



ISSN 1180-4386

**Legislative Assembly
of Ontario**

First Session, 39th Parliament

**Assemblée législative
de l'Ontario**

Première session, 39^e législature

**Official Report
of Debates
(Hansard)**

Thursday 21 August 2008

**Journal
des débats
(Hansard)**

Jeudi 21 août 2008

**Standing Committee on
Finance and Economic Affairs**

Review of the Ontario
health premium

**Comité permanent des finances
et des affaires économiques**

Examen de la contribution-santé
de l'Ontario

Chair: Pat Hoy
Clerk: William Short

Président : Pat Hoy
Greffier : William Short

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Thursday 21 August 2008

Jeudi 21 août 2008

The committee met at 0905 in room 151.

REVIEW OF THE ONTARIO HEALTH PREMIUM

The Chair (Mr. Pat Hoy): The Standing Committee on Finance and Economic Affairs will now come to order. We're here today for report writing on the review of the Ontario health premium.

Interjection.

The Chair (Mr. Pat Hoy): Mr. Barrett.

Mr. Toby Barrett: We just handed in our amendments and, as the committee knows, I did put forward a motion at our last meeting with respect to assistance for tobacco farmers. If I can get a ruling on that right now.

The Chair (Mr. Pat Hoy): All right, then, go ahead, Mr. Barrett.

Mr. Toby Barrett: I do recognize that it does not necessarily relate to the health tax and I know the parliamentary assistant, on behalf of the government, raised a concern about it. This is a stand-alone amendment, so we might as well either have discussion on it now or have a ruling.

The Chair (Mr. Pat Hoy): To begin with, you should read it into the record.

Mr. Toby Barrett: I could do it again; I did read it into the record at the last meeting.

The Chair (Mr. Pat Hoy): It's up to you if you want to read it again, as we're here today.

Mr. Toby Barrett: Sure; I'll read quickly. As formerly written and formerly presented, then, a PC motion entitled "Tobacco Farmers' Assistance":

"Whereas the McGuinty government has raised tobacco taxes three times since coming to office in 2003; and

"Whereas the McGuinty government has just received a \$156.9-million payment as a result of a civil settlement agreement with Imperial Tobacco Canada Ltd. and Rothmans, Benson & Hedges; and

"Whereas the precedent was set when this government partnered with the federal Liberal government to provide \$35 million under the previous TAAP program; and

"Whereas the McGuinty government has repeatedly told farmers that Ontario would be an active participant in a federally-led process to address the tobacco crisis,

"The Standing Committee on Finance and Economic Affairs recommends that the Ministry of Finance forward

Ontario's 40% share to the tobacco growers of south-western Ontario utilizing the \$156.9 million from the tobacco companies' civil settlement agreement."

The Chair (Mr. Pat Hoy): Do you want this to be a recommendation for the review of the health premium act?

Mr. Toby Barrett: I've tabled this twice now. I guess my intention was discussion and a vote from the committee, but I have tabled it as a stand-alone amendment.

The Chair (Mr. Pat Hoy): In that you stated it's a stand-alone, it is not part of our dealings today with the review of the Ontario health premium and it would be out of order. If you want to bring it up as a subcommittee point some day for the committee to consider, you could do that.

Mr. Tim Hudak: Chair?

The Chair (Mr. Pat Hoy): Mr. Hudak.

Mr. Tim Hudak: If I could, I appreciate your ruling. This is something that Mr. Barrett has worked extremely hard on. It is an issue that is very, should I say, contemporary; it's happening today because the federal government, as I'm sure you're aware, recently announced it would use its share of the money that came out of the court settlement to put towards a tobacco pull-out program. If I understand correctly my colleague Mr. Barrett, it's important for the province to act relatively soon to send a signal if it will likewise dedicate those funds to helping the tobacco growers with their pull-out program.

So, Chair, given your ruling, perhaps we could have all-party consent just to—you have, I think, our commitment that we'll limit debate, because we want to get on with the health tax review, but if we had perhaps all-party consent just to discuss and perhaps send this helpful signal to the finance minister and the Minister of Agriculture.

The Chair (Mr. Pat Hoy): The request by Mr. Barrett is out of order. We're here for a review of the Ontario health premium in accordance with section 29.2 of the Income Tax Act, as per the whips' agreement.

0910

Mr. Tim Hudak: I would like to move that the committee does consider Mr. Barrett's motion as a separate item at this point in time.

The Chair (Mr. Pat Hoy): I've ruled that his request is out of order, however.

Mr. Tim Hudak: Fair enough, for the health tax premium review is your ruling—I don't necessarily agree

with the ruling, but it is your ruling. I'm asking you for consent to debate Mr. Barrett's motion at this point in time outside of the health tax review.

The Chair (Mr. Pat Hoy): The House has not allowed us to discuss issues outside of the review of the Ontario health premium in accordance with section 29.2 of the Income Tax Act, as agreed to by all three party whips. That's my ruling.

Mr. Tim Hudak: Just a point of clarification, Chair: Could you again clarify why the committee cannot discuss anything else aside from the health premium?

The Chair (Mr. Pat Hoy): We're meeting today on an agreement sent to us by the House leaders from the Legislative Assembly for the review of the Ontario health premium in accordance with section 29.2 of the Income Tax Act. We are to meet today, August 21, 2008, for the report writing of that particular aspect.

Mr. Tim Hudak: I just don't see in that that we can't discuss Mr. Barrett's motion.

The Chair (Mr. Pat Hoy): We're not allowed to, under the agreement of the House leaders and whips.

Mr. Tim Hudak: I will, Chair, though you, seek unanimous consent to discuss Mr. Barrett's motion at this time.

The Chair (Mr. Pat Hoy): No, we can't discuss it; it's out of order. What I did say to Mr. Barrett, however, is, if he wanted to seek a subcommittee meeting with this committee at some later date to discuss this issue, that would be fine. So, we will move on, as the motion was out of order.

We begin, then, report writing with the draft report.

Mr. Hudak?

Mr. Tim Hudak: If I could, and I apologize if you've already responded—I didn't check my e-mail this morning. I've stated my concerns, as have my colleagues, Mr. Barrett and Mr. Arnott, and Mr. Tabuns, who was with us before on behalf of the third party, with the nature of this review and that Premier McGuinty basically prejudged the hearings by calling this session of the finance committee redundant. The headline in the St. Catharines Standard that I read before: "Health Tax Review Is a Pointless Exercise"—because Premier McGuinty basically said that, no matter what the committee recommends, he's not going to change the health tax.

I think that was tremendous disservice and showed significant disrespect for the taxpayers who took the time to travel to Toronto to present to this committee. It was a tremendous disservice and lack of respect for the taxpayers who took the time to send in the written submissions to this committee. I want to express our strong disappointment with the Premier for prejudging and prejudging these hearings.

That gives me the expectation, and judging by the solitary motion that the government has put forward, that they have no intent whatsoever of reflecting what the committee has heard. What we tend to do in these circumstances as the official opposition is prepare a dissenting report, as we have done in the past with the prebudget consultations.

I wonder, Chair, just so our staff can get under way as they follow through on our report writing today, if we had a deadline for when that dissenting report would be due.

The Chair (Mr. Pat Hoy): This matter could be and should be reviewed at the end of the day so that the report writing is complete, and then those who want to file a dissenting opinion can do that based on what they hear today. I'd be willing to entertain a date for that after that aspect. That's rather the normal procedure, similar to prebudget hearings, that we would get a date for that after we hear—should we complete today's report writing today.

Mr. Tim Hudak: With respect, Chair, and I hope you will consider this, whether at the end of the committee or before that: I think, as I indicated in my e-mail, we would request a week's time to submit the dissenting report. So a week from today; I think we could get that material in by then. I bow to your wisdom as to when the dissenting report needs to be due for publication purposes, but we would request one week's time.

The Chair (Mr. Pat Hoy): We can discuss that at the end of the day, if that's all right. I think it's proper to do that so that everyone knows what is going to go into the report before they decide on what they might want to say afterwards. With that, I agree that we will discuss that at the end of the day.

Mr. Gilles Bisson: Just to follow up on the point made by Mr. Hudak in regard to the comments by the Premier, it seems to me that he's prejudging what the result of the committee's findings would be. We have government members, strong individual members in their own right, who may disagree or agree with the move that was made by the government with the health tax. We have members of the opposition who will agree or disagree. For the Premier to basically say, "I don't care what this committee says; at the end, I'm going to keep it" I think is borderline on contempt for the process this committee goes through. I just want to put that on the record.

I don't think it was a very wise comment on the part of the Premier. The Legislative Assembly has responsibilities through its committees to deal with matters such as this. For him to prejudge what this committee will or will not do I think borders on contempt. I would just give that warning to the Premier. Maybe at the end of this, we may want to move a motion to that effect.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Tim Hudak: On Mr. Bisson's point—and I appreciate and agree with the point that he's making—I remember that previously in the Legislature, various ministers had been found to be in contempt of the Ontario Legislature by prejudging a vote by saying that a bill would have an impact when the bill had not actually gone through its final vote. To the clerk, I don't know if this has been done before, but can the standing committee find a Premier or cabinet minister in contempt for prejudging the findings of a committee before they begin their work?

The Chair (Mr. Pat Hoy): On your particular request, we might have to take a five-minute recess. We'll recess for five minutes.

The committee recessed from 0920 to 0927.

The Chair (Mr. Pat Hoy): The committee will now come to order again. In regard to the last question, we are here only to review the Ontario health premium, what would be reported back to the House. Whatever action would flow from that would be after that time, so we won't ascertain your motion.

Mr. Gilles Bisson: I didn't hear the last part, sorry.

The Chair (Mr. Pat Hoy): We are only here to review the Ontario health premium, in accordance with the agreement of the whips. The review—and that is what it is: a review—will be reported to the House. Whatever action would be taken will happen after that.

I might remind you that we haven't even gotten to the review part yet or any motion other than this one here, which precedes what—we haven't presented this to the House yet.

Mr. Tim Hudak: Just to make sure I understand your ruling: Is it possible for a committee to hold the Premier to be in contempt of the committee's work?

The Chair (Mr. Pat Hoy): No, it is not possible.

