QP BRIEFING

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1). GOVERNMENT PROPOSES A 'LESS ADVERSARIAL' OMB, LAUNCHES PUBLIC CONSULTATION

By: Sabrina Nanji

Civic-minded Ontarians can rejoice — the provincial government is moving ahead with a review of the Ontario Municipal Board via public consultations launched Wednesday.

The aim, said Municipal Affairs Minister Bill Mauro, is to improve the "efficiency and accessibility" of the OMB, a quasi-judicial tribunal that handles land-use planning disputes and appeals under Ontario's Planning Act.

"We're looking at ... many currently appeal-able issues to potentially show more deference to local and municipal decision-making," Mauro said at a joint news conference with Attorney General Yasir Naqvi.

That includes looking at its scope, with the intent of reducing the number of cases the board hears.

As well, the government is considering increasing the number of adjudicators and re-establishing multi-member panels that were virtually done away with in the 1990s because of the costs attached. The board's roster consists of 13 full-time adjudicators, six full-time vice-chairs, one full-time associate chair and four part-time members (as of Sept. 1).

Naqvi acknowledged OMB hearings can get "confrontational" and wants to reduce the number of appeals that go to the board through an expanded Citizen Liaison Office, which currently gets about 2,500 calls and 780 written inquires each year, according to the government.

"If we have to go through a full hearing, that (will be) in a manner that doesn't cause a lot of stress on respective communities, and results in a fair outcome for both the communities and the developers who are involved."

"Whenever you get into land-use planning disputes it causes a lot of rancor and anxiety in our respective communities," Naqvi added, perhaps speaking from personal experience.

In his Ottawa riding, local councillors and Mayor Jim Watson are at odds over the board's role — whereas some councillors have formally written to Mauro and Naqvi requesting the OMB be abolished, or at minimum, be overhauled in a major way, Watson has touted the tribunal as a necessary part of the democratic process.

The proposed changes were designed in part by previous stakeholder feedback the province received after initially launching the review in June.

New legislation is expected in the spring of 2017. Submissions must be made either online or at one of the scheduled town hall meetings by Dec. 19.

The government is also undergoing a land-use planning review for the Growth Plan for the Greater Golden Horseshoe, the Greenbelt Plan, the Oak Ridges Moraine Conservation Plan and the Niagara Escarpment Plan, feedback for which is due at the end of this month.

2). Heard: One flung beer can does not a ban make, AG says

By: Sabrina Nanji

The Ontario government says it has no plans to limit booze sales at the Rogers Centre after an unruly Toronto Blue Jays fan hurled a beer can on the field and narrowly missed Baltimore Orioles outfielder Hyun Soo Kim during Tuesday night's wild card game.

"This is not anything that’s in consideration at this moment whatsoever," Attorney General Yasir Naqvi said in response to reporters' questions Wednesday, adding, "Let’s not judge everybody else based on that. We’re Ontarians, we’re Canadians, we’re proud of our teams. And we’re cheering for the Blue Jays."

Naqvi, who was not at the game, added that the matter is up to the Toronto police, who have asked the "unsportsmanlike" culprit to fess up.

The can flew in the 7th inning with the game tied at 2-2. The Jays went on to win 5-2 after Edwin Encarnación slammed a three-run homer in the 11th inning, and the team will now face off against the Texas Rangers.

One wonders if PC Leader Patrick Brown, who personally gave the Jays a thumbs-up, may be a key witness to the beer-can brouhaha.

3). Third-party review of Ontario's public accounts won't sway auditor general's opinion

By: Sabrina Nanji

A months-long, third-party audit of Ontario's financial statements for the last fiscal year may not be the charm to settle the pension spat between the government and the auditor general.

The government has sought an independent reviewer in order to clarify an accounting measure that adds or subtracts billions to the province's financial statement, depending on your vantage point. But it's unlikely to sway the auditor general's opinion.

"I as well have external advice that I seek prior to addressing a significant issue, so I'm really confident that we've done our homework and that we have it right," Bonnie Lysyk said following a closed session briefing at the standing committee on public accounts Wednesday.

"I have no vested interest in the outcome of this other than making sure it's right in accordance with public sector accounting standards...At this point I'm pretty confident that we got it right."

At issue is $10.7 billion worth of assets from the Ontario Teachers' Pension Plan and the Ontario Public Service Employees' Union Pension Plan that the province has since 2001 counted on the balance sheet. The auditor disagrees, saying that because the government cannot access the funds, the figure should be added to the net debt and annual deficit. The current public accounts have been tabled using the auditor's rubric, and show an annual deficit of $5 billion for 2015-16 (whereas the government's numbers would have shown $3.5 billion) and that the net debt is $305.2 billion (compared to $294.5 billion, per the government).

"I think they got it right on the bottom line," Lysyk noted, in reference to the unaudited version of the public accounts that was tabled Monday.

Treasury Board President Liz Sandals trumpeted that comment from the auditor general later that morning.

Sandals could not yet say how much an independent reviewer will cost, nor could she commit to accepting whatever conclusion the independent reviewer may come to.

"Well first of all let us get it set up. As we get it set up and as we get the terms of reference approved, we'll share that with you when we get it set up," Sandals told reporters, adding, "Given that quite different advice, we would at least like to get some external expert opinion to give us some guidance on how to permanently resolve this."

The pension tension fuelled the opposition parties in that morning's question period.

Progressive Conservative Leader Patrick Brown called the third-party review redundant and accused the government of cherry-picking expert advice.

"It's like someone looking for a second opinion, and keeps on looking for a second opinion until they get one that agrees with them," Brown said. "The auditor general is the third-party oversight. We can have debates here in question period, where the opposition can raise legitimate questions where the government may be wrong, but independent legislative officers have no partisan agenda."

