down in Oxford, Norfolk, Elgin and Brant counties, without an environmental assessment. So it's key that we recognize the distinction between necessary and unnecessary.

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I wanted to raise those comments just based on some of the work I do as environment critic.

The second part of this motion is with respect to the current schedule on the capital tax. I don't know whether Mr. Hudak has any further comments on that.

Mr. Tim Hudak: Yes, I do. I echo my colleague's comments on the importance of reducing red tape to spur job creation and investment in the province. On the last point, I think members will see that the next motion is the PC motion on the capital tax. The original schedule would have had it eliminated by 2008, if I recall, in conjunction with the federal government. The federal government actually eliminated it earlier, in 2006, and had some incentives for provinces to accelerate their own capital tax reductions, if they had done so in 2007. So we think we're already behind. We think this is one of the reasons why we've lost so many manufacturing jobs. In our view, the current schedule is actually too late and it's unsatisfactory.

The Chair (Mr. Pat Hoy): Any other comment on the motion?

Mr. Michael Prue: I did have to leave. Is this motion 6?

The Chair (Mr. Pat Hoy): It's 5.

Mr. Michael Prue: Oh, we're still on 5. Okay.

Mr. Tim Hudak: Chair, again, I think Mr. Prue and Mr. Barrett hit it right on. My view is that this is very similar to the first motion, which was a namby-pamby motion. It doesn't really say much aside from "get out the pompoms and cheer for the government and keep going." It's the status quo. I don't feel that it's worthwhile even casting a vote on this type of motion.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question. All in favour? Opposed? Carried.

Now we're on 6, Mr. Prue.

Mr. Michael Prue: Thank you. I did have to duck out, so I just wanted to make sure I was voting on the right one.

The Chair (Mr. Pat Hoy): It's a PC motion. Mr. Hudak.

Mr. Tim Hudak: Whereas capital taxes are among the most inefficient forms of taxation; and

Whereas few jurisdictions employ capital tax, putting Ontario at a particular disadvantage; and

Whereas the capital tax discourages investment and is shouldered by individuals through higher prices for goods and services, lower wages, and reduced rates of return on savings and investments;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance eliminate the job-killing capital tax immediately.

The Chair (Mr. Pat Hoy): Comment?

Mr. Tim Hudak: As I said a couple of times earlier in this session and in others, we believe that elimination of the capital tax will be highly stimulative to the economy. It will encourage businesses to invest in equipment. That will improve productivity and therefore lead to higher wages. And by producing products of a higher quality and at a more competitive price, we'll increase the number of positions in the manufacturing and financial services sectors.

We do remain optimistic that this will be part of the budget the finance minister brings forward in due course, and we think it's an important part of our recommendations today.

Mr. Michael Prue: Just a question: How much is this going to cost the treasury? A lot of money flows in from this capital tax. Although they are declining amounts over the years, it's still a lot of money. If it's immediately gone, how much is that going to cost the treasury? And then, how much further is that going to put the government in deficit—which you don't want to happen. I need to understand this.

Mr. Tim Hudak: It's a fair question from my colleague. I don't have the numbers at hand in terms of what the impact on the treasury would be, because it accelerates an existing plan and expands it beyond the manufacturing sector—the accelerated rate.

I do know that it would be a costly initiative, but our view is that it would spur job creation and investment in the province and bring in future revenues. That's why it's important to do it in a quicker time frame.

Mr. Michael Prue: This would also include the oil companies, which last year made the grossest profit in the history of the world. Do you believe they should be getting a capital tax decrease so they can make even more money off the backs of consumers?

Mr. Tim Hudak: Our view is not to pick and choose what individual companies are impacted by capital tax. We want it to be a sensible approach. Our view is that's a job-killing tax and to eliminate that tax immediately for any company in the province of Ontario that's paying it. I don't think you could impose an individual tax on individual companies. We want to see broad-based tax relief.

The Chair (Mr. Pat Hoy): Further comment? Mr. Arthurs?

Mr. Wayne Arthurs: We won't be supporting this motion. I think the motion that just went before this clearly put out the position that the government caucus wants to ensure that the minister is aware of.

Last year alone, the retroactive elimination for manufacturing resulted in $190 million in rebates to the manufacturing sector. All of these things are dependent upon, obviously, the fiscal capacity that the minister will find that he has available: both income streams, i.e. revenues and what's happened to those, as well as the expenditures. We think that at this stage he'll be staying on course. This is what business was asking us to do. If the minister finds that he has additional fiscal capacity, he'll make determinations on how best to use that room, if there is any. But our earlier motion speaks to our position, which would be contrary to the one that the PC caucus has before us at this point in time.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question. All in favour? Opposed? The motion is lost.

Number 7, NDP motion. Mr. Prue?

Mr. Michael Prue: The motion reads as follows:

Restore capital tax on financial institutions:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, restore the capital tax on banks and insurance companies to the original 2005 level. This would increase revenues by approximately $600 million.

By way of rationale, when the government came into—the last year of the Conservative government, that was the original 2005 level. The government has given further reductions to institutions, which are doing very nicely, thank you. Both the banks and the insurance companies are bedrock-solid. There's been no indication of layoffs or downturns to these, and we believe that the government could use the extra revenues.

We are trying to be fiscally responsible here. We understand the government is going to have to run a deficit, but the question is, how big a deficit. If you can find additional revenues—and I think that these companies can afford to pay a little bit additional—by going back to the 2005 levels, that will bring in approximately $600 million to offset the costs of those areas and those places in need, particularly manufacturing, the forestry sectors and others, so that we can have like plans to redistribute the wealth and protect jobs in those sectors which are vulnerable.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs?

Mr. Wayne Arthurs: Just a comment similar to the one I made a few moments ago. The last government motion that was presented spoke to the elimination of the capital tax within the context of plans currently there. As I said to the member opposite from the PC caucus, his motion would be certainly contrary to what we had passed. Similarly, this particular motion would be contrary to the position that the government caucus took with respect to its own motion.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Tim Hudak: Yes, I'll be quick. Obviously, this runs contrary to our preceding motion, and the PC members will be voting against it.

