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Official Report of Debates (Hansard)

Wednesday 21 May 2003

Journal des débats (Hansard)

Mercredi 21 Mai 2003

**Standing committee on
government agencies**

Intended appointments

**Comité permanent des
organismes gouvernementaux**

Nominations prévues

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON GOVERNMENT AGENCIES

COMITÉ PERMANENT DES ORGANISMES GOUVERNEMENTAUX

Wednesday 21 May 2003

Mercredi 21 Mai 2003

The committee met at 1006 in room 151.

SUBCOMMITTEE REPORTS

The Vice-Chair (Mr Michael Gravelle): Good morning. Welcome to the standing committee on government agencies. We have some business before we review our appointment today. First of all, we have the report of the subcommittee on committee business dated Thursday, May 8, 2003.

Mr Bob Wood (London West): I move its adoption.

The Vice-Chair: Any discussion? All those in favour? Carried.

We also have a report of the subcommittee on committee business dated Thursday, May 15, 2003.

Mr Wood: I move its adoption.

The Vice-Chair: Any discussion? All those in favour? Carried.

We also have the need to seek an extension of a deadline for the review of intended appointees that were included in the certificate of April 25 for Julia Anne Shea. The original deadline was May 25 and the new deadline we're seeking is for June 24. Both of these are unavailable, one of them I think for medical reasons and the other one is not available: Julia Anne Shea, with the Toronto Grant Review Team, who was called forward, and Joe Li, with the Ontario SuperBuild Corp board of directors. We need to have someone request an extension.

Mr Wood: I would ask unanimous consent of the committee to extend the time for consideration of the two appointees just mentioned to June 24, 2003.

The Vice-Chair: Any discussion? All those in favour? Carried.

INTENDED APPOINTMENTS

ROBERT HUNTER

Review of intended appointment, selected by official opposition party: Robert Hunter, intended appointee as member, Assessment Review Board.

The Vice-Chair: We only have one appointment review today and that is Mr Robert Hunter, who is an intended appointee as member of the Assessment Review Board. Mr Hunter, if you could come forward. Good morning.

Mr Robert Hunter: Good morning, Mr Chair.

The Vice-Chair: You have an opportunity to say a few words before the questioning begins, if you please, and then we'll have questioning. We begin with the third party this morning, the NDP. So Mr Hunter, welcome, and feel free to proceed.

Mr Hunter: I do have some brief comments to make. My name is Robert Roy Hunter but I'm commonly known as Bob Hunter. I was born and raised in Brampton, Ontario, was educated and played all my sports in Brampton and I joined the assessment office originally in Brampton in 1962.

In 1963, we had a reassessment of assessments in Brampton. In 1965, the assessment function was taken over by the county of Peel, and we reassessed the whole county between 1965 and 1969 using the new department of municipal affairs manual. In 1970, as you know, the assessment function was assumed by the province and all assessments were frozen so we could have a reassessment throughout the province.

In 1973 I joined Marathon Realty, which is the development arm of the Canadian Pacific Railway, as their tax agent, and in 1975 I joined Gulf + Western as their national property tax agent. The bulk of their properties was the Famous Players theatres and Famous Players development corporation. In 1977, I added manager of sales and leasing to my assessment duty.

In 1982, I went into my own business as an assessment consultant. I got my real estate licence and my real estate broker's licence. In December 1991, I was selected to serve as alderman on city council for the city of Brampton. I served three consecutive terms, until November 30, 2000. I gave up my real estate licence and brokerage licence. However, I retained my assessment consultancy business throughout my council life.

Since my departure from municipal politics, I have not represented clients in any assessment or tax matters.

Mr Chairman, I currently sit on the Brampton committee of adjustment.

In conclusion, Mr Chairman—I want to be brief—I believe my experience as an assessor, a tax agent, a municipal city councillor and a member of the committee of adjustment qualifies me to be considered for this appointment. Thank you.

The Vice-Chair: Thank you very much, Mr Hunter. We will begin the questioning with the third party.

Mr Tony Martin (Sault Ste Marie): OK. I guess the first question I would like to ask is, given that you're a

fairly busy guy, why would you want this appointment at this particular point in your career?

Mr Hunter: When I retired from municipal politics, my wife became very ill. I lost her a year and a half ago and I haven't worked since then. It was the intention back then—I put my name forward as an ARB member, but we withdrew it because of my wife's illness. I'm ready to go back to work now. So that's why we put our name forward.

