

QP Briefing: September 14, 2016

From: "Ferguson, Cameron (CAB)" <cameron.ferguson@ontario.ca>
To: "@CAB-QP Briefing" <cab-qpbriefing@msgov.gov.on.ca>
Date: Wed, 14 Sep 2016 17:47:08 -0400
Attachments: 20160914 - QP Briefing.doc (163.84 kB)

QP Briefing

September 14, 2016

Note: This material is copyright protected and not to be redistributed outside of Cabinet Office under any circumstances.

Click links below to view article:

Articles

- [1\). Liberals to regulate political staff's conduct at fundraising events: premier's office](#)
- [2\). Injured workers chide WSIB over new premium rate reduction](#)
- [3\). Wynne says 8% electricity bill rebate here to stay](#)
- [4\). Ontario Chamber of Commerce urges Premier to open up legalized pot sales](#)
- [5\). Seen: Ontario and Ottawa strike deal for \\$570M in federal funding for water infrastructure](#)
- [6\). Heard: Hugh Segal turns in basic income report](#)

Articles

1). *L I B E R A L S T O R E G U L A T E P O L I T I C A L S T A F F ' S C O N D U C T A T F U N D R A I S I N G E V E N T S : P R E M I E R ' S O F F I C E*

By Jessica Smith Cross

The Ontario government has plans to "regulate the conduct of political staff of all three parties at events," the premier's office said Wednesday.

The Liberal government has already announced plans to ban MPPs, candidates, party leaders, nomination contestants and leadership contestants from attending political fundraising events — but that's not the end of it.

A premier's office spokeswoman issued a statement to QP Briefing Wednesday afternoon, saying the government also plans to "regulate the conduct of political staff of all three parties at events."

The statement came after Government House Leader and Attorney General Yasir Naqvi told reporters after Question Period Wednesday that he is not ruling out adding politicians' chiefs of staff and policy advisers to the rapidly growing list of people who won't be allowed to attend fundraising events under the new law.

He was responding to accusations made by Progressive Conservative MPP Randy Hillier in Question Period. Hillier alleged the Liberals recently held a "high-powered, big-money Liberal fundraiser," where no ministers were present but the Premier's Chief of Staff Andrew Bevan, and the Energy Minister's chief of staff, Andrew Teliszewsky, and senior energy adviser, Matt Whittington, were.

"Apparently employees in the public service are now tasked to be the Liberal Party bagmen and intermediaries to enrich the Liberal Party and exchange influences," said Hillier, in the legislature. "Will the Premier stop doing through the back door what she says is inappropriate to do through the front door?"

"Speaker, they refuse to stop even after being caught red-handed, even after being shamed into action by the media," he continued.

However, Hillier didn't say when the "recent" event took place. A PC party spokesperson later told QP Briefing that the event Hillier was referring to occurred within the last year — but before the Liberals proposed banning MPPs from fundraising events.

After question period, Hillier said the event he spoke about shows the law the Liberals are proposing won't reform the system for the better.

"It just goes to show, whatever they say they're going to do — plug one loophole — they're immediately crafting up a new loophole to get around it," he said "So all this BS by preventing cash-for-access by preventing all members from going to any event will, as we've said, allow for the empowerment of proxies and intermediaries and bagmen. And that's what's going on."

According to spokesperson for the premier's office, the Liberal Party believes the event in question took place on Feb. 22, 2016, which would mean it's already been written about in the media.

"I understand, through the Ontario Liberal Party, that the event brought up by MPP Hillier took place on February 22nd, 2016, with MPP [then Minister of Energy Bob] Chiarelli in attendance," said Jennifer Beaudry in a statement. "This was well before Premier Wynne announced changes to how the Ontario Liberal Party would be conducting fundraising activities, on April 5th, 2016. Since then, Premier Wynne directed the Ontario Liberal Party to stop hosting small-scale private fundraisers where Ministers interacted with stakeholders of their portfolio."

"We will be bringing forward amendments during Second Reading that prohibit fundraising events for all MPPs, as well as regulate the conduct of political staff of all three parties at events. We look forward to tabling these details in the near future," Beaudry said.

Naqvi said work on the policy is ongoing — which appears clear, considering how its scope has changed. When he initially announced, on Aug. 29, that the government would legislate a ban on attending political fundraisers, he initially said it would apply to "MPPs." When asked by the media that day if it would apply to candidates as well, he said he didn't know.

