QP BRIEFING

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1). ONTARIO TO TWEAK BARGAINING RULES FOR TEACHERS THIS FALL

By: Sabrina Nanji

Education Minister Mitzie Hunter said Tuesday she will table legislation this fall that will once again change the way the government negotiates collective agreements with teachers.

Hunter confirmed her intention at a time when the province is considering extending the life of the current contracts as part of a remedy to Bill 115, following an Ontario Superior Court ruling that the province's move in 2012 to impose contracts and limit teachers' ability to strike was unconstitutional.

Bill 122, the School Boards Collective Bargaining Act, was passed in 2014 and enshrined a two-tiered bargaining system in which the government would negotiate the province-wide provisions, such as wages and benefits, at a central table, and leave the local matters to be determined by the individual school boards. Trustee associations were also given an official seat at the table. The government promised a review of the new bargaining scheme and commissioned a report by Jim Breckenridge (erstwhile government mediator for education), which was delivered this summer.

Although Hunter kept mum on what exactly those changes to the bargaining act will be, she is not looking to overhaul the two-tiered rubric. She added that Breckenridge's report will in part inform the changes.

"Any changes — and at this point, those are minor changes — they would be presented as part of the discussion with our education partners, and then following that, legislation will be tabled, we expect, this fall," Hunter said at Queen's Park.

As part of the judge-ordered remedy to the Bill 115 lawsuit, the government is also considering extending the current collective agreement beyond August, 2017, for the unions involved. An extension would mean a relatively drama-free labour relationship with teachers — no strikes, nor bitter negotiations — months out from the spring 2018 election. The last round of bargaining (and the first under the new system) was especially lengthy, and according to the auditor general, cost the government a $2.5-million bargaining expense.

However, Hunter reeled in when pressed for details of the extension, saying none had been formally proffered.

"We're working together with our education partners, but there is no offer when it comes to bargaining," she told reporters. "The discussion that we're having with our education partners relates to the judge's decision toward Bill 115, and the discussions involve a remedy. The concept of an extension emerged as a result of those conversations."

As The Globe and Mail first reported last week, the unions are weighing the options.

NDP Leader Andrea Horwath said it remains to be seen whether a contract extension will mend the labour relationship with teachers.

"The Liberals have made a mess of the negotiations with the education workers of this province over the last number of years — starting with Bill 115, and ending with a situation where there has been chaos in the schools for far too many years," Horwath said.

Progressive Conservative Leader Patrick Brown added it was "bewildering" that the education minister appeared not to know the details of who had been offered what exactly, referring to the minister's tight-lipped response.

"Clearly there are politics at play," he said.

As of last week, 14 local school boards had yet to hammer out a collective agreement.

2). Politicians spar as election financing legislation headed back to committee

By: Jessica Smith Cross

The Liberal government's election financing legislation passed second reading unanimously Tuesday — but the opposition parties still have numerous complaints about the government’s reform efforts.

After Question Period, Progressive Conservative Leader Patrick Brown accused the government of leaving loopholes in the legislation and of “getting caught” mixing the business of government and party fundraising.

“If they want to fix election financing they should do it properly, not leave giant loopholes in,” Brown said. “Right now, yes, we’re seeing progress on getting rid of union and corporate donations, but there are huge loopholes. A company that gets a contract from the government can still pay for all of the staff to work on the campaign. What you can do, through loopholes, questions the integrity of the system.”

The PCs had proposed an amendment to prevent unions and corporations from paying people to “volunteer” on election campaigns, without that pay counting as a campaign contribution. It was rejected by the Liberal majority on the committee.

Brown also opposes the Liberals’ plans to ban MPPs from attending fundraising events, and argued there’s no problem with them attending “corn roast”-type fundraisers.

“I think it’s a distraction. I think the government realizes they’ve left giant loopholes where if a company gets a contract from Charles Sousa or Bob Chiarelli, and they can then pay 100 staff salaries if they wanted, 100 campaign workers,” he said.

Government House Leader Yasir Naqvi took a shot at the PCs for doing last-minute fundraising, before the new rules come in, while using their critic titles.

“I think I saw a poster from MPP [Vic] Fedeli who’s doing his, apparently, final fundraiser,” said Naqvi. “I wonder if he’s stepping down or it’s another ploy. What I found very interesting to note is he touts his critic role, critic to finance, his membership in the standing committee on finance and economic affairs, which tells me, of course, the opposition members see some influence coming out of those titles, that they’re actually boasting about it to get some people to help them in fundraising.”

Naqvi said that when cabinet ministers hold fundraising events, they never use their titles. However, he acknowledged they do use their honourific, “Hon.”, which denotes membership in the executive council.

Brown didn’t dispute that — and said he’s doing all the fundraising he can this year to help eliminate his party’s debt. However, he said the fundraising by his MPPs isn’t anything like fundraising by government ministers.