Mr. Tim Hudak: Okay. Is it possible for a Premier or cabinet minister to be in contempt of the committee?

The Chair (Mr. Pat Hoy): If a Premier or cabinet minister was a witness before a committee, the question of contempt would be decided by the Speaker of the House, not the committee.

Mr. Tim Hudak: So if a member of the standing committee wanted to charge the Premier with contempt, he or she would have to raise a point in the Legislature?

The Chair (Mr. Pat Hoy): Yes.

Mr. Tim Hudak: So he wouldn't have that ability, then—and then the Speaker would rule?

The Chair (Mr. Pat Hoy): The Speaker would have the right to make a ruling, yes.

Mr. Tim Hudak: So basically, your ruling is that we cannot do that today, but we would be permitted to do so when the Legislature comes back into session—to hold the Premier in contempt of the Standing Committee on Finance and Economic Affairs.

The Chair (Mr. Pat Hoy): Yes, that's my understanding.

Mr. Ted Arnott: But would it not be possible for the committee to pass a motion suggesting that the Premier has held the deliberations of the committee in contempt?

The Chair (Mr. Pat Hoy): No, because, as I stated, we're here to review the Ontario health premium. We are reviewing the health premium.

Mr. Ted Arnott: Would it not be possible for the committee to move a motion suggesting that the Premier has prejudged and prejudiced the committee's deliberations, given the fact that he stated publicly before Christmas that the committee exercise was completely redundant?

The Chair (Mr. Pat Hoy): No, we could not.

Mr. Ted Arnott: I don't understand that.

Interjections.

The Chair (Mr. Pat Hoy): Based on the second question coming from Mr. Arnott, we'll take a five-minute recess.

The committee recessed from 0935 to 0945.

The Chair (Mr. Pat Hoy): The standing committee will come to order again. Mr. Bisson, you had the floor. I think you have something there now for the committee.

Mr. Gilles Bisson: Yes, I have before me a motion that I've passed on to the various members of the committee. It reads as follows:

"I move that, in the opinion of the Standing Committee on Finance and Economic Affairs, the Premier prejudged the hearings and works of this committee."

The Chair (Mr. Pat Hoy): Any comment?

Mr. Gilles Bisson: I have lots of comments. It's fairly clear. What gives rise to this motion are two things—first of all, the comments made by the Premier in regard to the work that this particular committee was going to do. What he said was that what this committee was going to do, as far as any work that it did or recommendations, was redundant and that no matter what happened, as far as what we heard from the public of Ontario through this committee process, he was not going to change in any way, shape or form the actual health tax. A number of people came before this committee and made comment—and I'm just going to go to that very quickly, and we'll have more chance to debate it.

But the second thing that gives rise to it is the motion that I got yesterday, along with everybody else, from the government. It says, "The Standing Committee on Finance and Economic Affairs recommends that, after hearing from a number of Ontarians during the public hearing phase of this review that health care in Ontario is improving...." The inference is that everybody loves this tax. I've talked to Mr. Tabuns, who sat on this committee for the third party during the time of the hearings, I've gone back and I've read the submissions that were given, I've looked at what research has given us, and that's not at all what people said. The vast majority of people who came before this committee said that they were opposed to this tax, that they wanted it reduced or they wanted it eliminated; they wanted to get rid of it. Clearly, what the public has said is not being reflected by way of what the Premier said way back when he made those comments in St. Catharines and certainly is not reflected in the motion that the government's going to put forward. Before we start writing this report, we've got to make this particular point clear, and I'll speak to it once other people have had a chance to rebut.

Mr. Ted Arnott: I would like to indicate that I am in complete agreement with what Mr. Bisson said with respect to this motion. Perhaps we're not going to agree all the time, but on this issue I think we're in complete agreement and concurrence. I would suggest that this motion, as written, is something that all members of this committee will want to support, because the case is very clear.

The article which appeared in the *Kitchener-Waterloo Record* on December 20 last indicated quotes by the Premier where he said that the review of the health tax was “redundant.” When the Premier of the province, with a majority government, makes a public statement to that effect, certainly that sends a signal to all members of the committee who are doing this work that he has already made up his mind, that he has really no intention of changing his mind, and I would suggest that he has prejudiced the committee’s deliberations in this regard.

I don’t know how any member of the Legislature or any member of this committee could argue that that’s not the case, unless the Premier was misquoted. If that was the case, I’m sure that we would be informed that was the case, but I don’t believe the Premier has made any public statement or in any way suggested that he was misquoted in this article in the *Kitchener-Waterloo Record* on December 20, 2007. Therefore, I would certainly encourage all members of the committee to support this motion, to make a statement and make a point that, unfortunately, this whole exercise has been prejudiced by the Premier’s comments.

Mr. Wayne Arthurs: I won’t be supporting the motion that’s before us. I’m satisfied that with the work from this side of the floor at the committee, in the context of listening carefully to the delegations we had here, the submissions that were made, having heard anecdotally from our constituents as part of an ongoing anticipation of a review, having listened carefully to those, we’ll be making determinations based on what we feel is in the best interests of the Ontario health premium as part of this. Whether comments by the Premier, a minister or members from all sides in the variety of comments that have been made, they could be interpreted as maybe prejudicing the work of the committee. But whether that’s keeping a premium, whether that’s removing it or whether that’s phasing it out, one could argue, I suspect, that any comments could be considered prejudicial to the committee. I think committee members have to look at all the comments that have been made here, in the Legislature and by their constituents in coming to a conclusion, but I don’t believe that any individual’s comments have prejudiced the work of this committee.

Mr. Gilles Bisson: I listened to what was just said by the parliamentary assistant. He’s saying that somehow the government side of the committee listened and they’re going to reflect what they heard in a report. Nothing could be further from the truth.

If you look at what was said by the presenters that came before this committee, it’s very clear. The Association of Iroquois and Allied Indians was very clear that this particular tax is contrary to section 87 of the Indian Act. Look at Mrs. Mary Lou Ambrogio, who came before this committee and called for the elimination of the tax. The Canadian Taxpayers Federation is calling for the end of the tax. Take a look at Mrs. Beverley MacDonald, who sent a written submission. She calls for the ending of the tax. I’m just going through some of them. Basically, everybody who came before this committee,

except for one, said that they could not measure outcomes that were positive to health care services as a result of this tax, that they felt this tax was regressive in the way it was being applied, that the people at the lower-income scales were having to pay a greater burden of that tax than people at the higher-income scales, and people either called for the elimination of it or talked about reducing the tax or changing the way it’s collected in one way or another, at least to make it fairer.

So for the government to say today, through the parliamentary assistant, “We listened to what was presented and we are going to reflect that in a report,” flies in the face of the motion that was given to us yesterday by the government that basically says that this tax has led to lower waiting times—that’s not what this committee heard; that this tax led to improvement to access to health care—that’s not what we heard in this committee; that investment in public care to promote health care prevents illness—well, we can all agree with that part of it, and I don’t have a problem with that point; and that this tax led to the investment in the modernization of health care infrastructure—it’s general revenue and regular taxation that did that. So clearly, what was said to this committee was that this tax is regressive, and that this tax should either be eliminated or modified in some way.

0950

For the Premier to have said, way back when, that this whole process that we’re going through now is “redundant,” as in one quote, and in the other quote, that “it begs the need for the review itself”—in other words, the exercise we were going through wasn’t necessary—I think flies in the face of what this committee’s responsibility is. That’s why I’m saying that he’s prejudicing the outcome.

It seems to me that in a democratic society—and this is my final point—the public has the right to hold their public officials accountable. We do that in a number of ways: yes, by election every four years through the fixed dates that we have here in Ontario, and ultimately that’s the best one. But in between, people do have the right to come before a standing committee and let their views be known, or to meet with their MPPs or cabinet ministers or the Premier, or to protest or whatever, to allow expression of support or condemnation of a government initiative. In this case, this committee heard from the public, and 99% of the public who came before this committee or gave written submissions was opposed to what the government has done and calls on this committee to make a recommendation that changes be made. This government is saying by way of this motion, “No changes will be made. In fact, everything is wonderful in Dalton McGuinty’s Ontario,” and we should just all move away and be happy, as they say in the song. That’s not the case, and that’s why I moved the motion.

The Chair (Mr. Pat Hoy): Mr. Hudak.

Mr. Tim Hudak: I guess hope always springs eternal in the Liberal backbenches that if they continue to spout the line that Premier McGuinty walks on water, can do no wrong, maybe they’ll be elevated some day to a more

senior position. I think some earn that on merit, as opposed to constantly catering to everything that Dalton McGuinty has come up with.

Clearly, Dalton McGuinty prejudiced the committee findings. He called this committee work “redundant.” He said that every member who took the time to listen to depositions, took the time to bring forward amendments and motions, took the time to carefully consider what we heard from taxpayers, basically wasted his or her time. He showed incredible contempt for the taxpayers who took the time to travel to Toronto to make their presentations or, at home, took the time to make some very good and thoughtful written submissions. He called the committee “redundant.” He said, “It begs the need for the review itself. The only need for the review at this point in time is a technical one.” Clearly, Premier McGuinty gave his marching orders to the members of the Liberal caucus not to stir the pot but to keep the health tax as it is, and no matter what people say, to ignore them and come up with the kind of fluffy resolution that Monsieur Bisson was just lampooning.

I do not believe that a single delegate before this committee or in written submission endorsed the health tax as is. We heard a range of changes, from abolishing the so-called health tax to phasing it out to not charging it to First Nations individuals. It was suggested to this committee that military personnel, who don’t even use the health care system—they’re paid for by the federal government—that they not pay the health tax. I’ve had my colleagues Mr. Yakabuski and Ms. MacLeod bring forward resolutions on military personnel and seniors. We heard a very important presentation from a senior, who said that when seniors are splitting their pension income, they’re being punished by the health tax because they’re now paying two sets of health taxes, greater than it had been for income splitting for pension income. Clearly that was never the intention of Minister Sorbara when he set it up.

Despite these depositions, despite these well-thought-out recommendations to the committee, the government basically puts its hands over its ears, its eyes and its mouth and says, “Everything is fine. We’re going to keep it as is.” Clearly that is the outcome of Dalton McGuinty saying that this committee has no purpose other than a technical one, that our work is redundant. That’s a tremendous disservice to taxpayers and to the work of committee members of all parties. Clearly, Premier McGuinty prejudiced the hearings and the work of the finance committee.