NDP Leader Andrea Horwath was skeptical of the government's claim that there is no political motivation underlying the review.

"If it's going to mean that the Liberals are seen in a better light, or that they protect their own political well-being, they'll do anything. That's not appropriate," she said. "We have watchdogs that are doing work on behalf of the people of Ontario and the Liberals continue to try to discredit them. I have all confidence in the auditor general, in the work that she does on behalf of no political parties but on behalf of the people."

Lysyk added that she informed the government of her concerns over the pension assets in June. The government has said it received a written notice from the auditor general's office Sept. 13, two weeks before the legal deadline to table the public accounts.

The subject of Lysyk's committee appearance that morning was set weeks prior and dealt with Chapter 2 of her latest Annual Report, entitled Public Accounts of the Province - something she quipped was "ironic" given recent events.

4). Where is Ontario's corporate welfare actually going?

By: QP Briefing Staff

When you're handing out over $900 million in subsidies to businesses, sometimes it can get a little hard to keep track of where all that hard-earned taxpayer money is going.

One assumes, anyway.

But fear not: QP Briefing has crunched the numbers and charted where the Ontario government has allocated its corporate generosity. The map below shows where each grant since 2013 has been promised, when the deal was made, how much public money is being committed and what party represents that riding.

Most of the projects shown are part of a recent data dump by the Liberal government. The release revealed grant recipients from three economic development funds from January 1, 2013 to March 31, 2016.

QP Briefing has also added a few grant recipients who were announced after March 31, and threw in several companies that have received money over the past year from the Northern Ontario Heritage Fund Corp., based off press releases.

All of the Southern Ontario grants in question are distributed under the Southwestern Ontario and Eastern Ontario development funds – which can give up to $1.5 million to businesses in their respective regions – and the 10-year, $2.7-billion Jobs and Prosperity Fund – which can hand out much more significant financial assistance, such as $50 million for Guelph-based auto parts company Linamar Corp.

The government released data about those economic development funds on Sept. 21. The money is meant to help businesses expand their operations, increase their market access and hire more workers.

According to its report, the government says the three grant programs made approximately $908 million in funding commitments from January 1, 2013 to March 31, 2016. In return, the businesses getting the money have vowed to create or retain approximately 68,500 jobs. The government claims about $7.4 billion in investments has been "leveraged" with its help, which comes with conditions that must be met for the funding to flow.

The largest grants have ties to downtown Toronto, home to many large corporations, as well as Liberal MPPs. A $220-million contract signed with Cisco Systems Canada Co., for example, is connected to a Toronto and Kanata location (and represents nearly a quarter of the value of all economic development grants since 2013). Another $120 million for OpenText Corp. is linked with Kingston, Ottawa, Peterborough, Richmond Hill, Toronto and Waterloo.

In total, there are 190 grants from the two Southern Ontario regional programs and the Jobs and Prosperity Fund. Of those projects, 77 are in Liberal-held ridings (and possibly multiple and opposition-represented locations), or about 40 per cent of all the grants awarded since 2013. There are also grants being offered in swing ridings, or bordering on other districts.

Economic Development Minister Brad Duguid bristled at the notion that any of these grants were agreed to because of politics.

“We don’t give a damn about where these investments go,” Duguid said Wednesday at Queen's Park. “What we care about is creating jobs across this province.”

Approximately 68 per cent of the funding from the grants will go to a company with operations in a riding held by a Liberal MPP. The Liberals currently own 57 of the 107 seats in the Ontario legislature, or about 53 per cent of all districts.

The big grants are what push the dollar signs in the governing party’s favour. Liberal ridings have links to 73 per cent of all the Jobs and Prosperity Fund money, or $592 million of $810 million (including the $220-million Cisco chunk, and assuming all the money is eventually dispensed). Fourteen of the 20 JPF projects have ties to a Liberal-held region.

But there are several big grants in opposition-held ridings, such as nearly $86 million for Honda Canada Inc. in Alliston (PC MPP Jim Wilson's riding) and $26.5 million that will help build a new General Electric plant in Welland (NDP MPP Cindy Forster's riding).

The government says its analysis shows more grants are being awarded in opposition-held ridings than in Liberal-represented ones. There is a scorecard for the Jobs and Prosperity Fund and larger grants require Treasury Board approval.

“Geography has nothing to do with those decisions whatsoever,” Duguid said. “There’s really been no politics involved in any way in these decisions.”

From the Eastern Ontario Development Fund, 24 of the 49 projects are in Liberal ridings, for nearly $14 million in funding, or 42 per cent of the program's commitments. The Southwestern Ontario Development Fund is split even more evenly, with only 32 per cent of funding going to Liberal-held ridings, or around $29 million for 39 of the 121 projects.

The Northern Ontario Heritage Fund Corp., meanwhile, is a Crown corporation that gives money to businesses and municipalities in the northern reaches of the province.

The government says the NOHFC has spent more than $1.1 billion since 2003 on more than 7,400 projects. Doing so, the government claims, has brought about another $3.9 billion in “direct economic activity” and saved or created 28,100 jobs in Northern Ontario.

The auditor general said in her 2015 annual report that Duguid's ministry had agreed to supply $2.36 billion in corporate subsidies to 374 projects from 2004 to May 31, 2015.

The auditor general also said the ministry hadn't actually checked to see if $1.4 billion of the $2.36 billion that had already been paid out "actually strengthened the economy or made recipients more competitive."

Furthermore, the AG said there was “little transparency in how funding is awarded,” as, since 2010, approximately 80 per cent of approved funding was doled out using a closed-door, invitation-only process. “The Ministry determined internally which businesses were to be invited, instead of making the funding more broadly available,” added the annual report.

Duguid disputes this, noting people can apply for grants under the Jobs and Prosperity Fund online.