Mr. Michael Prue: I can state for the record that I don't believe that capital tax reductions for banks and insurance companies are going to protect jobs. We need a tax system that rewards new investment and job creation. Deficits are a fact of life in the short run. We all know that this government is going to be forced to and run a deficit this year, and possibly years into the future. This motion reverses the Liberal-Conservative tax giveaway to the banks and insurance companies. We think it's better to invest money in creating jobs in public services like health and education and making important investments in reducing poverty. The $600-million investment that we could make with this would be far better for the health of the economy in the long term.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? The motion is lost.

What I'm going to do, committee, is recess now so that we can allow members to get to the House for question period. We will recess now and reconvene at 2:30.

The committee recessed from 1020 to 1432.

The Chair (Mr. Pat Hoy): The standing committee will come to order once again, as we continue our report writing.

I believe we are on page 8, an NDP motion, so we'll have Mr. Prue read it into the record.

Mr. Michael Prue: Fair share tax:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, create two new upper-income tax brackets to offset declining revenues and rising costs associated with job stimulus and social services: one at 12.16% for those earning above $150,000, and another at 13.16% for those earning above $250,000. This represents a 1% increase in the tax bracket for those making between $150,000 and $250,000, and a 2% increase in the tax bracket for those earning above $250,000. These tax changes are estimated to raise $1 billion in revenues.

The Chair (Mr. Pat Hoy): Comment?

Mr. Michael Prue: Just in a nutshell, this is a tax bracket increase for those making over $150,000 and a larger increase for those making over $250,000. It was the Conservative government that went ahead with multi-billion dollar tax cuts that disproportionately went to upper-income friends. The Liberal government followed this with a regressive health tax.

We think that taxes should be based on the ability to pay. These increases will have a marginal impact on upper-income earners while helping to balance the budget more quickly and make important social investments. It will raise approximately $1 billion in revenue for the government. We are also mindful that governments, no matter who they are, are not anxious to run higher deficits than need be. In times of belt-tightening, those who can best afford it, those who would be in the top 1% of all income earners, those above $150,000, surely can pay a marginal amount more in order to help Ontario through its difficult times.

The Chair (Mr. Pat Hoy): Thank you. Any other comment?

Mr. Wayne Arthurs: Just briefly, Mr. Chairman, while I appreciate that the motion as brought forward by the member opposite is certainly consistent with the debate and motions we may have heard in the House at various points in time, it's not a position that the government caucus members could support.

The Chair (Mr. Pat Hoy): Further comment?

Mr. Michael Prue: The government caucus, I would take it, would support running a bigger deficit.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Toby Barrett: In these economic times, I don't feel this is the time to jack up taxes. If anything, I feel we should be searching for ways to lower the burden, not only on the businesses that we're trying to retain or attract, but also on those people who are willing to work or do the extra work or take on some of the more onerous responsibilities in our society.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question: All in favour? Opposed? The motion is lost.

Number 9 is also an NDP motion.

Mr. Michael Prue: Allow individuals to designate a beneficiary for their tax-free savings account:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, allow individuals to designate beneficiaries for their tax-free savings account. Without such a change, the TFSA will be considered part of the estate and survivors will be required to pay probate taxes on it.

By way of argument, if no changes are made to the legislation or regulation, the new tax-fee savings account would be considered part of an estate and probate taxes would be applied. British Columbia, Prince Edward Island and Alberta have done what we are proposing already, and other provinces are likely to follow suit. It seems to me that you don't want to make this new savings account probatable.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: This is a motion I think the government caucus can support, save and except for the last sentence, which really doesn't—it's not an action sentence. If the sentence had been a preamble of some sort—but if one were to drop the last sentence and simply speak to the matter, it's something we could support. It's descriptive as opposed to germane to the motion itself, the "be it resolved" clause.

Mr. Michael Prue: So what do you want to do—delete the last line?

Mr. Wayne Arthurs: Delete the last sentence.

Mr. Michael Prue: I can live with that.

The Chair (Mr. Pat Hoy): Would someone amend it then?

Mr. Wayne Arthurs: I move an amendment that we delete the last sentence in the motion.

The Chair (Mr. Pat Hoy): Okay. We'll speak to the amendment.

Mr. Toby Barrett: Just for my own clarification, this is the federal government's tax-free savings account that just kicked in this year? Is that what we're referring to?

Mr. Michael Prue: Yes, that's the one. It's the new one, where you can put up to $5,000 and not pay taxes on it. It's a fairly small amount of money, but if you die, then it's probatable. Whoever gets it is losing a bundle, which they would not have lost if you hadn't put it in that tax-free savings account in the first place.

Mr. Toby Barrett: It's a good idea. "Tax-free" has a nice ring to it as well.

The Chair (Mr. Pat Hoy): Any other comment? On the amendment to delete the last line of number 9: All in favour? Opposed? Carried.

Now to the motion, as amended. Any other comment? Mr. Hudak.

Mr. Tim Hudak: This is the way that RRSPs tend to work, and other such benefits—that you can designate a beneficiary?

Mr. Michael Prue: Yes, and it doesn't get probated. But this one here hasn't been covered in Ontario yet.

Mr. Tim Hudak: I'm willing to support it. It sounds good.

The Chair (Mr. Pat Hoy): Are we ready for the question? All in favour? Opposed? Carried.

Number 10 is a PC motion. Mr. Hudak.

Mr. Tim Hudak: Whereas Ontario has a highly uncompetitive tax structure in Canada, including the highest marginal tax burdens on business investment among competing jurisdictions; and

Whereas all other provinces in Canada are moving towards cutting business taxes in order to stimulate investment and job creation;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance produce a schedule to lower the corporate income tax rate for all businesses in Ontario to foster investment and job creation.

We just think that tax competitiveness would be important for future job creation as it help's stimulate the economy. We're giving some flexibility to the minister to produce a schedule—we realize that he can't make all the directions in one fiscal year. I do hope that this one will win the minister's support.

The Chair (Mr. Pat Hoy): Other comment?

Mr. Michael Prue: Am I naive, or is there not already a schedule, a time frame, over which this will be reduced?

Mr. Tim Hudak: There's a capital tax schedule; I don't think they made a commitment to the corporate tax.

Mr. Michael Prue: Okay.

The Chair (Mr. Pat Hoy): Mr. Arthurs.

Mr. Wayne Arthurs: The government, over a period of time, has made some substantive changes to business taxation. I think, as things are fully implemented—some $3 billion annually; the recent $190 million on the capital tax rebate; the business education savings tax. From an earlier motion that we presented, referring to the capital tax, at this time, we're satisfied with that as the primary objective. Having listened to the business representation that we had, there were a variety of messages, the principal one being, though, the elimination of the capital tax as soon as reasonably possible.