The Chair (Mr. Pat Hoy): Further comment?

Mrs. Laura Albanese: Can we have a copy of the article that Mr. Hudak is referring to?

The Chair (Mr. Pat Hoy): Sure.

Mr. Gilles Bisson: The difficulty that we find ourselves in now as a committee is that we have to write a report that the Premier says he’s going to ignore unless it’s the outcome he wants. I guess that’s the conundrum I find myself in, along with other committee members. I’ve been on both sides of the House: I’ve sat in govern-

ment and I’ve sat in opposition. I understand the pressure that government members find themselves in, who, as Mr. Hudak says, are vying for cabinet positions or parliamentary assistant positions. But at the end of the day, one thing that I’ve learned in my 19 years here is that what people reward us for is doing what’s right. That’s what this is all about. If there’s cynicism in Ontario—and not just Ontario, because I don’t pretend that cynicism about politicians exists only in this province—we add to it by doing this kind of thing. That’s really what’s sticking in my craw today.

I’m saying to myself, people have taken the time to come and present to this committee, to give their views as to why they agree or don’t agree with this particular tax. The majority of people didn’t agree. Actually, it was pretty unanimous, except for the one comment by one of the organizations, and even then, they didn’t support it. They were saying to let the employees pay, not the employers. So, clearly, they didn’t support the tax itself.

My point is that we find ourselves here today having to write a report that, at the end of the day, the government is basically going to ignore because the Premier has already decided what the outcome of this is going to be.

My second point is, no wonder voters are cynical toward politicians when we see this kind of thing happening. All of us have a responsibility, I think, as legislators, either opposition or government side, to try to reflect, at least in a report, what the people have said. For us to end up at the end of this process today with a report that says something contrary to what we heard, I think it’s going to be a bit of a slap in the face to all of us as politicians and representatives, in the sense that we’re saying, “You can come before this committee and say what you want, but at the end of the day we’re just going to ignore what you said and give a different view.”

Again, the reason I moved this motion today was really in light of the motion that the government plans to introduce that is basically going to attach itself to this report, and which is giving a completely different view of what the public said when they came before this committee.

If the government decides to ignore the report of this committee, you can do that by majority in the House, because all we’re going to do is go to a vote when this committee is done. It’s going to go into the House. We would be voting on acceptance of that report when it gets into the House. You have, then, a responsibility, as all of us do, to vote one way or another.

But for us to write a report that at the end of the day is going to ignore what people have to say—I want no part of it. I don’t think that’s what democracy is about. Certainly, I didn’t come to this Legislature to not respect what people have to say when they come before this Legislature to say what they feel about a government initiative one way or another.

The Chair (Mr. Pat Hoy): Further comment? Mr. Hudak.

Mr. Tim Hudak: Sadly, this has been a sham process from the beginning. It was a sham process from the first

day that Dalton McGuinty said that no matter what the committee recommends, he's not changing the health tax.

We did listen in good faith to the depositions, we read their reports, but obviously the sham continues, because the single government motion ignores altogether the recommendations that were brought forward by the various groups and individuals.

Sadly, as well, if the government members vote against this very accurate motion by Monsieur Bisson, it shows that this process is a sham through and through, and you wonder why members bother participating in a process that is this much of a sham and an embarrassment to the committee.

Mr. Gilles Bisson: Just a final point: I want to be assured that if this committee writes a report, the report is going to accurately reflect what people had to say, and I don't get the sense that's what the outcome is going to be by way of the motion that we were given by the government. So I'd like to get an indication from the parliamentary assistant as to whether he's prepared to withdraw this motion and to allow this committee to actually write a report that reflects what people had to say and allow the House to adopt or reject the report when it goes into the House.

The Chair (Mr. Pat Hoy): The motion hasn't been moved, so it can't be withdrawn.

Mr. Gilles Bisson: Okay, we'll get to that after.

The Chair (Mr. Pat Hoy): Any other comment? Hearing none, all in favour of the motion?

Mr. Gilles Bisson: Recorded vote.

Ayes

Barrett, Bisson, Hudak.

Nays

Aggelonitis, Albanese, Arthurs, Lalonde.

The Chair (Mr. Pat Hoy): The motion is lost.

Mr. Gilles Bisson: I'll go back to my previous point that I just made. I'm prepared to sit here till the cows come home to write a report that's going to reflect what people had to say. People took the time to either write a submission and send it to this committee or took the time to come to this committee in order to present. There were thoughtful presentations made by a number of people. I want to know that, at the end of the day, the report we write is going to at least reflect what we heard. If the government decides to ignore that when it comes to the House as a vote when we report to the House, that's their choice.

1000

So I again want to ask the parliamentary assistant straight out: Is the government prepared not to introduce government motion number 1 and to allow this committee to write a report that actually reflects what we've said, yes or no?

The Chair (Mr. Pat Hoy): Our next order of business would be to work on the draft report and any comments

that might flow from that, and then we'll move to motions. So I'd like to move to the draft report.

Mr. Tim Hudak: Monsieur Bisson has some excellent points. I know that my colleagues Mr. Arnott and Mr. Barrett have talked about it too. We have, the PC caucus, taken the time to draft some amendments to Mr. Johnston's report. I'll move them in good faith and hope that the government members will at least agree to amend the report in accordance with what we heard at committee. Again, Chair, I fear that if the government members continue to shut down any real recommendations around the Ontario health premium—one wonders why anyone is wasting their time if Dalton McGuinty is bound and determined to make this a sham review.

Chair, I want to commend Mr. Johnston for his work in the report—a very capable civil servant; one of my favourites, as a matter of fact, through the Legislative Assembly. I do have some recommendations, however, to improve the report to reflect what we heard at committee.

I move that, after the second paragraph of the section entitled "Introduction," that the review of the Ontario health premium draft report be amended by adding the sentence, "Premier McGuinty prejudged the work of the Standing Committee on Finance and Economic Affairs by stating that the health premium would not change no matter what the committee recommended."

The Chair (Mr. Pat Hoy): Comment?

Mr. Tim Hudak: I think we've beaten this one down. It's pretty good. It's very clear that Premier McGuinty had no interest in listening to what the depositions had to say, no interest in listening what opposition members had to say, and no interest in listening to what government members had to say as he constructed this sham process of a review. I think that if we're making recommendations as a committee to the Legislature, we should darn well let the House know about that.

Mr. Wayne Arthurs: It would be my view that this motion is not significantly different from the one that we just dealt with, either "prejudiced" or "prejudged"—they're close both in spelling and probably in intent. I will not be supporting the motion as it has been presented to us.

Mr. Gilles Bisson: Mr. Hudak makes the point that people took the—this is what really bothers me with this whole process. The government introduced this tax some years ago. As part of the introduction of that tax, there was a clause within the bill that said that the committee at one point had to review it. The public took the time to come and say what they had to say about this particular tax. It was clear, and the report indicates that, to a degree. Everybody who came before us was opposed to the tax on a number of fronts. The biggest one is that it's a regressive tax: The lower the income you are, the bigger the percentage of it you pay as total income. Others argued that the tax didn't show measurable outcomes to the increase in health care services in Ontario. And basically everybody said, "Get rid of it." The closest that we got to keeping it was somebody—I think it was the

Windsor hospital—who said, “Make sure that it’s the employees who pay and not the employer, because of the collective agreement implications.” So clearly, at the end of the day, the public is opposed to this.

The PC caucus moves an amendment to the report that I think is accurate, and I read it again just so that we’re clear: “Premier McGuinty prejudged the work of the Standing Committee on Finance and Economic Affairs by stating that the health premium would not change no matter what the committee recommended.” I think that needs to be in the report to clearly reflect the situation that we find ourselves in, and I would support that motion. If the government is saying, “No, we’re not going to accept that,” that tells me that the fix is in; that the government, at the end of the day, has decided that it’s basically not going to listen to the public. I’ll have no part of that. That is not what democracy is all about.

Mr. Ted Arnott: I would encourage all members of the committee to support this, but I just had one question for the parliamentary assistant. I was wondering if he could explain to this committee how he would respond and how he thinks that the Premier’s comments did not prejudice the work of this committee. Exactly how does he think that the Premier’s comments did not prejudice the work of this committee?

Mr. Wayne Arthurs: Just very briefly, I think I said earlier that it’s my view that we hear any number of comments from any number of individuals in and outside of the Legislature, and those in the Legislature, on all sides of the House, with a great variety of opinion, are just that: They are opinion. Certainly, those are matters that all would take under consideration in making a determination on what changes you feel are necessary. I don’t think the Premier is exempt from having an opinion in that regard, as would be the interim leader or the House leader from the official opposition or the leader of the third party or others who would have an interest in this, including all members of the Legislature: front rows, back rows, backbenches, opposition. Those were the comments I made earlier in general, and I still stand by those.

The Chair (Mr. Pat Hoy): Further comment?

Mr. Tim Hudak: Recorded vote.

The Chair (Mr. Pat Hoy): A recorded vote has been requested.

Ayes

Barrett, Bisson, Hudak.

Nays

Aggelonitis, Albanese, Arthurs, Lalonde.

The Chair (Mr. Pat Hoy): The motion is lost.

We’ll move to PC amendment number 2.

Mr. Tim Hudak: At the beginning of the first paragraph in the section entitled “Legislative History,” I move that the Review of the Ontario Health Premium

Draft Report be amended by adding the following sentence:

“The Ontario health premium was a key broken promise of the McGuinty government.”

The Chair (Mr. Pat Hoy): Comment?

Mr. Tim Hudak: Obviously, I’m disappointed in the vote that just took place. I mean, it was a no-brainer. Clearly, Dalton McGuinty prejudged the findings of this committee by prejudging the outcome, by calling the committee work redundant. To my friend the parliamentary assistant, this wasn’t the guy working down at Avondale who said, “I don’t care what the committee says”; this was the Premier of the province of Ontario, who sits in cabinet, who heads cabinet, who basically said, “No matter what the committee says, I ain’t listening.”

Mr. Ted Arnott: The imperial Premier.