Mr Martin: You've obviously had a fairly lengthy career in the property tax area. Do you see in here where there might be any potential for you to have conflict of interest in actually taking on this responsibility?

Mr Hunter: No, sir. I haven't undertaken any new clients in a number of years. My work with the assessment has been through others: Mr Ed Ford-King of Kingmont Associates and Mr Dave Powell of Municipal Tax Equity. Mr Ford-King represents the industry, and Mr Powell represents the municipal school boards and municipalities. My work was done as a consultant to them, as opposed to my own. So I don't see it as a conflict at all.

Mr Martin: So what do you hope to achieve in taking on this job?

Mr Hunter: I have no goals to build or detract from anything. My goal is to stay in the business. My goal is to provide some fairness and equity to assessments for ratepayers.

I am sensitive, as you might guess, as you are, to your constituents, and it's to that I would address in a role as an ARB member to make sure of fair and equitable assessments for the taxpayer.

Mr Martin: You've mentioned the term "fair and equitable" a couple of times. Is there anything about the system as it now works that you see as not fair or equitable?

Mr Hunter: There are two functions to assessment. One is the assessment function, which is clearly the easiest part, to create and to discover a market value of any property. The second function of the assessment of tax is the actual taxation. Now that we have reassessment Ontario, it's the taxation that needs another look, if you will. I think the unfairness would be in the tax as opposed to in the assessment.

Mr Martin: OK. Do you have any particular political affiliation?

Mr Hunter: Yes, sir. I'm a member of the Progressive Conservative Party in Brampton Centre.

Mr Martin: And have you recently done any work for the sitting member for that constituency?

Mr Hunter: No, I've done no work as yet, but I have attended his open house for his new office.

Mr Martin: Did you work in his last campaign?

Mr Hunter: No, sir.

Mr Martin: OK. That's all the questions I have.

Mr Bert Johnson (Perth-Middlesex): I wanted to welcome you today. Thanks ever so much for making yourself available for this interview. It's not unlike any other job interview that you might have attended, and yet we tend sometimes to get a little more into the politics of

it, which you'll recognize, with your background and your knowledge.

I started out in insurance and branched out into real estate too. I notice that you have entered into a description on the second page of a resumé we have, and you say there are two ways of valuing real estate: one is the income approach and the other is the market approach, and there's a third way. I wondered if you could enlighten us on that one, please.

Mr Hunter: I am remiss if those are the only two I put down, because there are three approaches to value. One is the sales approach, as you know. I don't know how it was left off there, and I apologize that it was. There are three recognized approaches to value.

Mr Johnson: In assessment, you will come across those, I'm sure. I'm in a riding, for instance, that has the town of St Marys and a cement plant. I doubt that you're going to get enough from market analysis to do cement plants, and the income, if it's company owned and so on, is a little bit hard to come by. So you would do that third approach, I assume, for something like that: an arena, church and those sorts of things where you're not going to have enough—I admire you for letting your name stand for this. The province needs contributions from many people, not the least of which is an appointment on this very important board. I just want to say that I'm glad you have put your name forward and I like what I've heard from you so far.

Mr Wayne Wettlaufer (Kitchener Centre): You heard, of course, a couple of people comment so far this morning. I just wanted to say that in my business experience, I have always looked at what I consider to be the best qualifications of a candidate for a job. In looking at your qualifications here, my initial reaction was much like Mr Martin's: why would you want to do it? You're a municipal assessment and tax consultant. You've been a city councillor, chair of the economic development committee since 1994, and a member of the bylaw review standing committee. You were the chair of that committee from 1991 to 1997. You've been an agent with Municipal Tax Equity Inc, an assessment property tax consultant to municipalities and school boards, a real estate broker and an assessment and property tax manager for Canada for Gulf + Western (Canada) Ltd. You've worked as an assessor for the Corp of the Town of Brampton in the evolution of the assessment function in Ontario. You've graduated from Queen's assessors course, and on and on.

I think you're one of the best-qualified candidates I've ever seen for this position, and I congratulate you for it. I don't look at it from the standpoint of what conflict you might have. I know there's always the possibility of a conflict; that's the nature of a position like this. Certainly, having been in business, I realize that anybody with your qualifications is going to have some possibility of conflict. I guess all we could say at that point is that you would use your good judgment and abstain from any conflicting position.