“There is one giant difference: In opposition, we can’t give out a single cent in contracts. This government got caught,” he said. “They got caught giving out government contracts and getting donations back. They got caught where bad policy was arrived at because of fundraising."

“You look at the fact that the auditor general pointed out we’ve been overcharged $9.2 billion on renewables and the government got $1.3 million from 30 companies,” he continued. “That’s cash-for-access. The opposition has no say on government contracts going out. And I realize the latest government spin is to muddy the waters by saying things like [the Fedeli fundraiser] but never before have we seen such an egregious cross of the line of giving out government contracts for the purpose of fundraising. They turned the business of government into a fundraising machine for the Liberal Party.”

The bill is heading to the Standing Committee on General Government and a subcommittee will determine its schedule for hearings and clause-by-clause consideration.

3). HEALTH MINISTER: GOVERNMENT DOESN'T SUPPORT LONG-TERM CARE HOME MINIMUMS

By: Jessica Smith Cross

NDP health critic France Gélinas re-introduced a private members' bill Tuesday to provide every long-term care home resident with at least four hours a day of hands-on care — but it's not an approach the health minister supports.

Hoskins said he looks forward to the debate on the bill, but the government doesn't plan on taking that approach.

"We believe … that a minimum number of hours is not the appropriate approach; the appropriate approach is to look at each resident as an individual, based on their complexity and their acuity, what's required for their support and safety, and then mandate, as we have done, that long-term care homes develop staffing plans which reflect their particular residents to make sure they're getting the support an care that they need," said Hoskins.

He pointed to a 2008 expert review of long-term care by Shirlee Sharkey, which found that simply establishing a minimum staffing standard wouldn't fully address residents' quality of care issues. Instead, she recommended long-term care homes established staffing plans that are individualized based on residents' needs.

"We've taken her good advice," Hoskins said.

Her report, however, evaluated the average number of hours long-term care home residents receive, and called for an increase. The province no longer measures care in that way. The average hours don't reflect the individual needs of residents, said Hoskins.

Gélinas said she used to request that figure with freedom-of-information requests, but can no longer get that information. Because of that, she can't make a reasonable estimate of how much it would cost to implement the minimum her bill calls for or how many more nurses or personal support workers would be required to meet it. Instead, the four-hour minimum is based on patients' needs, she said.

"If you look at it through the eyes of a person living in a long-term care home, everybody would need about four hours of care to be fed, go to the bathroom, be clean and be cared for," she said. "It's as simple as that."

Gélinas and Hoskins agreed that Ontario's population has increasingly complex needs, and that the government has been making investments in long-term care.

A year ago, Ontario's chief coroner highlighted cases of violence in the long-term care homes. Hoskins said the government's recent investments, including the recently announced $10 million in funding for behavioural supports, will help prevent more tragedies in the future.

4). Liberals flayed over accounting clash with auditor general

By: Sabrina Nanji

Any hope that the government's speedy release of the public accounts on Monday would quash the steady stream of flak from the opposition parties quickly dissipated on Tuesday.

The Liberals came under fire in question period over the unceremonious tabling of the financial statements for 2015-16, released via an ad hoc technical briefing and media conference (pictured above). The move also required a temporary regulation to enable the government to table the unaudited statement. The public accounts were legally due Sept. 27, but were delayed after a dispute in the accounting rubric that, in the auditor's opinion, adds $10.7 billion to the net debt and $1.5 billion to the annual deficit, which rounded out at $5 billion.

That $10.7 billion comes from the Ontario Teachers' Pension Plan and the Ontario Public Service Employees Union Pension Plan, for which the government is a joint sponsor but cannot access. Therefore, the AG contends that the government should not, as has been its practice since 2001, include the pension plans on the balance sheet.

So the government released the public accounts without the auditor's opinion (but using her figures) for the first time in the province's history.

As such, Progressive Conservative Leader Patrick Brown kicked off question period by hurling accusations that the Liberals were trying to cover up an "$11-billion hole."

"How will the government fill this hole? Is it going to be through new taxes? Higher hydro rates? New fees? Or will the Liberals just cut services?" Brown mused.

He contended that the government has a history of muzzling its watchdogs.

"Who are we going to believe? A tired Liberal government who has had a history of hiding scandals, or do we want to believe the auditor general? I'm with the auditor general," Brown told reporters afterwards.

The New Democrats also fired accounting questions in the house and called the government's moves "quite shocking."

"These people are watchdogs for the public, and yet again the Liberals have tried to discredit the auditor general. And why is that? It's because the Liberals are more concerned about their own political well-being than they are about being up front with the people of Ontario," NDP Leader Andrea Horwath later told reporters.

Her criticism took a more personal approach. "That's not the kind of premier that Kathleen Wynne said she was going to be. And that's why people are very, very disappointed with this Liberal government, because they didn't vote for the kind of government that they actually have."