Mr. Tim Hudak: The imperial Premier, as my colleague from Wellington says.

The second motion, again, is a factual motion. This isn’t dressed up with partisan language. It certainly reflects what we heard at the committee, that the Ontario health premium was a key broken promise of the McGuinty government, and I think that if we are going to make an honest report to the Legislative Assembly despite Premier McGuinty’s attempt to shut us down, this sentence should be included.

M. Gilles Bisson: C’est clair, monsieur le Président, que le gouvernement, en opposition, quand ils se sont présentés aux élections de 1999, étaient très clairs dans les promesses qu’ils ont faites, spécialement M. McGuinty, qui avait une promesse qu’il n’était pas pour augmenter les taxes d’une année à l’autre. Cela nous rappelle un peu le président, M. Bush, qui a dit, « Read my lips. » Quand ça venait à son élection des années passées, le premier ministre de l’Ontario aujourd’hui, en ce temps-là le chef de l’opposition, a clairement dit qu’il n’était pas pour augmenter les taxes de la province de l’Ontario, et jusqu’à un certain point, un gros point, quand on regarde ce qui est arrivé, il a certainement brisé cette promesse. Il a non seulement augmenté les taxes, mais il a créé une nouvelle taxe qui était complètement opposée à la promesse qu’il a faite pendant les élections qui ont précédé son élection au premier terme comme gouvernement.

Clairement, ce qu’on voit, c’est que la motion qui a été mise en place par les membres de l’opposition fait du bon sens dans le sens qu’au moins, on a besoin de dire dans ce rapport que le gouvernement a brisé sa promesse. Je pense que c’est très raisonnable comme amendement, et moi-même, je vais supporter cet amendement de M. Hudak.

The Chair (Mr. Pat Hoy): Further comments?

Mr. Ted Arnott: I’d just like to add a few comments to this, because I can recall in the 1999 election when Dalton McGuinty, then Leader of the Opposition, signed the taxpayer protection pledge. Part of that pledge was a commitment not to raise taxes except if the government had a referendum and there was approval from the people for the tax increase.

Of course, the Liberals didn't win that election, but he continued on as leader, and in the 2003 election he signed the taxpayer protection pledge again, again pledging not to raise taxes unless there was a referendum in which the people who turned out at the referendum vote supported the specific tax increase that was being proposed.

1010

As we know, in the very first budget that the Liberals brought in once they formed the government, they brought in the largest tax increase in the history of the province of Ontario, including the Ontario health tax, or what they called at the time the "health premium." We also know that the money goes directly into the consolidated revenue fund. Even though the government would lead the people to believe that the money is going to health care, it is going into the consolidated revenue fund, upon which all of the government's programs are funded—in fairness, including health care, but there is no direct tie between the health tax money and health care. That fact has been established.

We also know that in the lead-up to the 2007 election, the Premier did a public mea culpa, where he said—I don't know if he used the words "I'm sorry," but I recall him saying publicly, "I hated having to break that promise." I believe he was making that statement hoping to draw whatever public response towards him before the election as opposed to having it during the election.

I would submit to you, Mr. Chair, that if the Premier were perhaps here today as a member of the committee, he might very well support this, because he's already publicly apologized, in essence, for the fact that he broke his promise. This motion is simply a statement of fact that this was a major broken promise of the McGuinty government, and I'm quite sure that if the Premier were here, as I said, on a good day, he might very well acknowledge the fact that he did break this promise. He's already done so publicly.

Mr. Wayne Arthurs: I'm quite satisfied with the draft report by Mr. Johnston in the context of the legislative history of the Ontario health premium. I want to thank him for that.

Let me just note, though, that this was key to keeping a promise to improve health care in the province of Ontario. It was necessary but key to keeping that promise. I won't be supporting the motion that we have before us.

Mr. Toby Barrett: Just to follow up on that: to break a promise to keep another promise—I think it's somewhat disingenuous that this is key to keeping a promise with respect to health care. This money goes into the consolidated revenue fund.

I think there's an opportunity here through this committee for all of us to perhaps get this burr out from under the government's saddle. This has been out before the public for five years now. Many, many people, certainly in my riding, do recall the then leader of the Liberal Party on television screens in people's living rooms saying that he would not raise taxes. He seemed to indicate that in the last election as well, that he would not be raising taxes. I just feel that all of us, when we run in elections

and go from door to door, do make commitments, and to have a significant commitment like this overturned reflects on all of us. I think it's an opportunity for the committee to maybe put this to rest.

Mr. Gilles Bisson: Well, I've got to say, I am a little bit surprised at the comments by the parliamentary assistant: "We broke our promise to keep a promise"? I've heard lots of explanations by way of what we hear at committee and what we hear in the Legislature, and that was a good one.

Listen, what's clear is that he took the pledge. Mr. McGuinty could have chosen, in the run-up to his first majority government, in that election, not to sign a pledge. He knew what the numbers were; he was a member of the Legislature, as some of us were at the time. He sat in committee, understood what the finances of the province were, and put in place a program or set of election promises based on the fiscal capacity of Ontario and its ability to pay for those services that he was promising within his platform. Certainly I was a part of a party, the New Democratic Party, that did the same, and we took quite an opposite tack. We said, "Public services are important—and yes, you've got to pay for them. If that means to say that you have to increase taxes to do so, sometimes, regrettably, that's it. But do you want health care paid for by the public taxpayer, or do you want to pay health care in the way that Americans do, out of their credit cards or their bank accounts?" Clearly, Ontarians and Canadians have chosen to have free access to public health care. So there are choices that we make.

My point is that there was a pledge out there, and the pledge was, "Do you promise not to raise any taxes?" and Mr. McGuinty said, "I signed the pledge and I won't raise any taxes," knowing full well what the fiscal capacity of Ontario was to keep his promise, should he form the government. He then broke that promise, and then the parliamentary assistant said, "Oh, well, he broke that promise in order to keep another promise to provide better service for health care." Well, we knew before the election that there was a huge fiscal gap in Ontario vis-à-vis the amount of money that the budget attributed to health care in this province. The previous government had reduced spending in some areas that had really constrained the ability to provide the kind of public services that the majority of Ontarians want.

So Mr. McGuinty made a clear promise. He said, "I won't raise taxes," like George Bush said, "Read my lips: I won't raise taxes." He got elected and he didn't only raise the tax; he created a brand new tax. Then he went into the next election saying, "That was the hardest thing I ever had to do. I wish I hadn't had to do it." Well, that's not good enough.

For the parliamentary assistant to say that they're not going to accept this particular amendment to the report, which clearly just says what historically took place vis-à-vis this tax—and all that the opposition is asking for is that we insert the following sentence in the section of the report to say that the Ontario health premium was a key broken promise of the McGuinty government. There are

the facts, as they say in good English. That is what people said when they came before this committee, so for us not to adopt that, I think, is a disservice to the people who came before us.

The last point I'll make: Again, I've learned through experience that a politician's word is probably more important than anything else. I was a member of the government under Bob Rae, who did a lot of things that I'm very proud of. But I'll tell you, one of the things that hurt us then in 1995, and we suffered for it for a long time, were some broken promises. Mr. Rae had said he was not going to introduce Sunday shopping, and then he introduced Sunday shopping; it was a broken promise. Those were the types of actions that I think led to the demise and the fall of the Rae government in 1995.

The public says, "We're prepared to forgive governments for some of their wrongdoings, but don't break the pledge." That's what the Premier did in this particular case.

Again I say, I'm proud of much of what we did when we were in government, but clearly those broken promises haunted us and haunt us till today. If I've learned anything in politics over 19 years, it's that you've got to keep your word.

This report has to reflect what actually happened legislatively and by way of history.

The Chair (Mr. Pat Hoy): Further comment? Mr. Hudak.

Mr. Tim Hudak: Frankly, this is a fact: The Ontario health premium was a key broken promise of the McGuinty government. The Liberal members may as well deny that gravity exists, they may as well say that the world is flat, so as not to disappoint or offend Dalton McGuinty. Clearly, it's a fact; clearly, it's what we heard at committee; and clearly, it should be included in our report.

Mr. Wayne Arthurs: As I said earlier, I'm satisfied with the report in the context of legislative history, as prepared by Mr. Johnston. I probably should have quoted from, rather than paraphrased, the report in the context of Minister Sorbara, minister of the day, in his budget speech of May 18, 2004. I can read the whole thing, but I'll just read part of it.

"But in the context of the deficit, to keep our promise to improve health care, to serve a growing and aging population, when wait times are too long and the pressure on public health is greater than ever, it is the right thing to do. It's the fairest way to fund the necessary investments we need."

I probably should have referenced, rather than paraphrased, the direct quote. I think the legislative history is accurate. That's not the entirety of the minister's speech, obviously, but it speaks to the matters of the legislative history that reflect on the deficit and the need to keep a promise for improved health care.

Mr. Gilles Bisson: Again, to the parliamentary assistant, that's not the facts, as we heard from the submissions of this committee. People who came before this committee said that they don't find any evidence that health

care services have improved, by way of shorter wait lists or better services, because of the imposition of this health tax. People are saying, "Government generates revenue by way of all forms of other taxes, and if there's any improvement, most of it is through that." The tax that was raised in this year went into general revenue, and there's no way of measuring whether the money collected by the health tax actually goes to the health system. It goes to general revenue, so it could end up at training, colleges and universities as well as it could end up at the Ministry of Northern Development and Mines. So for the parliamentary assistant to say that the motion that has been put forward by the opposition that states the historical fact of what happened, which is that the government, through Mr. McGuinty—at that time, the leader of the official opposition—took the pledge and said, "I will not raise taxes," and then got elected and raised taxes, and broke that pledge and broke that promise—not to put that into the report, I think, does not reflect the actual true history of what happened.

1020

The Chair (Mr. Pat Hoy): Thank you. Further comment?

Mr. Tim Hudak: Recorded vote, Chair.

Ayes

Barrett, Bisson, Hudak.

Nays

Aggelonitis, Albanese, Arthurs, Lalonde.

The Chair (Mr. Pat Hoy): The motion is lost.

Interjections.

The Chair (Mr. Pat Hoy): Order, please, particularly during a recorded vote.