I just want to say thank you for putting your name forward.

Mr Hunter: Thank you, sir.

The Vice-Chair: Anybody else? Mr Wood?

Mr Wood: We'll waive the balance of our time.

1020

The Vice-Chair: We'll move to the official opposition. Mrs Dombrowsky.

Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington): I would like to clarify, if I may: you were asked by Mr Martin with regard to how it is that you are an intended appointee for the Assessment Review Board. You indicated that you had been intended to be appointed previously, and that appointment was delayed for personal reasons. How did you originally come to be considered for this appointment?

Mr Hunter: I'm quite well aware of the people on the Assessment Review Board, and I have always believed, since the 1980s and 1990s, even when I was active in representing clients, that it was a job I thought I could do in semi-retirement or even retirement. I've reached that age but I don't want to be retired; I want to do something else. It was to that I was giving up my council seat. My wife was going to continue to work, so I was going to be at home doing whatever I did. Better than the rat race of finding and collecting new clients, or getting my old clients back, what I wanted to do was sit as an ARB member. It's to that I asked Mr Clement, whose father-in-law is a very good friend of mine—we grew up together.

Mrs Dombrowsky: Minister Clement, the Minister of Health?

Mr Hunter: Yes, his father-in-law. I asked him how I would get my name put forward and he volunteered to do it. That was back in 2000.

Mrs Dombrowsky: So you obviously have political connections. Have you ever run for political office other than for the city of Brampton?

Mr Hunter: No, unfortunately. I tried for the seat for the Alliance Party but I didn't get the nomination.

Mrs Dombrowsky: Oh, you tried to be the Alliance candidate and you were unsuccessful. Do you plan to seek election municipally this year?

Mr Hunter: No. I'm sorry, let me qualify that. I had my name forward. I put it forward on January 8, in the view that it's something else I can do in semi-retirement and I put my name forward. I don't know if it's going to be as active or if it's what I want to do. If I were successful here and had a successful run here, if you will, then I wouldn't be running.

Mrs Dombrowsky: Let me just clarify: you have filed your papers to run for council in the city of Brampton.

Mr Hunter: Yes.

Mrs Dombrowsky: So your name will be on the ballot?

Mr Hunter: No. You have until September 26 before your name gets on the ballot.

Mrs Dombrowsky: You indicate today that if are appointed to the Assessment Review Board, you would not—

Mr Hunter: Not today. What I was hoping to indicate was, if I find the workload—and I understand from Mr Johnson that the workload may not be there, that it may be something less than that.

Mrs Dombrowsky: Actually, did you receive the same background material that we've received on the Assessment Review Board? It does really speak to a significant workload.

Mr Hunter: Yes, it does. I'm hopeful that that's exactly what it will be.

Mrs Dombrowsky: That's really important information for me to have around your candidacy for this appointment. I think it is a significant commitment, and you've obviously indicated that you've filed your papers to run for city council. I do have some question about the commitment you would be able to provide to this appointment if you were successful in your bid to become a councillor in the city of Brampton. You've served in that role before, so I would suggest that you might be a strong candidate and there would be a very real possibility that you might be elected. I'm always concerned when we understand that people have very busy lives and other commitments and anything that might take away from their ability to fully commit to the role about which we're speaking today.

Unlike Mr Wettlaufer, I do want to talk about the potential for conflict in this role. In the background material that has been provided to us—maybe first I need to ask you: in your curriculum vitae you indicated that from December 2000 until now you've been self-employed as a municipal assessment and tax consultant. You continue to operate that business.

Mr Hunter: Yes, but as I indicated earlier, I didn't do anything. If somebody says, "What have you been doing for the last two years?" rather than say that I've retired out—I run my own business, that's what I do, but I haven't had any clients.

Mrs Dombrowsky: Could you please be more clear? Do you work or don't you? Do you run your business or don't you?

Mr Hunter: I run a business but I haven't done any business.

Mrs Dombrowsky: So you run a business as a tax consultant?

Mr Hunter: Yes.