On Sept. 13, he announced it would also apply to candidates, party leaders, nomination contestants and leadership contestants from attending political fundraising events — but didn't mention then that there would be some form of regulation of political staffers as well.

Even though the proposal appears to be changing, Naqvi said the government is doing its due diligence to make sure the law it eventually passes would stand up to legal challenge.

Premier Kathleen Wynne, asked Wednesday morning if she's believes the bill will stand up in court, said she can't control whether or not there is a legal challenge of the bill.

"We're doing what we're doing and making changes with the best advice we have and we'll move forward with that, and if there are changes we'll have to make we'll make them," she said. "We know that this is the way to modernize the system."

The recent addition of nomination contestants to the proposed ban is a concern to Hillier as well.

Nomination contestants who don't have a party's apparatus behind them won't be able to successfully raise money for their campaigns, Hillier said.

"This will entrench the status quo," he said. "What we see in politics in this province is what you will always see and there will be no means or vehicles for new parties, new blood,

independents to have any viable option to enter into the public square and be elected.”

Wynne disagreed with that assessment.

“Holding events isn’t the only way politicians have raised money, for decades and decades,” she said. “There are other ways of raising money. And what we know is we’re going into a world where there’s much more direct engagement with people, as individuals, not necessarily at events, but people who become engaged in the party and make donations because of that.”

The text of the amendments will come in clause-by-clause consideration at second reading, according to Naqvi.

For Hillier, that’s not soon enough.

“They’ve made the statements, but we don’t have any legal language to debate on or to assess or to evaluate, it’s just been their press releases. This has been a real, fundamental distortion of the system,” he said. “Nobody will have the chance to debate it, let alone examine it or scrutinize it. If there’s any part of skullduggery in this, that’s it.”

[TOP](#)

2). INJURED WORKERS CHIDE WSIB OVER NEW PREMIUM RATE REDUCTION

By Sabrina Nanji

The Workplace Safety and Insurance Board's first premium rate reduction in 15 years has raised the ire of injured-worker advocates, who demonstrated outside the board's annual general meeting at the Metro Toronto Convention Centre on Wednesday.

Tom Teahen, president and CEO of the WSIB (and Premier Kathleen Wynne's former chief of staff), announced that effective Jan. 1, 2017, the average premium rate paid by employers will be reduced by 5 per cent — the first rate reduction since 2001. The WSIB estimates that will save \$250 million for Ontario's economy.

"The announcement today is good news for workers and employers," Teahen said in an interview. "It means that we have ever greater confidence in the security of the workers' benefits and in fact with the unfunded liability being reduced, we're able to make improvements to benefits that we otherwise could not make."

The only two premium rates going up will be the ones paid by municipalities and ambulance operators, because of Bill 163, which allowed for automatic presumption that a first-responder experienced post-traumatic stress disorder. In other words, first-responders no longer have to jump through the WSIB's hoops to prove they experienced PTSD — it will just be assumed.

After reaching a high of \$14.2 billion in 2011, the WSIB's unfunded liability today has been reduced by more than half to \$5.6 billion, the WSIB noted.

A significant contributor to the stronger financial showing is better return-to-work outcomes for injured employees. But the board's return-to-work system is part of the problem for injured worker advocates.

While the WSIB was meeting inside the centre, the Ontario Network of Injured Workers Groups were picketing outside. Advocates said the 5-per-cent drop in the premium rate would take \$250 million out of compensation payments from "impoverished injured workers and give it to corporations."

"The WSIB is more concerned about pleasing the corporate lobby with this [annual general meeting] rather than being accountable to the public who actually depend on this system and are being destroyed by it," Sang-Hun Mun, an injured worker and organizer with Injured Workers Action for Justice, said in a statement.

Ontario's workers' compensation board has come under fire of late in news media reports. In January, the Ontario Federation of Labour, alongside injured worker groups and medical professionals, asked Ontario Ombudsman Paul Dube to investigate the WSIB. They complaint

alleged the WSIB “systematically ignores the advice of medical professionals for the purpose of rejecting and limiting otherwise legitimate injury claims.”

Teahen said he has met with Chris Buckley, president of the OFL since, and provided the latest update to the Ombudsman in a meeting on Friday.