Now we'll move to the third PC amendment to the draft report. Mr. Hudak.

Mr. Tim Hudak: I move that the Review of the Ontario Health Premium Draft Report be amended by striking out the words "a potential impediment to the introduction of the proposed health premium" in the section entitled "Bill 83, the Budget Measures Act, 2004" and replacing them with "a legislative requirement to hold a referendum to get taxpayers' approval for the Ontario health premium."

The Chair (Mr. Pat Hoy): Comments?

Mr. Tim Hudak: Thank you, Chair. Again, this is something that is a fact, like the broken promise, like gravity, like the world being round. The fact of the matter is that the Liberal government, when they chose to bring in the Ontario health premium, were required, under the Taxpayer Protection Act, to hold a province-wide referendum. This would have been an opportunity to go to the people, to make their case, to say, "We have this health premium. We promise we'll put into health care," and have an up or down vote, aye or nay, a yes or no, and then, if they won the vote, they could have proceeded.

In another broken promise, and in a very cynical move, the McGuinty government instead decided to amend the Taxpayer Protection Act to remove the requirement for a province-wide referendum for a tax increase. Again, there's no fluff language. There's no partisan language in this; I am simply stating a fact, that the committee heard a fact of history that the Liberal government removed the requirement to hold a referendum on the Ontario health premium.

Mr. Gilles Bisson: I first have a question to the mover of the motion, Mr. Hudak. Was that a submission made to this committee, to have a referendum? I didn't see that in the actual submission.

Mr. Tim Hudak: My recollection was that the Canadian Taxpayers Federation had talked about this point, that it violated the Taxpayer Protection Act. You can correct me if I'm wrong, but that was my recollection. Again, I think we'll remember from our time in the Legislature that if a government of the day was bringing in a tax increase or a new tax that they had not campaigned upon, under the Taxpayer Protection Act they would be required to hold a province-wide referendum. My colleagues will probably also remember that Premier McGuinty did sign a pledge to uphold that Taxpayer Protection Act before the election of 2003.

Mr. Gilles Bisson: Then a question to Mr. Johnston, our legislative researcher: Was this is an actual recommendation from the federation in their submission, that a referendum be held—this particular notion?

Mr. Larry Johnston: No. This is just part of the legislative history, in terms of how the health premium came to be.

Mr. Gilles Bisson: I just want to be clear on something: The taxpayers' federation did not come before this committee and say, "We want a referendum"; they didn't allude to needing a referendum, Mr. Johnston?

Mr. Larry Johnston: Not from my reading of the taxpayers' submission.

Mr. Gilles Bisson: Okay. That's what I thought.

Mr. Tim Hudak: Chair, to be clear, it was not a recommendation of the CTF, but this is a point that the CTF has consistently made, that there should have been a referendum at the time. They're not calling for a new referendum, but there should have been a referendum at the time to allow the OHP. I think that when we're discussing legislative history, it's important to record that fact, that the government changed the Taxpayer Protection Act essentially to remove the requirement for a referendum.

Mr. Gilles Bisson: Well—

The Chair (Mr. Pat Hoy): I have Mr. Arnott.

Mr. Gilles Bisson: Okay.

Mr. Ted Arnott: Mr. Chairman, just for the benefit of the committee: My recollection is, with some degree of certainty, that the Canadian Taxpayers Federation has consistently called for a referendum on any tax increases going back at least 13 years—going back to 1995. I also know with certainty that Dalton McGuinty signed the taxpayer protection pledge in 1999 in the lead-up to the election. He also signed it in 2003. In both cases, the

pledge included a commitment not to raise taxes unless there was a referendum that was supported by the people for the specific tax increase that was proposed.

Mr. Wayne Arthurs: I'm satisfied with the language as drafted by Mr. Johnston in the draft report as presented, and thus won't be supporting the amendment.

Mr. Gilles Bisson: This is where I guess the two opposition parties will have to disagree. I'm of the view that this report has to reflect what was said. I understand that the taxpayers' federation has that position, and I understand that the PC caucus favours referendums in these types of circumstances, and that's fair; that's what democracy is all about. But it's not, as I understand, what the taxpayers' federation told us, and so therefore I don't think that we should insert that notion in the report.

Second of all, I want to say clearly that as a New Democrat I do not support the idea of having referendums on tax initiatives. We had that experience and we saw what happened in the United States: A very powerful nation, a very compassionate and caring nation, a very great nation, at times handcuffs itself in its ability to do what's right by way of its citizens because of referendums. In some states, anybody, depending on where you live, can insert fairly easily in a general election for their Congress a referendum calling on the abolition of a tax or calling on the abolition of a program. People get whipped up, make themselves a decision, and at the end of the day, to quote the words of somebody—and I forget who said this—"Sometimes we need to protect ourselves from the tyranny of the majority."

Clearly, Canada has chosen a very different route in the way that we govern ourselves. We say that we will elect federal and provincial Parliaments that are made up of representatives of the ridings from which they come from, either he or she, and we trust that they will make the right decisions for a period of four years. If people, at the end, don't like what you've done as an individual representative, or they don't like what you've done as a government or a political party, you will be punished in the election, and you will not be elected. That is the process we have.

We have to admit that Canada and the provinces have done well under the British parliamentary system. We have a very progressive system of social programs in this country and in this province. Why? Because the parliamentary process allows it to happen. If we would have had referendums on initiatives such as this, Tommy Douglas would have never got health care in Saskatchewan for the first time, and the federal government probably wouldn't have gotten a flag, our own flag, back in the 1960s. Some of us are old enough to remember the flag flap that ensued in the mid-1960s when trying to choose a national flag, with people in this country whipped up to no degree, I remember as a young boy, on the fact of having our own flag. I remember back then saying, "Hey, we're Canada. Why shouldn't we have our own flag?" But if it would have gone to a referendum, I beg to think that we would still be flying the Union Jack over Canada. And I would argue that Steven Truscott would have gone to the gallows.

I'm making this a very strong point, but you need to trust that Parliaments will moderate what needs to be done between the will of the majority, yes, the public that we represent, and the reality of where we find ourselves. I am very strongly opposed to having referendums on initiatives such as a health tax as a way of allowing or not allowing a government to do what's right. I don't agree that this government should have done what they did and in the way they did it. I'd much rather see the revenue for health care to come through general revenue.

We were the party, if you remember back in the early 1990s, that got rid of the employer health tax. The former Liberal government under Mr. Peterson had introduced the employer health tax, somewhat similar to what Mr. McGuinty did, except it was the employer that paid as a way of raising money for health care. We thought as a party then, and we think as a party now, that that was not a progressive way of doing things. It was a burden on the private sector, and that what we needed to do as all citizens, corporate and individual, was share the responsibility for paying for public health care. So we said as a government, "Remove the employer health tax and put it into general revenue through regular taxation." And the government in this case—Mr. McGuinty—some years later, decides to return to that concept by making a tax on health care directly payable by the taxpayers of Ontario. Again, my position then, as a New Democrat, was that the way you pay for public services is by having a fair system of taxation that is reflected in the amount of income that you make, and that the lower-income classes shouldn't have to pay a larger burden of the freight, as is the case with this particular tax. So I will vote against this motion on the basis that I think referendums on taxations are a very dangerous place to go.

Mr. Tim Hudak: I don't want to divert debate into the merits of referenda or not. I appreciate Mr. Bisson's points; he's made those in the Legislature and I respect the different point of view. But the reason I brought this forward was to reflect an important aspect of legislative history, long held as well by the CTF, which was before this committee, that the Taxpayer Protection Act had been amended to avoid a referendum, whether you agree with the referendum or not, but that was a fact of history.

I don't need to debate this point any further. I just wanted to make sure I was clear as to where this motion came from.

1030

Mr. Gilles Bisson: Recorded vote.

Mr. Tim Hudak: Recorded vote, please.

Ayes

Barrett, Hudak.

Nays

Aggelonitis, Albanese, Arthurs, Bisson, Lalonde.

The Chair (Mr. Pat Hoy): The motion is lost. Now we'll move to the fourth PC amendment.

Mr. Tim Hudak: After the first paragraph of the section entitled, "The Ontario Health Premium Structure," I move that the Review of the Ontario Health Premium Draft Report be amended by adding the sentence, "The Ontario health premium is regressive in nature."

The Chair (Mr. Pat Hoy): Comment?

Mr. Tim Hudak: We heard this from a number of groups. I don't think this is even debatable. The so-called health tax by its nature charges a higher proportion of income for those impacted at the lowest income scale, while those at the highest levels of income pay a much smaller proportion of their income in the form of the Ontario health premium. By definition, that means it's a regressive tax. It reflects what we heard at committee, and I think that if we are going to give an even somewhat honest review of what happened at committee, this sentence should be included in the draft report.

Mr. Gilles Bisson: I want to say in the strongest of terms that I support this as a New Democrat. It's similar to a motion that we've put that basically gets you to the same place.

What's clear is that what people said as they came before this committee is that the way that the tax is collected is patently unfair. The more money you make, the less percentage of income you pay by way of the tax. For example, if you make \$200,000 per year—the numbers are inside the submissions here—you would pay a far smaller percentage of your income towards the health tax versus a person who makes, let's say, \$26,000 per year. That's the problem with this particular health tax: As with our tax system, it's not as fair as it needs to be.

We have seen over the last 60 years now a move from the working class paying—let me rephrase that. About 60 years ago, or about that time, about 60% to 70% of taxes were paid by people with higher incomes and by businesses and industry. What we have seen is a complete shift of that, where the working class is now paying the majority of the freight. We pay taxes by way of everything, from income tax to property tax to sales tax and other taxes that I can't think of. The basic problem we have is, the lower the income you make, the larger the burden is on you, as a percentage of your income, to pay it.

I don't mind; I make \$130,000-some-odd a year, along with other members here. I don't mind having to pay more taxes than the person who makes \$40,000 or \$50,000 a year because I can afford to do so. It's my contribution to society to say, "If I believe that we should have public services, whatever those public services are, and they're essential, it is my responsibility as a person who can afford it to do so"—I'm not saying to tax me to the point that I can't afford to live; that's not what we're arguing here. But clearly, we need to adjust our taxation system to reflect the ability to pay.