Mrs Dombrowsky: Okay. We know in our background that many small businesses who would have an issue around assessment would hire a tax consultant to assist them in making their case at a hearing. So, you are on the board. You also own a tax consultant business. If I were a small business and I wanted to invest my consulting fees wisely, I would probably look for someone who would have considerable knowledge and understanding and maybe even some influence with that board. Can you appreciate the fact that your participation on the

Assessment Review Board could potentially have a very positive impact on your business?

Mr Hunter: I'd like to make it very, very clear that, effectively, when I'm told I have the ARB member's job, then I will not have a business. I will not be running any business. It's a proprietary business. If you're doing nothing and people come to you, you'll undertake to do whatever they want. But if I get told that I have this job, then I won't be even in a proprietary business.

Mrs Dombrowsky: Who told you that?

Mr Hunter: Who told me what? Sorry. I said that if somebody comes to me, and once I'm informed that the Assessment Review Board membership is available to me, that immediately terminates my consultancy. Is that clear?

Mrs Dombrowsky: Not really. You indicated that you were told you would not be able to—I mean, have you had some advice, given your business background, around this appointment, around any kind of limitation you would have in exercising your business functions?

Mr Hunter: No. I've not had any advice. I didn't seek advice. This is a job I want, and if this is the job that's made available to me, then the others cease to exist, in my view.

Mrs Dombrowsky: So we have your word that if you are appointed to the Assessment Review Board, your municipal assessment and tax consultant business would cease to exist?

Mr Hunter: Yes.

Mrs Dombrowsky: Is it incorporated?

Mr Hunter: No. It's proprietary.

Mrs Dombrowsky: OK. Have you—I'm having some problems with my—thank you very much, then. I hope you can appreciate why I am so very concerned.

Mr Hunter: Sitting where you are, I would have the same concerns, and I thank you for the question so we can get it on the table and out in the open. But I can assure you that pursuing this job as a member of the Assessment Review Board is a desire of mine, and that would exclude a number of other things I would plan to do if I didn't get this job.

Mrs Dombrowsky: Yes. Maybe if I could conclude and be clear with an understanding of what your intentions would be if you are appointed to this board, we're not sure whether you will continue to allow your name to stand as city councillor; you may or you may not.

Mr Hunter: There was a caveat to that, that if the role was truly part-time, as I've been told—and I understand the difference between part-time; there are only four full-timers—but if it's part-time, in that time spent only requires part-time, it would give me rise to think that I could do the two jobs. If I can't do the two jobs, the Assessment Review Board is the one I would choose.

Mrs Dombrowsky: Do you think that an appointment to the Assessment Review Board is going to in any way add to your credentials as you enter a municipal election?

Mr Hunter: No, that was not the intent. I don't think it would help.

Mrs Dombrowsky: OK. But we still have some question mark around whether or not you would pursue that role. Now the other part is that if you are appointed today, you would no longer continue your business practices as a municipal assessment and tax consultant, as you have described here in your curriculum vitae, something you've been doing since December 2000 until the present time.

Mr Hunter: Yes.

1030

Mrs Dombrowsky: For the public record, that would be your intention?

Mr Hunter: I can send you a letter in writing if you want. The answer is clear: I want to be a member of the Assessment Review Board. My business before was to have a business. If I get this appointment, then that ceases immediately.

Mrs Dombrowsky: Particularly given that your business was to assist people who would be making cases to the Assessment Review Board.

Mr Hunter: Absolutely.

The Vice-Chair: Thank you, Mrs Dombrowsky. You have used your time up.

Thank you very much, Mr Hunter. That completes the time allowed for questioning. This is the only interview of the day. We'll move immediately to concurrence.

Mr Wood: I move concurrence.

The Vice-Chair: Mr Wood has moved concurrence for the appointment of Mr Hunter, intended appointee as a member of the Assessment Review Board. Is there any discussion?

Mr Martin: I think this potential appointment is fraught with potential for conflict of interest in a number of different ways, so our caucus will not be supporting it.

The Vice-Chair: Any further discussion?

Mr Frank Mazzilli (London-Fanshawe): Just for the record, we often hear all kinds of reasons not to support appointments. Here we have a highly qualified individual for a part-time position. Quite frankly, some standards are used by even this committee. There are members of this Legislature on all sides elected here who carry on businesses, practise law and so on, and yet we expect a highly qualified individual appointed to a part-time position to cut off every other aspect of life. So I will be supporting this. I thank Mr Hunter for putting his name forward.