"I've been working with the president of the OFL to examine how might we make some improvements because we know we can always do better...[The ombudsman] wanted me to give him an update on where I am in my discussions with the president of the OFL and I had committed to him and Mr. [Chris] Buckley that we would work together to try and come up with some potential improvements," Teahen said.

The Ombudsman's office said Dube was encouraged to hear both parties were in talks but that they continue to review the matter.

"Our office's review of the issue is ongoing — that is, a decision on whether or not to launch a formal investigation has not been made. I can confirm that the Ombudsman did meet with the WSIB president recently, and we understand there is continuing dialogue between the WSIB and stakeholders — including the OFL — about their concerns. The Ombudsman was encouraged by this and our office will actively monitor developments," Linda Williamson said in an email.

Teahen defended the WSIB's record on return-to-work, noting 92 per cent of injured workers return to work with no wage loss within one year of injury.

The Ontario Federation of Labour did not immediately return requests for comment.

[TOP](#)

3). W YNNE SAYS 8 % ELECTRICITY BILL REBATE HERE TO STAY

By Geoff Zochodne

After some uncertainty, Premier Kathleen Wynne now says her government's 8-per-cent electricity rebate will be a permanent fixture on Ontarians' bills.

"The changes on the electricity bills vis-a-vis the provincial portion of the HST are permanent," Wynne said Wednesday under questioning from NDP Leader Andrea Horwath.

"We are bringing in legislation. We have said twice clearly that this is a permanent change, and no matter the spin that the leader of the third party wants to put on it, we are making this a permanent change."

The rebate was announced in Monday's throne speech, and represents the provincial portion of the HST on electricity bills. It will refund residential and small business customers an 8-per-cent chunk of their hydro bill, starting in January.

The cost to the government for bringing in the rebate will be about \$1 billion annually, saving the average home \$130 a year, and \$540 annually for rural ratepayers, who will also receive additional help through an expansion of the rural or remote electricity rate protection fee that all customers pay.

Initially, it was unclear how long the rebate would last for; Finance Minister Charles Sousa said Tuesday that "it's our intention to proceed as long as we're able to provide for greater affordability."

"We haven't established a date to end," he added. Sousa also said the 2016 budget had larger reserves and contingencies built into it to allow for new measures, and that strong economic growth was allowing the government to splurge.

Despite no one having really said it would be permanent, Energy Minister Glenn Thibeault claimed the rebate was always intended to be ongoing.

"It's always been permanent," he told reporters. "This is a permanent rebate that you'll be seeing on your bills and we'll be making sure that that will be very clear in the legislation that I'll be putting forward."

The NDP have pressed the Liberal government to permanently take the HST off bills by reaching out to the federal government and amending the current sales tax agreement. The New Democrats had even proposed the HST cut earlier in the summer, at the Association of Municipalities of Ontario annual conference.

"If [Premier Wynne is] so worried about the timing, she can call her friend in Ottawa and get that change made lickety-split for the people of Ontario," said Horwath on Wednesday. "Look, people see that life is becoming much more unaffordable. Instead of permanently taking the HST off hydro, the government is proposing a temporary rebate that people cannot count on."

Progressive Conservative Leader Patrick Brown said there were now mixed messages about the rebate.

"But I believe its simply a temporary Band-Aid solution," he added. "What I want to see is I want the premier to commit in the legislature that they're going to stop signing contracts for energy we do not need."

To contact the reporter on this story:
gzochoedne@qpbriefing.com
416-212-5913
Twitter: @geoffzochoedne

[TOP](#)

4). O NTARIO C HAMBER OF C OMMERCE URGES P REMIER TO OPEN UP LEGALIZED POT SALES

By Sabrina Nanji

As Ontario readies for the federal government to legalize recreational weed, the Ontario Chamber of Commerce says the private sector should too get a slice of that lucrative pie, and at minimum, that the province consult with stakeholders "immediately."

Though Premier Kathleen Wynne has not settled on any particular retail scheme just yet, she has repeatedly trumpeted the LCBO as one viable peddler of pot. In an open letter to the premier and cabinet members delivered Wednesday, the OCC said any provincial regulatory framework should include a licensing system for private retailers. Before that, the OCC said the government should begin consulting with the public and stakeholders post haste.