That's one of the things that quite frankly has always upset me and other people, and I think that cuts across party lines. I think most of us will agree that our system of taxation is very regressive and basically penalizes people at the lower income scale. If you're working class,

making between \$30,000 and \$60,000 a year, you're paying a larger share of the freight as a percentage of your income than somebody making \$100,000 to \$200,000. Patently, that's unfair.

If you look at corporate taxes, it's even worse. Again, it's not that I say as a New Democrat, "Let's tax the rich"; that isn't the point I'm making here. But clearly we've seen moves on the part of provincial and federal governments to remove taxes and reduce taxes to some of the business sector that don't make any sense. For example, the federal government, under Mr. Harper, has given tax reductions to the oil industry. My God, those people don't need help, but I can tell and you can tell of a whole bunch of people in our constituencies who do need help. Maybe if you're going to do an adjustment to the tax system, you'll do the adjustment for those people who need it the most and those industries that need the most help: for example, auto manufacturing, forestry etc.—in a deep crisis. If you're going to do something to assist an industry, at least have some rhyme or reason to it when it comes to being able to help your economy. I don't think the oil industry, quite frankly, needs that.

My point is, this tax is regressive and this particular motion reflects quite clearly what was said in the submissions. I support it.

Mr. Wayne Arthurs: During the committee hearings, the committee asked the research officer to provide a breakdown of the Ontario health premium payments by income group. So I'm going to argue from a slightly different perspective: that although a tax may not always be on a dollar-for-dollar basis, income groups are paying an exactly proportionate amount. I'm going to use the research that he's done for us to make the point that, of the taxpayers who are in the province of Ontario—and I'll use round numbers if I can, only because if I try to break it down into details, it wouldn't be appropriate anyway—approximately one third, as I read it, don't pay any health premium at all; approximately a third pay in the range of \$300 per year; and approximately a third pay between \$450 and the maximum amount of \$900 a year. It would appear that there's a fairly equal distribution on a broad population basis, based on income groupings, as opposed to individual specific dollars, that says that a third of the population, by virtue of income, is not paying the tax; about a third of the population is paying an amount up to one third of the tax; and about a third of the population is paying the balance of the dollars, ranging from half to the full amount of the tax. So I think it's balanced. It doesn't necessarily reflect, on a dollar-for-dollar basis, that you're paying a tax based specifically on the amount of dollars you make, compared to the amount someone else makes—but in the much broader sense that it's balanced across the broader population, with about a third not paying at all, about a third paying up to one third of the amount, and about a third paying the balance, between half and the full amount. So, from a broad provincial perspective, I don't think it's regressive in that way; I think it's fairly distributed.

Mr. Toby Barrett: I don't know to what extent it is balanced when a third of the population are not paying

the tax. I'm not sure how many of those people are paying any tax at all, for that matter. Maybe that's in the report from our research officer. Actually, in this report we do see that people with incomes between \$20,000 and \$25,000 a year, which really isn't an awful lot of money in this day and age, are paying this tax. They're paying \$300 a year at a rate of 6% of their taxable income if they're making more than \$20,000 a year, which I would think would be just above the level of somebody on social assistance.

Mr. Tim Hudak: With respect to my colleague the parliamentary assistant, it's almost like we're hearing from a charter member of the Flat Earth Society over there. I've never heard a single individual argue that the health premium is not regressive. By definition, if a low-income individual pays a higher proportion of her taxes than somebody at the highest end of the scale of her income, then by definition that's a regressive tax. We certainly heard that from deputations, and I've never heard anyone argue to the contrary.

Again, if we're going to try to reflect what we heard in committee on a factual basis, then clearly the report should say that the Ontario health premium is regressive in nature.

Mr. Gilles Bisson: Again, I don't know what committee hearings the parliamentary assistant went to. I was not here for the actual hearings, but I've read through the submissions, I've talked to Mr. Tabuns, I've read the report that was written by our legislative research officer, Mr. Johnston. Where does the parliamentary assistant get off in making that comment? Nobody has said that this tax is progressive. It's a tax and it's regressive. That's basically what people have been saying.

There were various submissions that, if they didn't call for an abolition of the tax, at the very least have said, "We want to change the way the tax is applied." So I think for Mr. Arthurs to say what he said just flies in the face of reality.

I say again that our responsibility in this committee is to accurately reflect what the public told us, not to editorialize what they've said to us so that it's flattering for the government and the government can hide behind a report that they think might absolve them from having broken that promise.

1040

Mr. Tim Hudak: Let me get this on the record as well. If you work through the numbers—and I appreciate that Mr. Johnston has put in the OHIP rate structure on page 4 of his draft report. Let me give you an example: A person with a taxable income of \$25,000 has to pay 1.2% of her income for the health tax; a person earning \$72,000, a much-better-off person than the original, pays just over 1% of his income in the form of the health tax; a person earning \$200,000 pays 0.45%; and a millionaire, somebody with a \$1-million income, would only pay 0.09% in the form of the health tax. So if the millionaire pays less than one tenth of 1% of income in the form of the health tax and a low-income working single mother is paying 1.2% of her income, clearly, by definition, this is

a regressive tax; clearly, by definition, it is one that goes after low-income working families and seniors the hardest.

I don't see how anybody could disagree with the statement that the Ontario health premium is regressive in nature, given those facts.

Mr. Gilles Bisson: Again, not to extend the debate more than it needs, but I agree entirely with what Mr. Hudak has put forward. I was trying to find in this flurry of papers I have in front of me those particular numbers. That's exactly what we've heard from the public: The more money you make, the lower the percentage of your income you pay towards this particular tax. Clearly that's unfair. If we look, for example, at what a progressive and a regressive tax are, we certainly cannot measure this as a progressive tax. The more money you make, the smaller percentage you pay of your overall income.

It seems to me that one of the challenges we have in this process is not only to reflect accurately what we have seen by way of submissions in this particular committee but to accurately reflect what was said. Clearly this particular amendment to the motion does that, and I would support that motion.

The Chair (Mr. Pat Hoy): Further comment?

Mr. Tim Hudak: Recorded vote.

Ayes

Barrett, Bisson, Hudak.

Nays

Aggelonitis, Albanese, Arthurs, Lalonde.

The Chair (Mr. Pat Hoy): The motion is lost.

Now we'll move to PC amendment number 5.

Mr. Tim Hudak: After the first sentence of the third paragraph in the section entitled, "The Ontario Health Premium Structure," I move that the Review of the Ontario Health Premium Draft Report be amended by adding the sentence, "During the public hearings of the health tax review, not a single deputation or written submission endorsed the OHP in its present form."

The Chair (Mr. Pat Hoy): Comment?

Mr. Tim Hudak: As I said, I think that—

Interjection.

Mr. Tim Hudak: It is pretty clear that the committee should reflect—not even ideally; it should reflect automatically—what it heard during its deputations, if we're going to make any kind of report worth its salt to the Legislature as a whole. We had some folks who called for the abolition of the tax quickly; we had some who called for its abolition in a phased-in process. We had others who had mentioned—the Association of Iroquois and Allied Indians, for example, in a written submission, said that it should not apply to First Nations individuals. We had a submission from a military individual calling for it to be removed from the military. We've had seniors who have called for its removal from seniors, or in cases

of income-splitting. The United Steelworkers proposed an alternative form of taxation. We had a wide array of suggestions to either eliminate or substantially change the health tax. But not one deputation, in presentation or in written form, endorsed the OHP as it is. Therefore, I think it is our duty to report back to the Legislature the fact that not a single deputation or written submission endorsed the OHP in its present form.

M. Gilles Bisson: Clairement, cet amendement qui est soumis par l'opposition est clair et complètement en ligne avec ce que le public nous a dit à travers leurs soumissions. Il n'y a pas une personne qui est venue devant ce comité pour dire, « On est d'accord avec la taxe. » Ne pas dire ça dans un rapport, je pense, manque un peu—pas seulement un peu, mais grandement—le point. Donc, je pense que c'est nécessaire de mettre ces commentaires dans le rapport.

Je veux dire encore au gouvernement que c'est important de s'assurer que l'ouvrage qu'on fait sur ce comité reflète ce qu'on a vu et entendu des soumissions écrites et des soumissions qui ont été mises à ce comité en personne. Peut-être qu'on est d'accord, peut-être qu'on n'est pas d'accord avec ce que le public nous a dit : c'est possible. Je comprends qu'on a tous des opinions, et ces opinions-là sont complètement les nôtres. C'est pour ça qu'on est ici comme députés : c'est pour nous assurer qu'on amène ces opinions, nos points de vue, dans les débats. Mais c'est notre responsabilité dans ce comité, étant donné la manière dont ce comité a été mis en place, d'au moins refléter dans le rapport ce que le public a dit. Le public était très clair; il n'y a personne qui est venue devant ce comité ou qui a écrit à ce comité qui a dit, « On est en faveur de cette taxe. » La motion qui est mise en avant par l'opposition reflète complètement ce qu'on a entendu du public devant ce comité. Ne pas l'accepter, je pense, nous dit que le gouvernement essaie de changer un peu ce que le public nous a dit. Donc, je pense que c'est important qu'on l'accepte et je vais supporter cet amendement.

The Chair (Mr. Pat Hoy): Further comment?

Mr. Wayne Arthurs: I want to draw to the committee's attention the table of contents of the draft report. You will have noted already, I am sure, that within the table of contents is a list of witnesses and their submissions as a part of the researcher's draft report.

Those who are reading the outcome of this committee's work and/or taking any further activity around this will certainly have the opportunity in that context to read both those who were witnesses and the submissions that were made by those folks. It would be my view that this particular motion doesn't add any value to the report in the context of those who can read those and make their own determinations on the extent to which folks either support or don't support whatever elements or form that the Ontario health tax takes. Clearly, all of the information is available for someone to make those determinations on, and I don't believe this particular amendment adds any value to the report itself. Thus, I won't be supporting it.

Mr. Gilles Bisson: Again, the parliamentary assistant—I have great respect for him. The member Mr. Arthurs is a good representative and tries to do his job. But, man, you're really trying to do the job for Dalton McGuinty here today; you're not doing the job for yourself as a representative. I'm sorry; that may be a little bit harsh, and you might be a little bit mad at my saying so, but to say, "You know what? We're giving the summations of what people said in the report and it's for them to go and read the report to find what they had to say, but we can't say in the report that everybody was opposed"—excuse me: That's the fact of what we have heard.