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The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question. All in favour? Opposed? The motion is lost.

Number 11, a government motion. Mr. Arthurs?

Mr. Wayne Arthurs: The Standing Committee on Finance and Economic Affairs recommends that the government continue to offer supports and job training to Ontarians affected by the global economic downturn and that the government also undertakes to consider a number of measures that would further assist low-income Ontarians.

The Chair (Mr. Pat Hoy): Comment?

Mr. Wayne Arthurs: I think we heard from any number of witnesses during our hearings, particularly on the poverty agenda, to not abandon it, to not take the current economic climate as a window or an opportunity, as some might say, to go in a different direction. It should remain a priority. We need to continue to offer our support for low-income Ontarians. This motion speaks to that need on behalf of those witnesses who spoke to ensuring that we keep our eye on the ball as it relates to poor Ontarians.

Mr. Michael Prue: This is a motion that doesn't mean anything to me. It's a motion that says that "the government continue to offer" support, so it's no change at all from what the government is presently doing around job training, and that "the government also undertakes to consider a number of measures," without being specific about what they are. What you're offering as advice to the minister is, "Keep doing what you're doing," on one front, and, "Consider any other options that might be out there." What kind of advice is that?

Mr. Wayne Arthurs: In my view, it's the type of advice that was given by our witnesses during our hearings when they asked us to ensure that the poverty agenda for poor Ontarians stays on the economic agenda of the government and to not allow that to be put on the back burner in spite of the economic climate. I believe this motion speaks to that priority—for the minister to understand broadly. That's what we're hearing from a large number of Ontarians.

Mr. Tim Hudak: I think Mr. Prue has a good point. Are there any specifics that the government is speaking to in this motion?

Mr. Wayne Arthurs: The specifics are the types of initiatives that are currently in place—to ensure that those do continue—and such other measures as the finance minister finds himself in a position to be able to give consideration to, not the least of which are the continued increases to the minimum wage; the Ontario child benefit as a broad one; and the initiatives that were put into the budget last year for dental support for low-income Ontarians. So there are a number of measures that are currently in place and being implemented, and the witnesses said, "Don't lose sight of those." This is a broad way of saying to the minister, "What we heard was, 'Don't lose sight of your responsibility to lower-income Ontarians and those in need.'" This motion attempts to speak to that need.

The Chair (Mr. Pat Hoy): Mr. Prue.

Mr. Michael Prue: I listened, but I still don't see anything that this committee is recommending, just, "Go out and do the same as you're already doing. Don't change anything. Look at the stuff you've promised to look at, but don't really have any plan." I contrast this with—and I know we're not on it—the one we put in next, motion 12. There, there are six key and specific things that we are asking the minister to do. You are asking the minister to do nothing.

This is just so much fluff to me. I don't know why it's even here, because I don't know what it's going to do. So I can't support it because it doesn't say anything to me. If it was specific, if you had some specific goals, even if you had one of the six we had down there, I would support it, but there's nothing there.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Hudak?

Mr. Tim Hudak: The same as I said in the morning session: If the government is not putting forward any kind of substantive motions, I don't want to give them credit by even casting a vote on it. This is just apple pie and motherhood and not worth serious consideration, because there are no details and no new measures.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? Carried.

Number 12. Mr. Prue?

Mr. Michael Prue: A real motion.

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, introduce an anti-poverty program with a cost of approximately $1.2 billion, consisting of the following measures:

—increase the Ontario child benefit to $1,100 a year, at a cost of about $340 million;

—increase the shelter benefit component of the Ontario Works and Ontario disability support program to 85% of average market rent, costing approximately $520 million;

—invest $100 million to create new child care spaces;

—end the 50% clawback on employment earnings of ODSP recipients, costing approximately $100 million;

—expand dental coverage to low-income children and uninsured persons, costing approximately $100 million;

—increase the minimum wage to $10.25 per hour.

The Chair (Mr. Pat Hoy): Comment?

Mr. Michael Prue: This is a poverty plan. This isn't just fluff. This isn't just telling the minister to go out and examine options. I think the majority of deputants that came before us were talking about an anti-poverty plan. They didn't say not to lose sight of it; they were asking for specifics. This encapsulates most of them.

I realize it's expensive and I realize it costs $1.2 billion, which is why we put in some of the other motions, hoping against hope that the government would seize upon some ways of expanding revenue so that the much-vaunted poverty plan would be given some muscle and some teeth.

These are the things that we expect can be done, should be done, and, if the government has the guts, I guess, to go out there and earn some additional revenue and find $1.2 billion, this is precisely what I would do to fix it. I would hope, although I must be a dreamer, that the government would want to do something similar.

The Chair (Mr. Pat Hoy): Comment? Mr. Hudak.

Mr. Tim Hudak: Again, I commend my colleague for bringing forward a detailed plan that has a significant costing element to it. He's put some effort into it. The PC caucus does have some concerns about some of the spending initiatives. I think Mr. Prue probably noted my colleague Bob Bailey from Sarnia–Lambton today expressing concerns on behalf of small businesses about the current scheduled minimum wage increases and the impact on jobs that that's having in our current economic state. Therefore, while I do commend Mr. Prue for his efforts here, I cannot support this particular motion.

The Chair (Mr. Pat Hoy): Thank you. Mr. Arthurs.

Mr. Wayne Arthurs: I respect the member's efforts to bring forward specific numbers. The government has put in place initiatives over the past few years, including the Ontario child benefit, including provisions for dental care, and including managed and staged increases to the minimum wage. You can see where the motion, as it's presented, would run contrary to what the government caucus members would see as a strategy. Should the minister find within the capacity available to him to do one or more of these or some element of them, I'm sure those are the kinds of things that he may very well be looking at. Thus, our last motion spoke to the need to continue to move forward.

I understand when the member opposite from the official opposition speaks to motherhood and apple pie, but that's not what these are about. These are about providing direction to the minister in the formulation of details of a budget. We're not writing the budget for him, nor are we, in my view, setting government policy by virtue of some of the work that this committee attempts to do. I'm respectful of what's being put forward, but this is not a motion that we could accept.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? The motion is lost.

Number 13 is a government motion. Mr. Arthurs.