Treasury Board President Liz Sandals dismissed suggestions the tabling of the public accounts were in some way politically designed. She added that the pension accounting matter is being independently reviewed, which will take "at least a few months to sort out."

"Given the discrepancy of opinion, we do need to get some independent, third-party advice to help us sort this out, because obviously we can't go forward with this disagreement," she said. "We understood it was going to take a while to sort this out. We also understood that we didn't want uncertainty in the public with respect to what are the numbers, so we simply said, as cabinet, adopt the auditor's numbers for this year, get the information to the public."

Sandals reiterated that the government is on track to balance the budget in the next fiscal year, and remain balanced in 2018-19, despite warnings otherwise from the Financial Accountability Officer. The FAO has cautioned a return to deficits after coming to balance in 2017-18.

Auditor General Bonnie Lysyk said Monday she was "disappointed" the government decided to release the public accounts without her opinion.

Sandals could not say when the two will meet to resolve the issue.

5). MURRAY: CUT NEW CARBON-PRICING PROVINCES SOME SLACK

By: Geoff Zochodne

Ontario Environment Minister Glen Murray says provinces without a carbon tax or cap-and-trade system (as with Ontario's coming program) should be given leeway in setting a price on their emissions.

“If you have to pick a lane, maybe those lanes can be a little wider,” Murray said Tuesday at Queen’s Park. “I think we have to be creative in finding solutions that allow pathways for provinces that don’t have major carbon pricing systems yet to get there.”

On Monday, Prime Minister Justin Trudeau proposed a Canada-wide carbon price of $10 a tonne in 2018, rising to $50 a tonne by 2022. The federal government is offering provinces that do not already have or are not planning on a carbon price – Manitoba, Saskatchewan, Newfoundland and Labrador are three – a choice between a carbon tax or cap and trade. The federal government will also impose a carbon price, if need be.

When word hit an environment ministers’ meeting in Montreal, the members from Saskatchewan, Nova Scotia and Newfoundland walked out. Saskatchewan Premier Brad Wall said his province would “investigate all options to mitigate the impact of one of the largest national tax increases in Canadian history.”

But Murray said Nova Scotia has actually been making progress in reducing its emissions, and that some of its concerns could be addressed. “The western provinces and some of the other provinces will have to take stronger measures then," he added.

Ontario’s cap-and-trade system will start next year, with the province’s first-ever emission-allowance auction expected for March. Instead of the flat rate companies would pay under a carbon tax, cap and trade sets a ceiling on emissions and charges businesses for permits equal to their pollution, which they can buy and sell with each other. In theory, the cap declines over time, increasing the cost of the credits and reducing emissions further.

Ontario’s Liberal government is estimating it will bring in $1.9 billion annually with cap and trade, which will pay for a portfolio of GHG-reducing programs.

Under the federal government’s new framework, provinces that go with cap and trade over a carbon tax will have to have an emissions reduction target equal to or tougher than Canada’s proposed 30-per-cent cut below 2005 levels by 2030. Those provinces must also have a falling cap that keeps pace with the projected emission reductions being achieved with carbon taxes.

No problem, says Murray. “We will meet the requirements and the test of the federal government and exceed them,” he told reporters. Murray said the government’s 2030 target of 37 per cent below 1990 emission levels “exceeds” Ottawa’s guideline.

As for the angry noises from out west and down east, Murray called for calm.

“People should bring the temperature down, put the megaphones down,” he said. “It’s sausage making. It’s Canadian politics. It’s what we do.”

6). HAPPENING: B.C. BACKING CANADA PENSION PLAN BOOST

By: Geoff Zochodne

After taking a few months to consult with the public, British Columbia is officially endorsing the expansion of the Canada Pension Plan – driving one of the last remaining nails into the coffin of the Wynne government's Ontario Retirement Pension Plan.

The B.C. government announced Tuesday it has "confirmed support" for the proposed CPP enhancement. The province says it received nearly 2,500 responses from the public during its consultations, with 65 per cent of them supportive of hiking premiums and benefits for the CPP.

B.C. and Ontario were among the eight provinces – as well as the federal government – that struck a tentative deal in June on enhancing the CPP. While Ontario Premier Kathleen Wynne and her cabinet supported the agreement-in-principle, B.C. decided to hold public consultations before Premier Christy Clark and her cabinet formally endorsed the proposal.

"It was important that we take the time to talk to British Columbians about the Canada Pension Plan enhancement, to make sure both employers and employees understand what the proposal means in terms of contributions and benefits," said B.C. Finance Minister Michael de Jong in a release. "After hearing from thousands of British Columbians and Canadians, I'm confident the changes will have a meaningful impact on retirement income security at an affordable contribution rate."

The CPP enhancement has allowed Wynne and her government to stop work on the Ontario Retirement Pension Plan, which was the province's alternative to a national agreement. The Liberal government has said scrapping the ORPP could cost up to $70 million, but the Premier has said the work done on the made-in-Ontario pension made the CPP deal possible.