Again, I understand the process and you understand the process on the government side. We are going to draft a report. That report will then be basically reported to the House and the House will vote either to accept or to reject that report. Then, if it's accepted, the government will have to reflect on the contents of the report and decide what it's going to do. If it's rejected, well, then, it dies there.

That's the point at which the government pronounces its view of what it wants to do, not in the process of drafting the report. If the government—and we already know Mr. McGuinty has decided that he's not going to listen to what this committee has to say, and it's all-guns-blazing on going ahead, "because that's what I've decided." That's one thing. But the report at least has to reflect what the public has said. Clearly, what the public said by way of written submission and by way of oral submission to this committee is that they are opposed to this tax. Not a single deputation said otherwise. So for us to somehow say, "We're going to sugar-coat this by saying, 'Oh, well, go read it in the report. Everybody's comments are in there somewhere and we can't put it in the text of the report,'" I think flies in the face of what this committee heard and is a disservice to the people who came here to submit to us.

Mr. Toby Barrett: Just to follow up on Mr. Bisson's comments, we know there is a list of witnesses and we have the Hansard transcript and, of course, we encourage people to read that and decide for themselves. However, we around this table are going to be voting in another minute or so on this motion. I'm voting on behalf of the 100,000 people I represent and on behalf of the official opposition. The people who may take your advice and go read the submission are not going to get a vote one minute from now. The fact remains that Mr. Hudak read in a motion, and not a single deputation or any of that written testimony endorsed the Ontario health premium in its present form. In fact, a number of the people who approached the witness table—I listened to all the testimony, I have read all of their written submissions, and a number of them call for the elimination of this tax. Perhaps Mr. Hudak has a motion that isn't as hard-hitting. I think of the Canadian Taxpayers Federation. Kevin Gaudet sat here and advocated that we eliminate the health tax. He indicated that people in Ontario have the second-highest personal tax burden in Canada; it sits

at 44.2%. This a regressive tax. It's a burden on lower-income people that is unacceptable. We know that Alberta eliminated their health tax. That leaves only Ontario and the province of British Columbia that have a so-called health tax.

1050

Mr. Tim Hudak: This just adds another point to the long list of farcical responses by the McGuinty government on the health tax review, beginning with Dalton McGuinty saying that this committee's purposes are redundant, that no matter what the committee recommends, he's not changing anything, to hear the parliamentary assistant, for whom I have great respect, basically tell people to read the fine print.

This committee obviously, if Liberal members have their say in the votes, is going to vote that everything's hunky-dory and to stay the course, despite the fact that not a single deputation said anything of the kind. His response is, "Well, you know, people reading Hansard can look in the fine print and access all of these websites and see for themselves that people actually didn't say what the committee report is saying." I guess I'm old-fashioned, Chair. I think the committee report should actually reflect what the committee heard, and our report should include the simple, factual sentence that not a single deputation or written submission endorsed the OHP in its present form.

Mr. Gilles Bisson: Well, Mr. Hudak, you may not be old, but you are fashionable; I will give you that.

I just want to say to committee members, and specifically to the members on the government side, that all of us here have sat in government. There is not a member of this committee who has not sat in government. We all understand that we're elected to represent—we represent a political party, and that's fair. We all have a particular point of view, based on the programs that we put in place in our platforms. When we run, we have a set of core ideological beliefs that we bring to votes that we have in this House. But what I think the voters, the people of the province, want us to do—they accept that on the big issues, yes, we're going to use our political beliefs as party members to vote on an issue one way or another. That's one thing. But I think in committee work like this, it's up to the individual members to do their jobs. I sit here, and yes, I'm a New Democrat and a proud New Democrat, but I often come into committee and I'm not going to vote on the basis of something because the party says, "Do A, B or C." I've got to do what I think is right.

For example, you know that on the particular issue of endangered species, my party supported that bill. I came into this House and I spoke against it. I came into this committee and I tried to get amendments in order to do what needed to be done and I tried to represent my constituency. I failed in that; the government majority, at the end of the day, passed the bill in its form. Again, I support the intent of the bill, but I think the application and the way that it was written made it very difficult, in some of the industries in the area that I represent, to achieve those aims.

The point that I make to you is this: Yes, you might be members of the Liberal Party and the Liberal caucus, but don't come into this committee basically with your marching orders from the Premier or the party as the only way to judge what the final outcome of what you do in this committee is. You need to do what you think is right as members. And if, at the end of the day, you say, as a member, "I think that everybody who came before this committee was in agreement with us," and you believe that, well, let the voter judge that three years and some months from now. But clearly, you have a responsibility as a member of this committee and as a member representing a constituency to do what's right, and what's right here is that the public came before this committee and not a single person said that they wanted to keep this tax.

This amendment clearly says that. At the end of the day, if the Liberal Party decides that it doesn't want to go down that path because of their own beliefs—they want to keep that tax in place—you'll get your chance in the House to vote as a Liberal. But, God, in this committee, at the very least, use your rights as individual members to do what's right.

That's one of the problems of this assembly—and I just want to end on that point. The assembly in the 19 years that I've been here, and the committee work that we've done, has become much more party-driven, especially on the government side. I've seen it in the time that I was in government with Mr. Rae, I've certainly seen it under Mr. Harris and Mr. Eves, and we're now seeing it under Mr. McGuinty. Too much of what government members do is controlled by the Premier's office, and that, I think, is a real danger. All of us recognize it. I think that Mr. Barrett and Mr. Hudak will agree with me. They were put in terrible positions when they were in government, as I was under Mr. Rae, to come in and do things that, quite frankly, may not have been for the best of our constituencies. I learned that about two years into my mandate as a government member—one of the reasons that I didn't end up in cabinet. I decided to represent my constituency, because I believed, at the end of the day, in the old saying: "You always dance with the one that brought you." That's what your responsibility here is today. So I ask you to support this amendment on that basis.

The Chair (Mr. Pat Hoy): Further comment?

Mr. Tim Hudak: Recorded vote.

Ayes

Barrett, Bisson, Hudak.

Nays

Aggelonitis, Albanese, Arthurs, Lalonde.

The Chair (Mr. Pat Hoy): The motion is lost.

We'll move to PC amendment number 6. Mr. Hudak.

Mr. Tim Hudak: In the first sentence of the section entitled "Revenue," I move that the Review of the On-

tario Health Premium Draft Report be amended by adding this sentence:

"The funds generated by the Ontario health premium flow directly into the consolidated revenue fund, not to the Ministry of Health."

The Chair (Mr. Pat Hoy): Comment?

Mr. Tim Hudak: Again, it's a factual statement. It should be non-controversial. It's not dressed up with any kind of partisan language. The committee has learned and heard from deputations as well that the revenue flows into the treasury; the technical term is the "consolidated revenue fund." The government has put out the spin that it goes to the Ministry of Health. I think we should note in our report the facts and what we heard from deputations, that the funds from the OHP actually flow into the consolidated revenue fund directly, not to the Ministry of Health.

Mr. Wayne Arthurs: Can I just draw the committee's attention to the report, under "Collection" at the bottom of page 5 and the top of page 6. I'll start right at the very bottom of page 5, where it says "OHP." If I can, for the record, as presented by the researcher: "OHP revenue, net administration fees charged by the government of Canada, is deposited into the province's consolidated revenue fund."

I'd suggest that the motion is redundant because it's already clearly stated where the resource goes. It goes to the consolidated revenue fund, and the researcher has accurately reflected that.

Mr. Gilles Bisson: Wow, Mr. Arthurs, you're good, I've got to say. That's not what the researcher said, but it's a pretty good attempt. What this amendment basically says is that the government is trying to make it look like the collection of the health tax is a tax that is dedicated and goes directly to the Ministry of Health. What this amendment speaks to is that in fact the money goes to general revenue, and the money collected by the health tax doesn't necessarily—there's no way of addressing where that money goes once it goes into general revenue. If you collect \$2 billion on the health tax, some of that may have gone to the Ministry of Northern Development and Mines or the Ministry of Transportation—God knows where it went—because it went to general revenue. The government is trying to make it look like the health tax is a hypothecated tax that goes directly to the Ministry of Health, and that's not the case.

This amendment clearly says, "The funds generated by the Ontario health premium flow directly into the consolidated revenue fund"—that part of the sentence reflects accurately what happens—and not to the Ministry of Health, in order to make clear that what people said when they came before this committee was, "Don't try to tell us this is a hypothecated tax. Don't try to tell us that this tax is directed directly to the Ministry of Health, because that's not where it goes. It goes to the consolidated revenue fund and no where else."

Mr. Toby Barrett: Just to follow up, this motion concludes by saying that these funds do not go directly to the Ministry of Health. As Mr. Hudak has pointed out,

this is a factual statement. As much as Mr. Hudak has indicated, the earth is round. That's a fact. We know that elephants are large, we know that bunny rabbits are fluffy and we know that this is also a fact. It's laid out. I think the parliamentary assistant is concurring with us.

1100

I do know that the Canadian Taxpayers Federation made it very clear in their testimony that calling a tax a premium is an effort to fool Ontarians into believing they're paying for health care, whereas the premium goes into general revenue and is merely a tax grab to fund other pet projects. We heard much of that in other deputations as well.

This is our final amendment. I suspect that the government will vote this one down as well, and I'm not sure how much longer I can participate in this kind of a process.

Mr. Wayne Arthurs: I've had the opportunity to be here for roughly five years now. Mr. Bisson made the point that each of us around this table has served in government during our tenure. I've had the opportunity, as well, to serve municipally. We should all understand, and I know we do, that it's one of the fundamental tenets of tax collection that the monies flow into a generalized fund and then are distributed accordingly, on the basis of need, to those functions that need those monies.

In this case, money flows to the consolidated revenue fund. It's quite clear. Money flows to the Ministry of Health to undertake health initiatives. If one looks at the expenditures that have been made in health care, it's clear that the dollars that are flowing in from the Ontario health premium to the consolidated revenue fund—it may not be the same nickel; they do have to go in and out of the bank and we probably get a different bank note when it comes back again. But that quantum of dollars clearly continues to be used for the purposes of funding health care here in the province of Ontario at a magnitude that has not been seen in the past.