Mr. Wayne Arthurs: The Standing Committee on Finance and Economic Affairs recommends that the government renew their contribution to the Canadian Youth Business Foundation to help encourage entrepreneurship and innovation among Ontario youth, which contributes to the growth of the provincial economy.

The Chair (Mr. Pat Hoy): Any comment?

Mr. Wayne Arthurs: Briefly, we did hear from the Canadian Youth Business Foundation. We had a young entrepreneur who was here in Toronto presenting to us at that time, making a request for us to continue our support of those initiatives. I understood from that witness when they were there that they have been working with the federal government for funding as well. Certainly, we want to see opportunities to support young entrepreneurs as they build economic opportunity. Frankly, it's one of those elements which, when you're looking for specifics, provides an opportunity to speak to a matter that might not otherwise come directly to the minister's attention.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Prue.

Mr. Michael Prue: Did the program have a shelf life? Was it about to be axed?

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Mr. Wayne Arthurs: My understanding from the witness is that there was a funding window where funding was provided for, I believe it was, a three-year window, and that window would collapse with this budget.

The Chair (Mr. Pat Hoy): Mr. Hudak?

Mr. Tim Hudak: I remember the presentation. I thought they did a good job—the Canadian Youth Business Foundation. I think this is a commendable amendment and we do have some detail in here, so I'm willing to support government motion number 4.

The Chair (Mr. Pat Hoy): I'll put the question. All in favour? Carried.

Number 14, a government motion.

Mr. Wayne Arthurs: The Standing Committee on Finance and Economic Affairs recommends that the government, in order to continue to provide further support to the forestry sector in Ontario, maintain for at least one year the current crown-due rates for poplar and birch.

The Chair (Mr. Pat Hoy): Any comment?

Mr. Wayne Arthurs: We heard from the forest industry, who obviously have a number of items on their agenda. One of them had to do with the crown rates for hardwoods. Again, a similar type of exemption had been applied in the last year, and they were certainly seeking to see that extended. It's something that, as the government caucus, we think would make sense in supporting the forest industry in a very significant and focused way.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Michael Prue: I'm going to support the motion, but I think the forestry sector, quite frankly, needs a lot more than what is contained in the body of this motion. Maintaining for at least one year the current crown-due rates for poplar and birch is a good idea, but I think we as a finance committee should have been talking about the electricity cost crisis and stable industrial hydro rates and things like that that would be far more advantageous to the forest industry than extending for at least one year the current crown-due rates.

The Chair (Mr. Pat Hoy): Mr. Hudak.

Mr. Tim Hudak: A question back: Are there other amendments or motions coming forward on behalf of the government on the forest industry sector?

Mr. Wayne Arthurs: I believe that's the only one.

Mr. Tim Hudak: That's the only one? Similar thoughts to Mr. Prue: I think this is one thing that the forest industry sector did ask for, if I recall. It's one on a long list. I think it's down the list compared to some other issues around energy and access to the wood basket and some red tape issues, but nonetheless it is one initiative to help a very beleaguered sector, and I'm pleased to support this.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Wayne Arthurs: I think it's our objective to ensure we don't reintroduce costs that the industry has not had on its plate for the past year or more, so I'm pleased to hear the support.

The Chair (Mr. Pat Hoy): Anyone else? All in favour? Carried.

Number 15 is a PC motion. Mr. Hudak.

Mr. Tim Hudak: Forest industry:

Whereas the Ontario forest industry is in crisis; and

Whereas Ontario has lost nearly 10,000 high-paying forestry jobs since 2002 and more jobs are at risk every day; and

Whereas burdensome, business-killing red tape is delaying the transformation of the industry by unnecessarily driving up delivered wood costs and mill operating costs; and

Whereas the time lost and uncertainty in the process drives investment elsewhere;

The Standing Committee on Finance recommends that the government takes immediate action to reduce the red tape burden faced by the forestry sector to ensure the forestry sector regains lost competitiveness, including a secure energy supply that is reliable and competitively priced.

The Chair (Mr. Pat Hoy): Any comment?

Mr. Tim Hudak: There are some general principles here that I think reflect largely what we heard from the many forest industry sector spokespeople, both on the union side, those that are on the ownership side and municipal leaders. It's complex; there were more details in their individual presentations. I think this captures some of the common principles among the various presenters that we heard from.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Michael Prue: I've only been around here seven years, but it seems to me that it was the whole privatization model that was espoused and acted upon that has sent us down this path. So I'm really happy to hear this motion being presented by my colleague Mr. Hudak, because he's now starting to talk about a secure energy supply, and competitively priced. I hope this is the harbinger of good things to come.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question. All in favour? Opposed? The motion is lost.

Number 16: Mr. Hudak.

Mr. Tim Hudak: Okay. Actually, I thought that would pass. I'm taken aback.

Mid-peninsula corridor—new environmental assessment process:

Whereas the current environmental assessment on roads, bridges and highways can take several years; and

Whereas the new EA streamlined process on transit projects would have strict time limits; and

Whereas the mid-peninsula corridor highway development would bring substantial economic benefits to Niagara, Haldimand, Hamilton and the western GTA; would dramatically increase highway safety; would improve the environment by reducing gridlock; and would help create a dynamic North American trade corridor;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance include roads and highways in the new streamlined environmental assessment process to accelerate the mid-peninsula corridor and see it completed within a defined and accelerated time frame.

Basically, in a nutshell, the mid-peninsula corridor is way behind the original schedule announced by then-Transportation Minister Brad Clark in 2002. In fact, early studies were tossed out. They have been redone. I think we are approximately six years behind. I was heartened to see that the government is interested in speeding up the EA process around transit projects. I would similarly like to see it extended to needed highway projects like this—a major boon to the economy in the areas that I mentioned.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: I feel pretty positive that the Minister of Transportation would be interested in the views of Mr. Hudak and the PC caucus on this matter. It doesn't mean we're going to support the motion, but I'm sure the minister would be interested, given the long history of this particular project. I know your interest in it.

The Chair (Mr. Pat Hoy): Mr. Prue.

Mr. Michael Prue: I'm a little reluctant to support this one, because major highway projects have significant impacts on everyday Ontarians. I'm not sure that speeding up the process is good environmentally, because the highways cut a broad swath across land. They have to be connected, so they go through farmland, they go through swamp, they go across rivers—they have an impact no matter how they're built. I think we need to be very clear and very careful in terms of the environment and the impact that it's going to have on Ontarians.