Karl Baldauf, vice president of policy and government relations, added that the private sector has the potential to be as responsible a retailer as any Crown corporation. So the OCC recommends the province set out certain criteria for licenses, and auction off a certain number of licenses for each municipality. Businesses would then vie for those licenses along with the public sector (think: unions), which would create a "virtuous race to the top."

Baldauf said that includes "any organization that demonstrates a commitment to principles related to public safety, prevention of marijuana getting in the hands of minors, and who are concerned about addiction.

So, we would put an onus through a licensing system on to any kind of business that would vie for these licenses," he went on to say.

OCC also recommends that any net revenues gained by the province should be spent entirely on addiction and rehabilitation programming, and that the province follow the cues of respective local councils in the municipalities. By 2024, the OCC anticipates recreational marijuana retail sales in Ontario would turn up between \$1 billion and \$2 billion.

"If a chain of convenience stores achieves the license in the municipalities, where there has been municipal opposition, those convenience stores would have to satisfy in the way that they do presently with tobacco," Baldauf said, adding that regular reviews of the social, health

and economic impacts is tantamount.

In response to a reporter's question about the federal government's pot task force — helmed by former Deputy Prime Minister Anne McLellan — Wynne said Tuesday that the provinces are waiting to clarify details before taking any definitive steps.

"I understand competing interests...As provincial governments, we just need some clarity on how long is this going to take, what are the expectations in the interim," Wynne said at Queen's Park. "It's up to the federal government to get this right. There are a lot of issues that need to be addressed, but we just need clarity on what the timeline is going to be."

She added Ontario is in talks with Ottawa to suss that out. The federal government has said the legislation to legalize recreational marijuana will be tabled in the spring of 2017.

According to the Toronto Star, a provincial cross-ministerial working group has already begun some of the legwork gearing up to legalized marijuana sales.

To contact the reporter on this story: snanji@qpbriefing.com

[TOP](#)

5). *SEEN: ONTARIO AND OTTAWA STRIKE DEAL FOR \$ 5 7 0 M IN FEDERAL FUNDING FOR WATER INFRAST*

By QP Briefing Staff

Nearly \$570 million in federal funding is about to flow after the federal and Ontario governments reached an agreement on money for water and wastewater infrastructure projects.

It was announced Wednesday that Ottawa and Ontario had reached a bilateral agreement that includes \$570 million in funding commitments from the federal government and almost \$270 million from the province.

The federal funds come from the Trudeau government's four-year, \$2-billion Clean Water and Wastewater Fund. The money will go towards repairing of water treatment, distribution and wastewater treatment infrastructure. All told, the bilateral agreement is for \$1.1 billion, with the remaining money for projects coming from municipalities and First Nations.

Ontario and Ottawa already have an agreement in place for nearly \$1.5 billion over three years from the federal government's Public Transit Infrastructure Fund.

[TOP](#)

6). *HEARD: HUGH SEGAL TURNS IN BASIC INCOME REPORT*

By Sabrina Nanji

Former Tory senator Hugh Segal has handed the government his paper that will form the basis of the Liberals' plan to pilot a basic income program.

"Well, I'd say he's given us a lot to think about," Community and Social Services Minister Helena Jaczek told QP Briefing Wednesday. "I read it with great interest. There are a lot of ideas, a lot of potential ideas for pilots."

Segal (a self-described "Red Tory") was appointed by the province to write the discussion paper that will act as a blueprint of sorts for the pilot. The discussion paper will be released to the public in the coming weeks for public consultation.

For now, Jaczek said her office is preparing the report and working with Segal for clarification, but could not say how long that process will take.

"It's a fairly lengthy report. At this point, we're still asking for some clarifications and a little bit

more fleshing out of some ideas, so there's still a little bit of to-ing and fro-ing to make it something that is ready for consultation," Jaczek explained.

At the Association of Municipalities of Ontario conference this summer, she said in the bear pit that many municipalities have come forward in the hopes of being crowned the government's test site.

"Whatever we do, we need to make sure that it's going to give us evidence of change, you know, the positive change that we're looking for — things like improved health outcomes, greater educational attainment, say, for children in family units of social assistance recipients. So that's where the methodology comes in, how big does the sample size have to be — you know, it gets pretty technical," Jaczek continued.

Segal said in an interview in June that the province might consider multiple cities and towns to test its pilot.

A recent poll indicated many Ontarians are split on the notion of a basic income.

[TOP](#)