

## **Minister Thibeault Transcript**

### **Post Question Period Scrum**

**April 12, 2018**

Journalist: Minister, what's your reaction to Doug Ford's comments saying that he'd fire Mayo Schmidt? Or the board?

Thibeault: Well it's, you know, so—the only plan that we've heard from Doug Ford so far is firing people and laying off people, right? So now we're talking about the CEO of Hydro One—we're also talking about laying off thousands of teachers and nurses. So you know what, Mr. Ford is just talking about firing, and you know, one of the things that I'm seeing a very strong prevalence to is a person who's, you know running the White House. He's been doing a lot of firing as well and that's not been working out so well for them down south. So, you know what? Mr. Ford can you know, say what he wants to say but, you know, we're going to continue to find ways to make our electricity system as affordable as possible for the people of Ontario.

Walsh: Is Mr. Schmidt overpaid?

Thibeault: When you're looking at, um, the CEO of Hydro One, I understand and recognize that you know the people of Ontario see that salary and recognize that that's a large sum, um—

Walsh: It's much larger than other provinces too...

Thibeault: But, we also have a province of thirteen thousand people compared to other uh—

Walsh: Thirteen million.

Thibeault: Thirteen million yes, thank you. Thirteen million people here in Ontario and when you're looking at the salaries of comparable businesses, he's in the middle of the pack. But ultimately what Mr. Ford needs to do is explain how he wants to do this.

Journalist: Could he do it?

Ferguson: Yeah, could he do it? They say that they can fire the board—the government could fire the board, any government could fire the board, but, is that your understanding? And then how could they get rid of the CEO?

Thibeault: So again, you know that's something that you have to ask Mr. Ford. I'm talking about making sure that we can continue to have a system that's reliable and clean and affordable. If they're wanting to talk about taking costs out of the system, that's what we've done to make it more affordable. This isn't going to save rate payers any money. What he's talking about will not save ratepayers any money off their bills, and what we're going to continue to do is work to keep our system reliable and clean and affordable.

Walsh: But your leader said in the house, several times, that the way you structured the privatization of Hydro One meant that you could fire, and control the hiring, of the CEO and the board. So are you saying that she's wrong?

Thibeault: So what we're saying is that the process that we put in place back when we broadened the ownership of Hydro One relates to how we can control the board and replace the board if need be. The board controls the CEO. But in terms of Doug's plan, that's something that you're going to have to ask him. I don't know how he plans to do this, and how he's saying he's going to get savings from this. You know, we know that the Fair Hydro Plan, which they had in the People's Guarantee, which they we're going to keep, actually helped reduce the bills, now they have no idea or no mechanism to actually bring significant savings other than saying that they're going to fire the CEO of Hydro One, which won't do that.

Walsh: How much would it cost to cancel the contract? How much would it cost to cancel the contract?

Thibeault: Who's contract?

Walsh: The CEO's contract.

Thibeault: Again that's something that he would have to talk to...

Walsh: You're a forty percent shareholder, don't you know?

Thibeault: So, cancelling the contract of an employee—that's something that you would have to talk to Doug about. I have no idea how he's planning on doing this, and you know at the end of day I'm going to continue to work on making sure that we have a reliable and affordable and clean system.

Dhanraj (CP24): You said that it's a slogan, not policy—don't you think this strategy, really, is going to resonate with a lot of voters that just see \$6 million—we gotta get rid of him—and reduce hydro rates. Don't you think people are just gonna read the headline?

Thibeault: So we've reduced hydro rates by 25%. If the Conservatives wanted to help reduce rates, they would have voted in favour of that bill. This plan that they're bringing forward will not reduce rates. It is only a slogan. It is not policy that will actually do anything to help anybody in the province when it comes to rates.

Radio Canada: [Question in French]

Radio Canada: Okay he's saying that cultural changes are needed and that firing the CEO would send that messages. [Continues in French].

Thibeault: [Answer in French]

Thibeault: A \$114 million dollars. He found a \$114 million dollars in savings. [Continues in French]

Journalist: [unintelligible] ...the CEO?

Thibeault: You know what? That's the decision the board goes through, they review the process and right now what they're saying is they see the scale in which they're paying the CEO of Hydro One comparable to companies of the same size. And the decision of the board is to move

forward because they brought forward \$114 million in savings in the last year. They actually eliminated the voluntarily winter disconnections. They are changing the culture within the company. But at the end of the day you know, we are going to make sure that we help the people of Ontario. The Fair Hydro Plan has done that. We're going to continue to invest and keep our system clean and green and reliable. And you know Mr. Ford? The first thing he said he's going to do is fire the CEO of Hydro One. Well the first thing that we're going to do is make sure that we have a care and opportunity plan that looks after the people of this province.

Rath: Does Mr. Ford have the ability to fire...

Dhanraj (CP24): At the end of the day though is there not the optics problem with the head of Hydro One making \$6.2 million dollars?

Thibeault: So again, when we're looking at the overall system that we have in place in Ontario, we have 13 million people in this province, plus all of the businesses that are here, that we make sure that Hydro One operates those transmission lines to make sure that we can get the clean and reliable power that we all need. When it comes to those decisions on where the CEO's salaries are based, that's the decision of the board.

Journalist: Do you think it's a fair salary?

Thibeault: I've always said that right now I can understand the people of Ontario looking at the size of the salary that the CEO of Hydro One makes and it's something that many people will not uh, ever see in their lifetime. So I can understand the concern. But what I really worry about is how we affect their bills at the end of the day, and we've taken 25% off everyone's bills. Many Hydro One customers have seen reduced even by 50%. So the decisions that the Conservatives are making is now slogan over policy. We've brought forward a very strong policy that reduced the bills for the people of Ontario—in many Hydro One areas by 50%.

Rath: Would Doug Ford even have the ability to fire the CEO?

Thibeault: Could you repeat that?

Rath: Would Doug be able to fire the CEO? Is there a mechanism for that to happen?

Thibeault: That's something you have to ask Doug. I don't even know where he's coming up with this. So you know it's—I am going to continue to advocate and work with Hydro One to find ways that we can continue to take costs out of the system, to make the system reliable and more affordable for the people of Ontario.

Ahluwalia (CP24): Slogan over policy worked in the United States. Don't you think it could work here?

Thibeault: Um well let's look at how it's working right now in terms of how many people they're firing.

Ahluwalia (CP24): He's still in office...

Radio Canada: [Question in French]

Thibeault: [Answer in French]

Giovannetti: The agreement that the province has with Hydro One does actually allow the province to appoint new people to the board, and to remove people from the board. I'm just wondering if the Premier can tell the CEO and the members of the board what to do, why would investors ever give Hydro One a penny?

Thibeault: So we have um, 6 members on the board that we appoint, but ultimately the board is there to make the best decisions for Hydro One. They looked at the CEO, and the CEO last year helped them find \$114 million in savings. That actually brought forward savings off of the bills that the people receive every day. So they see their CEO doing a good job. And so you need to ask the board many of those questions. But what I'm saying is Mr. Ford does not have a plan, and it shows he does not have a plan when it comes to electricity policy. Because when you are looking at electricity policy, the Fair Hydro Plan brought forward a 50% reduction that people right in those Hydro One areas got to experience. So if you really wanted to do something, they could have supported our Fair Hydro Plan. They kept it in the people's guarantee! But obviously they've thrown that out now and it just shows again that this is a party that has no plan when it comes to the electricity system.