So I don't want to include this with other environmental projects which are designed to speed up the production of energy. I think it's quite the opposite: This will have a detrimental impact if we go down this route.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Hudak.

Mr. Tim Hudak: Yes. Six years is far too long, and we have not even completed the EA process, let alone acquisition and build. I do think that my friend the Minister of Transportation, if he knew that he had the support of folks like Arthurs, Lalonde and Sousa, would be far more likely to get this project going. I do hope for their support—as well as Mr. Prue's, of course.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? The motion is lost.

Number 17: Mr. Prue.

Mr. Michael Prue: Water-taking fees:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, increase fees for water-taking by water-bottling companies so that the fees cover the full economic, social and environmental value of Ontario's water.

By way of explanation, bottled water companies should pay the full social cost, economic and environmental, of drawing public resources. Water is a public good and should be treated that way. Right now, we're practically giving away water. With all the environmental costs of the tableland, of the plastics, the PET going into landfills—although I know it's supposed to be recycled—and all of that, we should be looking to at least get back the costs of allowing such business to continue.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: It's my understanding that we really are just in the early throes of finally charging high-consumptive industrial-commercial water users for the water that they do draw from the system. We feel that, at this time, it's a contributory share that's fair under the current environment. I believe they're paying just under $4 per million litres that they're drawing from the system at this point in time. It really is a phase one, I think, of a longer-term strategy. So at this point, we will not be supporting the NDP motion.

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The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? The motion is lost.

Number 18, a PC motion. Mr. Hudak?

Mr. Tim Hudak: Whereas the current economic crisis has had an enormous impact on small business in Ontario; and

Whereas securing financing in the current capital market has proven to be challenging, especially for small and medium-sized enterprises (SMEs); and

Whereas credit unions have a strong history of supporting small businesses in their communities;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance increase the availability of financing to SMEs by creating an Ontario-specific program similar to the Canada small business financing program through the credit unions.

This is a program, members might be aware, that the federal government sponsors. It helps to subsidize the risks that banks take for some small and medium-sized enterprises. There was an increase in the recent federal budget, given the substantial impact of the credit crisis on the business sector.

While Ontario has no regulatory role over the banks, we do have such for the credit unions, and a strong partnership. I thought it might be appropriate for the province to pursue a similar type of arrangement through the credit unions in Ontario.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Michael Prue: I think it's a good motion; I'm going to support it—anything that we can do to help small business, who are having, in some cases, difficulty dealing with the large multinational and Canadian banks. If there are lending institutions like credit unions that are out there and the government can do what it can, even in a limited way, to help people requiring loans, it seems like a good idea.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Wayne Arthurs: Just that in the fall economic statement in 2007, there was a 25% increase in the small business deduction threshold. We think that's a fairly substantive initial move at this point in time. It's the kind of motion that we may want to look at further but we are not going to support today.

Mr. Tim Hudak: Just to make sure—I don't know if I got all the details on the record. This was submitted to members by the credit unions through Central One in a written presentation; they didn't have the opportunity to present at committee.

One of the major issues we're all hearing about in our ridings is access to capital for small businesses through the banks. The way it works is that the provincial government, through the credit unions, would help underwrite the loans. In the case that one of the companies were to not be able to make good on that loan, they would assume some of the risk. It has been successful on the federal level to the extent that the federal government has increased the funds dedicated to it. It seemed a very reasonable approach to take here, considering the depth of the challenge for the small business sector in Ontario.

The Chair (Mr. Pat Hoy): I'll put the question. All in favour?

Mr. Tim Hudak: Recorded vote, Chair.

Ayes

Hudak, Prue.

Nays

Aggelonitis, Arthurs, Lalonde, Sousa.

The Chair (Mr. Pat Hoy): The motion is lost.

Number 19, an NDP motion. Mr. Prue.

Mr. Michael Prue: Buy Ontario:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, introduce a Buy Ontario program requiring a minimum of 50% domestic content in all transit vehicle purchases, along with domestic final assembly requirements. The Buy Ontario program should also be applied to municipal infrastructure, green energy projects, and broader sector procurement (e.g., hospitals) to sustain jobs in Ontario.

By way of explanation, millions of Ontario tax dollars are going into transit but Ontarians have no assurances that streetcars, buses and subways will actually be built here. We need a 50% buy-Ontario rule for transit. This should also be extended to municipal infrastructure, green energy projects, and other procurement in the broader public sector.

The Premier talks about creating 50,000 jobs through an alternative energy program. It's not going to happen without a procurement policy. The windmills and solar panels will be built in Germany or in California or somewhere else and not here. If you have a 50% procurement program—which is allowed under NAFTA because, as I'm given to understand, in the government's own words the other day, we are a sub-national jurisdiction—then I think we should make every effort to ensure that those products are built here and that there is a requirement that they be used here.

I was saddened when I went to Sarnia as part of the leadership tour and met with Mayor Bradley, who explained to me that for the largest solar farm in Canada, which is going to be located in that city, all of the solar panels are coming from California. He said he would have much preferred to have got them in Ontario, but there was no company willing to set up here unless there was some kind of program in place that would ensure a Canadian market. I think that was an opportunity missed, and it ought not to be missed again.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: Just quickly: The government has implemented a 25% Canadian content policy for transit vehicles that are funded by the province already. I think the obvious concerns that we'll hear about are the protectionist nature of some of the programs. This one speaks to 50% of domestic content in transit vehicles. I'm assuming, though, that you're also speaking to 50% domestic content in all of those other matters in the final sense, not just the transit vehicles.

Mr. Michael Prue: Absolutely, yes.

Mr. Wayne Arthurs: On the transit front, the practicality is that Metrolinx's regional transportation plan will actually see something better than 80% of the committed dollars being spent in Canada, whether that's engineering, design, construction or rolling stock. A large amount of the very significant amount of the overall dollars is certainly being invested here at home.

Mr. Michael Prue: Then this should be a no-brainer. They're already doing 80%; I don't understand why we would leave it at 25%.

Mr. Wayne Arthurs: My comments were that the 25% provides for direct content. The 80% speaks to the broader investments that are being made. Those investments are being made here in Canada. It's not as though those monies are flowing outside the province, or outside the country in this case.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Michael Prue: I'd like a recorded vote, please.

Ayes

Prue.

Nays

Aggelonitis, Arthurs, Hudak, Lalonde, Sousa.