Mrs Dombrowsky: I would like to clarify. I believe there has been a suggestion that there is an expectation that people who are intended to be appointed to part-time roles cut off every other aspect of life. That certainly would not be my expectation. I do think we have a responsibility on this committee to be vigilant to ensure that people who are appointed to committees are not in positions of conflict. That is the role of this committee. So I think it's very important to make that clarification before the vote is taken.

Mr Wettlaufer: I would agree with Mrs Dombrowsky that we do have a responsibility to be vigilant. However, as committee members, we also have a role to ensure that

we have the best-qualified people at all times for every position. There is not a bogeyman around every corner, and I think, as members of this committee, we should stop looking for one. There are positions of conflict. There will always be positions of conflict. As I stated earlier to Mr Hunter, the applicant, it behooves the individual to use his or her judgment in order to ensure that he or she is not in that position of conflict or that he or she exercises proper judgment.

I really am astounded that a man with his qualifications would come forward to do this job, and I think it's absolutely fantastic that he would. It's a credit to him. I will support him.

Mr Mazzilli: Again, I just want to add my comments. Around this committee, we often hear about potential conflicts, if you will, that may or may not arise. Around this committee, we obviously have many people appointed to part-time positions on very important boards, quite frankly boards that people who are out making a livelihood could not serve on because they may be called two or three days a month. Certainly, when you get into the line of questioning of whether someone has filed intentions to run in a municipal election, what that has to do with serving on a board part-time—Mr Chair, your party has nominated more school trustees, more municipal councillors, sending out fundraising letters on municipal letterhead. You want to talk about conflicts? Nowhere did I hear Mrs Dombrowsky talk about those types of conflicts. I want to be clear. You want to judge people fairly. Certainly those things need to be brought up. There's always potential—and you know as well as I do that many of the school trustees and city councillors are using their present positions to enhance and further their political career. Should they be prevented from doing that? Perhaps you could give me an answer on that at some point, or the people of Ontario will.

The Vice-Chair: I feel tempted to respond, but of course that would be inappropriate as Chair.

Mrs Dombrowsky: What he said was inappropriate, so let's just take a vote.

The Vice-Chair: Any further discussion?

Mr Johnson: We do have a few minutes, and I just wanted to explain my understanding of a conflict of interest, for members Dombrowsky and Martin. It's usually interpreted as a pecuniary interest in something where you would have a conflict. I just wanted to point out not only to this committee but to Mr Hunter that I served six years as mayor of a town while owning and operating a real estate brokerage that had six offices, with one in the same town. I can't count the number of times—there were seven of us who sat around council—

but whenever a real estate issue came up, whether it was in committee or in camera in a council committee or in open council, I said, "Excuse me." The vice-chairman would take over, and I walked out. The six people could do nearly as good a job as the seven.

Mr Mazzilli: But never better.

Mr Johnson: Well, never better, but nearly as good. I just want to say that if people use their judgment in those things, then I don't think they will have a conflict. But where they have a pecuniary interest in anything, they should stand aside, notwithstanding that a lot of us in our positions now stand more chance of the perception of conflict than I ever felt in my position formerly. I'm sorry to take up the time, but I wanted to explain that. I request a recorded vote.

The Vice-Chair: All right.

Mrs Dombrowsky: I think it's important to clarify with respect to conflict and pecuniary interest. I think when an intended appointee operates a business for tax and assessment consulting and is intended to be appointed to the Assessment Review Board, that's a very different sort of conflict than a municipally elected representative has, with business arrangements that, from time to time, come to council. I think it's important to clarify my concern around conflict: it wasn't so much with respect to the potential that Mr Hunter may have as an elected representative in the municipality of Brampton but the fact that he owns and operates a tax assessment and consulting business—clients who would potentially be going to the Assessment Review Board. I think it's absolutely essential and I will never make any apology for pursuing that important consideration.

The Vice-Chair: We'll proceed to the vote, then.

Ayes

Johnson, Mazzilli, Wettlaufer, Wood.

Nays

Dombrowsky, Martin.

The Vice-Chair: The concurrence is carried. Mr Hunter is appointed to the position. All things being equal, we will be meeting here next Wednesday, the 28th. We will entertain a motion to adjourn.

Mr Wood: So moved.

The Vice-Chair: Mr Wood moves adjournment. All those in favour? We are adjourned.

The committee adjourned at 1039.

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