The Chair (Mr. Pat Hoy): The motion is lost.

Number 20 is also an NDP motion.

Mr. Michael Prue: Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, establish a jobs protection commissioner who would be a strong jobs advocate with a clear mandate to bring workers, employers, creditors, investors and community leaders together to put troubled businesses back on a solid footing and save jobs.

By way of explanation—we've been talking about this for months in the Legislature. We thought we'd try it again. Right now, Ontarians need an active government to work with employers considering layoffs and with their workers and investors to protect jobs and keep the lights on. Layoffs are happening without the government even knowing about it, let alone doing something about it. This jobs commissioner would be called in at the first sign that a company was going to be laying off and shutting down plants, and would see whether or not there was some way the government could assist in keeping them open. It seems to me that any job we could protect would be a good step forward.

The Chair (Mr. Pat Hoy): Comment? Hearing none, all in favour? Opposed? The motion is lost.

Number 21 is a PC motion. Mr. Hudak.

Mr. Tim Hudak: Long-term care:

Whereas the McGuinty government broke its 2003 promise to seniors to provide an additional $6,000 in care for each nursing home resident; and

Whereas more than 24,000 Ontarians are on a waiting list for a long-term-care bed;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance expedite the redevelopment of Ontario's 35,000 oldest long-term-care beds.

The Chair (Mr. Pat Hoy): Comment?

Mr. Tim Hudak: This is something that my colleague the health critic, Elizabeth Witmer, has put forward in the House. It would build on the previous PC government initiative to rebuild about 20,000 beds across the province. This would ensure that those living in long-term-care homes have a far more modern and home-like environment. They can be financed over time through the per diem payments.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Michael Prue: I don't have any problem with the motion, but I have two questions before I support it. Number one is, how much is it going to cost, and where is the money going to come from?

Mr. Tim Hudak: I could get back to the member. I don't have the cost at hand. It was probably part of the debate when the resolution was tabled in the Legislature. In my recollection, it's paid over a long period of time through the per diem—at least that was the model that was used previously. So the impact in the short term on the budget is quite limited, but again, bringing this on behalf of my colleague, I'd have to look back to get the exact number for him. I'm sure that if the resolution were to pass, the Ministry of Finance could also provide those figures.

1510

Mr. Michael Prue: Okay, and the per diem would be paid by the people who live there—

Mr. Tim Hudak: No, no. Sorry, the per diem transfer from the Ministry of Health to the long-term-care home, to be clear. Thanks for asking.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Sousa.

Mr. Charles Sousa: I just want to reinforce the fact that the government has taken it seriously, in terms of long-term care. We've worked hard to put in progress a comprehensive strategy for long-term care: increasing staff capacity by adding 2,500 more support workers and nurses, and better living environments by rebuilding 35,000 beds over the last 10 years. Our record, I think, speaks for itself by investments of over $1 billion, and we'll continue to do just that.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? The motion is lost.

An NDP motion on page 22: Mr. Prue.

Mr. Michael Prue: Health:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, increase spending on health care by $550 million, above the increases already budgeted for the 2008 fall economic statement, through the following measures:

—reverse the decision to delay the hiring of 3,000 nurses, costing $50 million;

—implement a guaranteed minimum of 3.5 hours of daily care in Ontario's long-term-care facilities, costing approximately $400 million; and

—provide basic dental care, including prevention, to children and uninsured persons, costing approximately $100 million.

The Chair (Mr. Pat Hoy): Comment?

Mr. Michael Prue: By way of explanation, this is a health proposal, and it includes a proposal to reverse the government's delaying of hiring 3,000 nurses. We think that this is not a good step. Driving in today, I heard a couple of radio ads on two different stations, with the nurses challenging what this is going to do to health care in the province of Ontario. It seems to me they're probably right. The reduction of that many nurses who are obviously needed and who the government said were obviously needed in the fall economic statement is going to be detrimental to health care.

The other ones are just asking the government to live up to the commitment that they made, not during the last election but during the first one, to provide a minimum of 3.5 hours of daily care in long-term-care facilities to take us to the average offered across Canada, and not at the lowest level—because Ontario is at one of the lower levels, if not the lowest level, of care provided.

The last one is for basic dental care, which the government promised to do. This would bring it in line with what promises were made in the past.

The Chair (Mr. Pat Hoy): Thank you. Further comment? Mr. Sousa.

Mr. Charles Sousa: As the committee knows, the health care budget is the biggest part of our budget in total. We've invested over $11 billion since 2003. We certainly will continue to hire more nurses, possibly not as fast as we may have wanted to, given the circumstances before us, but we will continue to make improvements to health care: shortening wait times, promoting and preventing illnesses, and modernizing the health infrastructure.

The Chair (Mr. Pat Hoy): Thank you. Further comment? Hearing none, I'll put the question: All in favour? Opposed? The motion is lost.

Government motion 23: Mr. Sousa.

Mr. Charles Sousa: The Standing Committee on Finance and Economic Affairs recommends that the government, recognizing the global economic crisis, continue in the 2009 budget to provide school boards and hospitals with multi-year funding levels to allow for long-term planning.

The Chair (Mr. Pat Hoy): Any comment?

Mr. Charles Sousa: We want to ensure that sectors are aware of multi-year funding levels, like in previous years. It helps them, in essence, to plan their purposes.

The Chair (Mr. Pat Hoy): Thank you. Any other comment? Hearing none, I'll put the question—oh, Mr. Hudak.

Mr. Tim Hudak: This is similar to some of the other government motions, sadly, that basically say, "Stay the course." There's nothing new here. It's basically saying, "We're doing fine; keep doing the same thing."

Mr. Charles Sousa: We want to make certain that the sectors are aware of what's going on and that they can pre-plan effectively.

The Chair (Mr. Pat Hoy): Thank you. Any other comment? Hearing none, all in favour? Opposed? The motion is carried.

An NDP motion, page 24: Mr. Prue.

Mr. Michael Prue: Refinancing of school board bonds:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, refinance school board bonds, which are guaranteed by the province, to take advantage of the interest rate spread between school board bonds and "standard" government of Ontario bonds, a function of the current financial crisis.

By way of explanation—I was surprised to learn this—the economic crisis has impacted the bond market in a strange and irrational way, with the market making bonds issued by school boards but guaranteed by the province more expensive than bonds issued directly by the province. The government could save millions of dollars by refinancing the school board bonds themselves. This is an attempt, through this motion, to help the government save millions of dollars and hence, the school boards as well.

The Chair (Mr. Pat Hoy): Mr. Hudak?

Mr. Tim Hudak: A very intriguing idea, and there's no doubt that the credit crisis is probably having a lot of impacts that nobody anticipated. Did this come from presentations?

Mr. Michael Prue: Yes. It came, actually, from Hugh Mackenzie.

Mr. Tim Hudak: Let's give it a shot. At the very least, the Minister of Finance should investigate the facts behind this and if the facts are correct, then proceed.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none. All in favour? Those opposed? The motion is lost.

PC motion on page 25. Mr. Hudak.

Mr. Tim Hudak: Whereas roads and bridges are the all-important links between communities across Ontario; and

Whereas municipalities across Ontario are struggling with the high costs of maintaining their roads and bridges; and

Whereas the economic vitality of Ontario depends on the safe and efficient movement of people and goods;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance provide an ongoing funding arrangement to municipalities for roads, bridges and other infrastructure projects, providing long-term predictability and merit-based funding.

The Chair (Mr. Pat Hoy): Comments?

Mr. Tim Hudak: What we're getting at here is that predictable funding arrangements are preferable, where they can occur. For example, the federal gas tax money flows to each municipality based on their formula on a predictable basis, so they can put it into either roads or transit. While some municipalities are successful in their applications for the competitive grants, many put considerable resources into them and fail to access any grants at all. So we'd like to see the government enhance the approach of providing ongoing and predictable funding instead of a lottery system.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Prue.

Mr. Michael Prue: I wish had it been a little bit more specific, to include the words "transit" and "housing," but I would agree that the need for long-term funding and predictability is a good thing. I will support the motion in the spirit that the words "other infrastructure projects'" cover things that I think should have been mentioned specifically.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Sousa.

Mr. Charles Sousa: You know, we've done much in regard to our relationship with municipalities, increasing infrastructure spending to quite an extent. While I appreciate the intent of what was being put forward, we also have to recognize some of the issues that take place. We won't be able to support that motion.

The Chair (Mr. Pat Hoy): Thank you. I'll put the question. All in favour? Opposed? The motion is lost.

NDP motion, page 26.

Mr. Michael Prue: Accelerate the municipal upload:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its fiscal year 2009-10 budget, accelerate the planned upload of municipal responsibility of Ontario Works, ODSP and court security costs to a two-year process rather than a 10-year process, at a cost of $500 million.

By way of explanation, we think it's just too long a period, especially when municipalities are being hit with rising social service costs due to more and more Ontarians turning to Ontario Works and other forms of social assistance. The motion would turn the process into a two-year upload and will probably save some municipalities from facing the prospect of complete bankruptcy, if this recession is deeper and longer than we are thinking.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Sousa.

Mr. Charles Sousa: I think we're very proud of the fact that we've worked closely with municipalities. We have uploaded quite a substantive amount—Ontario Works, court security costs, a number of other items, ambulance costs and so forth—as we all know. We're on track to upload more, and I think we'll just stay the course at this point, given the circumstances that are before us.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? The motion is lost.

PC motion, page 27.

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Mr. Tim Hudak: Thank you.

Property assessments:

Whereas just one year after assessments were taken (based on Jan. 1, 2008 values), housing prices across the province have dropped dramatically; and

Whereas homeowners are locked into unrealistic values taken at the height of a hot housing market until a new assessment is conducted in 2012;

The Standing Committee on Finance and Economic Affairs recommends that the Minister of Finance re-establish annual assessments to better reflect current property values and cap property assessment increases at an inflationary rate.

The Chair (Mr. Pat Hoy): Any comment?

Mr. Tim Hudak: We have seen, whether it's in the city of Toronto, Hamilton, Niagara, where I'm from, or eastern Ontario, that assessments have gone up considerably: some high double-digit and even triple-digit increases in some areas. Unfortunately, in the current state of the economy in the province of Ontario, home values have gone down. So, paradoxically, and very frustrating for many, homeowners are getting higher assessments in the mail, while they know that the value of the property has decreased. Under the current model, they're frozen at those values until 2012, with no hope for relief.

So we think the assessors should be in the field doing a new assessment to reflect current market values and that assessment increases should be capped at an inflationary increase, at a maximum, given the state of the economy.

The Chair (Mr. Pat Hoy): Thank you. Any other comment?

Mr. Michael Prue: Mr. Hudak and I have argued this many times—sometimes in front of large and rather hostile audiences—but our position is that this is a blunt instrument, and that no amount of tinkering around the edges, as Mr. Hudak is suggesting today, is going to resolve it.

We believe that the whole MPAC regime should be radically changed so that it's frozen until the time of sale, so that when a person, a willing buyer, buys the house, they know what they paid for it and that it will not go up in value until such time as major renovations are made over $40,000, or, conversely, it is sold or passed on to someone else.

It would have the ideal of keeping people in their homes, making more secure neighbourhoods and taking the volatility right out of the market. We do acknowledge there would be some drift in terms of the taxation, the people who stayed there longer would accrue a benefit to those people who move more often, but in terms of stability and keeping people in their homes—especially the elderly and especially those on fixed incomes—it's far preferable to putting a cap and doing it every year. It will just continue volatility and is not the answer.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Charles Sousa: Yes. Let's be clear. We're talking about value assessments of properties, not the actual tax rate. It's interesting, because even then-Minister of Finance Ernie Eves at the time made it clear: The assessment notice is not a tax bill; it's a statement of the tax assessment corporation's belief of the property value.

The other side of this coin is certainly the mill rate produced by the municipalities. We feel that a four-year cycle is a balanced approach and provides some stability and predictability in terms of what that mill rate should be over the next four years. So that's our position at this point, and if we do it every year, there's also a cost implication to doing just that.

The Chair (Mr. Pat Hoy): Thank you. Mr. Hudak?

Mr. Tim Hudak: I would hope there would be an admission, though, by the government members that the assessed values as they stand today are way out of whack with what market values are. I mean, no doubt in Mr. Sousa's area, Mississauga, assessments have increased probably, on average, 20-some per cent, and then the property values have declined. In the city of Toronto, where we are today, they've had double-digit declines in property values. I would hope the government recognizes that these numbers are out of whack.

Mr. Charles Sousa: Do you know what? I've received a number of notices and I've held a few town halls on this very issue. In fact, there are a number of them who have received lower assessed values, and they'll get an immediate reduction on their taxes. Anyone who has had an increased assessment at a certain percentage over the average will be spread over four years so it won't be an immediate hit on them, as well. But it's just a point in time. The mill rate is still the effective manner in which you're going to have a tax implication on your property.

The Chair (Mr. Pat Hoy): Thank you. Any other comment?

Mr. Tim Hudak: Yes, and the last point on this. The Premier himself basically said that the system was broken, that the assessed values were out of whack. But in not taking action, he's coined a new expression, right? "If it's broke, don't fix it," I suppose is the new way that he's approaching this issue.

I hear what Mr. Sousa is saying. His own Premier has said that the values are out of whack, so I do hope we'll see the government members bring about some change.

Mr. Michael A. Brown: Cute.

Mr. Tim Hudak: Did you like that one?

Mr. Michael Prue: If I could, to blame it on the mill rate is not entirely accurate because the municipalities, in order to get back the same amount of money as they got from the assessment before, simply do the math. They take all of the assessed properties; they do the math as to whether it's 1%, or slightly more or less than 1%, which is usually the average. That's how the mill rate is set to obtain the same amount of money. So the fluctuating values of the homes in fact necessitate the mill rate changing. Anyone with a pencil can figure out the mill rate if municipalities raise the same amount of money.

Mr. Charles Sousa: That's the argument you just made.

Mr. Michael Prue: Yes.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Charles Sousa: The Ombudsman actually made a number of recommendations, which were all applied in the circumstances to the issues that Mr. Hudak brought forward.

The Chair (Mr. Pat Hoy): Any other comment? I'll put the question. All in favour? Opposed? The motion is lost.

NDP motion.

Mr. Michael Prue: Maintain investment in public services:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its FY 2009-10 budget, maintain spending increases in public services, like health and education, previously budgeted for in the fiscal year 2008-09 budget. This includes the planned increases in transfer payments to the MUSH sector.

And by way of explanation, we do not believe that this is the time to be cutting public services like transfers to the municipal, universities, schools and hospitals sector. Not only do people need these services, but they are a crucial part of any job stimulus program.

The Chair (Mr. Pat Hoy): Any other comment? I'll put the question. All in favour? Opposed? The motion is lost.

Number 29.

Mr. Michael Prue: Nuclear:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its fiscal year 2009-10 budget, commit no new spending for the refurbishment or building of new nuclear plants until a full and independent cost-for-value audit of these plants has been conducted and a full environmental assessment of the independent power system plan has been completed.

The reason I'm saying this is there's no doubt that the province will see nuclear costs rise significantly over budget. We don't believe that we should be going there as a province. Of all of the nuclear plants that have been planned and built in the world in the last 10 years, only one has come in on time and under budget and that one is located in China. I doubt very much that we would have the wherewithal, the political muscle and the brute force to do that.

The Chair (Mr. Pat Hoy): Any other comment? I'll put the question. All in favour? Opposed? The motion is lost.

Number 30.

Mr. Michael Prue: Temporarily relax the asset test for Ontario Works:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its fiscal year 2009-10 budget, increase the prescribed limit for assets for a benefit recipient of Ontario Works to the same limits prescribed for the Ontario disability support program.

By way of explanation, Ontarians who lose their jobs, exhaust employment insurance or are not eligible to begin with will need to rely on social assistance to put food on the table, but many will not be eligible for Ontario Works because the asset limits are too low. The numbers will increase exponentially as layoffs increase and as people exhaust whatever sources of wealth they have. We are proposing to raise the limit to increase eligibility and not have people exhaust right down to bare minimum levels before they are eligible for Ontario Works. They are not required to do so if it's ODSP and we think that putting Ontario Works at the same level will help families, first of all, to get Ontario Works, but also when they are successful in finding employment in the future, to get off it and still have some assets left.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, I'll put the question. All in favour? Those opposed? The motion is lost.

Number 31.

Mr. Michael Prue: And the last one.

Moratorium on new private-public partnerships:

Be it resolved that the Standing Committee on Finance and Economic Affairs strongly recommends to the Minister of Finance that the government, in its fiscal year 2009-10 budget, place a moratorium on the use of private-public partnerships for infrastructure procurement, saving hundreds of millions of dollars.

By way of explanation, the Auditor General found that P3s cost more but delivered less. With the credit crisis driving up the private sector's costs of borrowing compared to the public sector, these projects are getting even more expensive. It's time to put an end to this unruly and unsavoury experiment. It has cost the taxpayers and Ontarians hundreds of millions of dollars already and will cost even more if we allow it to continue.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Hudak.

Mr. Tim Hudak: Yes, I'm going to oppose this motion. The PC Party believes that public-private partnerships are a way to invest in our infrastructure to get much further than we would just by depending on tax dollars in a given fiscal year, and also it's a way of controlling the often escalating project prices.

I would absolutely expect that the ministry would do a cost-benefit analysis in a thorough way on each project to ensure the taxpayers are getting their money's worth. Given that assumption, I'd actually encourage the government to do more 3Ps.

The Chair (Mr. Pat Hoy): Any other comment? Mr. Arthurs.

Mr. Wayne Arthurs: Just very brief: I think the AFP projects, the alternate financing and procurement, that have been undertaken have provided windows of opportunity for investment. I think we're well aware of the number of large projects underway in the province, public sector projects, as well as the need for economic stimulus for infrastructure initiatives. This is a good and appropriate time to be looking at all reasonable strategies for financing and procurement that might help us to meet those needs at this point in time.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour? Opposed? The motion is lost.

We have some other business. Shall the report, including recommendations, carry? Carried.

Shall the Minister of Finance receive a copy of the final report, with dissenting opinions, prior to the tabling in the House? All in favour? Carried.

Who shall sign off on the final copy of the draft: the Chair? All in favour? Carried.

Shall the report be translated? All in favour? Carried.

Shall the report be printed? All in favour? Carried.

Shall the Chair present the report to the House and move the adoption of its recommendations? All in favour? Carried.

For those who wish to provide a dissenting report, next Monday at 5 p.m. would be the deadline.

Mr. Tim Hudak: Monday, 5 p.m., to the clerk?

The Chair (Mr. Pat Hoy): That would be the deadline, yes. It's consistent with the past.

We are adjourned.

The committee adjourned at 1533.

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