When we had one of our deputants here, or I guess, on the line at that point, the Windsor Regional Hospital, we asked the question of them whether the health tax focused people's attention on the expenditures that are being made in health, and some focus of attention on whether or not they are seeing, as a health provider or their client base, changes in the way that health is being administered and advances and improvements that are being made. He concurred that the focus of having a health tax has provided a venue that has challenged the professionals to do things differently, to do things better; to allow for investments to occur and to allow the public, their clients, health care; to be able to assess whether or not they feel they are getting better, improved service; and to provide the necessary critique on how that might yet be improved further on a go-forward basis.

So I think all of us around here understand that monies that flow into the province don't flow into dedicated funds for the Ministry of Transportation for roads or the Ministry of Natural Resources for provincial parks but flow generally to the consolidated revenue fund and then

are distributed based on need. In this case, the value of the Ontario health premium is flowing to those very crucial health needs in the province of Ontario, whether they be operational or capital needs.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Gilles Bisson: All the opposition is asking for is to put a comment in the revenue section of the report on page five that clearly says that the money is going to the consolidated general revenue fund and not to the Ministry of Health. Why? One, because that's what we heard from the submissions that came before us—people basically spoke to that point; and two, because the government is trying to make it look as if this particular tax is a hypothecated tax. It's not, pure and simple.

The other thing is that the government—and we just heard from the parliamentary assistant who said, as did the representatives from the hospital of Windsor, that this tax has led to their being able to measure improvements in the health care system. First of all, I want to say up front that we are very, very unfortunate in Ontario and in Canada to have a public health care system. I, as a New Democrat, and you, as Liberals—and Conservatives even, for God's sakes—are not going to attack public health care. But let's not sugar-coat this. There are problems in our public health care system. All of you get the phone calls, because I certainly get them in my constituency—somebody goes to the emergency ward and has to wait extremely long periods of time in order to be seen by a doctor. Why? Because we've not made the types of investments we need to in the community to divert people from emergency wards to health clinics or other facilities that would be able to deal with some of the more run-of-the-mill type of medical services that are needed by people. Instead, in some cases they have no choice and have to go to the hospital emergency ward. We understand that it's a triage system, so the person who comes in with a heart attack is certainly going to get ahead of the person who's in there with a child with a fever. We all here—I had to wait four, five, six hours in emergency for my child to be seen, and there is not an impression on the part of the public out there that this health tax has lessened the time in the waiting room. In fact, the wait times in many cases have gone up. You might be able to measure it in a few hospitals where they went down because of population shifts etc.

Interruption.

Mr. Gilles Bisson: That's not my phone, just for the record; I turned my off.

But clearly that was not the case.

The other calls that we get are hip and knee surgeries. The wait times to get hip and knee surgeries are pretty long and extended, and people have to put up with pretty excruciating pain waiting to get knee surgery. I believe, as a New Democrat, again, this might be part of the plan. If you can show that the system is failing in a measurable way and you can underfund it—and I think that was part of what the Conservatives were up to, certainly federally, and, I would argue, under Mike Harris—it makes the argument that maybe there is a large and increased role

for the private sector. Certainly the current government has gone down that road with its private partnerships in building hospitals and farming out services that clearly should be done by the public sector and not done by the private sector. I think that's part of the problem we're into.

We need, as a nation and as a province, to recommit our support for a public health care system. Why? Because it's the right thing to do. That means to say that we have to fund health care adequately. Yes, it's a large part of our budget. Somebody will correct me, but probably over 40% of what we spend in this province goes to health care, but rightfully so. When I go to the emergency department with my mother or child or whatever and they need medical services, we get good services in Canada compared to what most other nations in the world get. That costs money and we need to fund that adequately. I think to say otherwise is a bit beyond the pale. For the government to say that this tax has led to a better health care system and that we can measure the outcomes because of this tax is a bit beyond the pale, because I think part of the agenda of the government, in some cases, is to make the argument, by making the system fail, that we need an increased role for the private sector, something which I oppose.

Mr. Tim Hudak: I just want to quickly point out the irony: My friend, the parliamentary assistant, is following closely in the first steps of his Premier. Premier McGuinty famously and cynically dismissed the work of this committee as redundant. My colleague now has called the opposition amendment redundant, following, I guess, the talking points of the Liberal Party on this exercise. Again, I think this statement is factual; it reflects what we heard in the hearings and I think it's important for us to instruct the other members of the Legislative Assembly on what the committee actually heard during the hearings. If there are no other comments, I would request a recorded vote, please.

Mr. Wayne Arthurs: Having seen the amendments this morning, if there were such things as talking points, I assume we wouldn't have had the time to draft them such that the language I chose to use would be part of those. The report clearly states that monies go into the consolidated revenue fund, and thus I believe and stand by the point that it is unnecessary; it becomes a redundant motion when in fact it's already in the report by the researcher.

The Chair (Mr. Pat Hoy): A recorded vote has been requested.

Ayes

Barrett, Bisson, Hudak.

Nays

Aggelonitis, Albanese, Arthurs, Lalonde.

The Chair (Mr. Pat Hoy): The motion is lost.

That concludes the amendments. Shall the draft report carry?

Mr. Tim Hudak: No. Is there debate on your request for a vote on the draft report?

The Chair (Mr. Pat Hoy): You could speak to the question.

Mr. Tim Hudak: Absolutely, on whether the draft report should carry: With all due respect to Mr. Johnston, who I think has worked very hard and done an admirable job of presenting the history of the bill, I think it was important for us, as committee members, to honestly reflect to the members of the Legislative Assembly, where this report will go, what we actually heard in the committee hearings. Each of our amendments has been shot down by the government members, with only one member of the government side speaking, mind you.

1110

The Premier prejudiced this hearing from the beginning. He prejudged the work of the members of the Legislative Assembly of all three parties, and he cynically dismissed the efforts of taxpayers who took the time to present here at committee or to send in written deputations.

Despite hearing from all of these groups, despite their advice on a range of issues, the government has brought forward one wishy-washy motion that basically says, "We're in a land of milk and honey and health taxes," that nothing is going to change. It's a farcical motion that they'll be introducing shortly, it's fluff, and it's totally at odds with everything that we heard from deputations at this committee. Chair, this is a sham process from day one, and the parliamentary assistant is taking his marching orders and made report writing a sham process as well.

The official opposition presented six distinct factual statements—not dressed up in partisan language. We stated, clearly and accurately, that Dalton McGuinty prejudged the hearings by calling them redundant, saying that they were only a technicality.

Clearly, this health tax was a key broken promise in the McGuinty government, and I don't know how members of the Liberal side can say that it wasn't. They eliminated, in the Legislature, the requirement to have a referendum on the Ontario health premium—it's a fact. The whipped Liberal members voted it down. The health tax is clearly regressive in nature. I have never heard anyone argue the opposite, but the Liberal members again voted down what has been a fact stated at this committee many times and by others outside of the committee. Not a single deputation, written or presented live and in person, endorsed the Ontario health premium as is. I think it's important for us to reflect that fact in our report. We need to tell members of the Legislative Assembly that we listened to the taxpayers, and not a single one endorsed the OHP in its present form. The whipped Liberal members voted down that statement of fact.

Finally, number 6, that the revenue from "the Ontario health premium flow directly into the consolidated revenue fund, not to the Ministry of Health," as has been

spun by government members—again, the Liberal members voted down what is a statement of fact.

Sadly, the conduct of the Premier and the conduct of at least one of his members who has spoken out and shot down these reasonable and factual amendments, I believe, shows contempt for the taxpayers who took the time to present at committee or to write to us, it shows contempt for taxpayers who are burdened with this Ontario health tax, and it shows contempt for the members of the Legislative Assembly of all parties, whether here in committee or in the House as a whole.

I don't know how anybody can disagree that this was a broken promise and that it imposes a burden on seniors, low-income working families and that it's regressive. I don't see how anybody can argue with the fact that it's a tax-grab on military personnel who don't even use the Ontario health care system, and I don't see how they can disagree with the presentation that we heard that it punishes people who are splitting their pension income.

Despite the various and thoughtful presentations to this committee, not a single one will be reflected in the government's motion, and they want to make sure that the report that we send as members of this committee is a sham report that glosses over all of the problems with the health tax and hides from members of the assembly and the general public what we actually heard at committee today. When I see the slipshod, sloppy, fluffy, farcical motion, the only one the government members brought forward—I don't know how much longer we can dignify this sham of a process by participating in this committee for one more moment. I'm going to withdraw from this committee in protest of its sham nature.

The Chair (Mr. Pat Hoy): Further comment?

Mr. Gilles Bisson: Ditto.

The Chair (Mr. Pat Hoy): Any other comment?

Mr. Wayne Arthurs: If I can, just briefly: There were a number of motions that we dealt with. Certainly, the opposition was not unanimous in its entirety in support of those motions—being both opposition parties, not just one. A number of the motions were reflected in the report, as prepared by Mr. Johnston, that clearly articulated the issues the opposition was bringing forward. I would respectfully suggest that they might want to take their copies at the end of the day and use a highlighter to find where their motions are reflected in the report, and that would allow them to make their case.

I just want to make a generalized comment, and if I'm incorrect in this, I hope that someone will correct me, because I will have spent four or five years in this process under a severe misunderstanding. Committee work, as I understand it, is a combination of having deputants, written and/or oral submissions; in our case, in person and by teleconference. Those are an element of any type of committee work, and they would be an element of a review process, but they're not the review process. The position that was being taken, to a large extent, by the opposition is that the report should solely and singularly reflect what we heard from the seven, eight or nine deputants—I've forgotten the number; nonetheless, it wasn't

extensive—as the case might be, in one fashion or another; that the report should solely and singularly reflect the view of a group of individual or organizational stakeholders, to the exclusion of the committee's consideration of the impacts of the health premium, the views that members of the committee might hear from their constituents, the debate that has gone on in the Legislature since the introduction of this particular piece of legislation in May 2004, the comments that have been made by any number of members of the Legislature inside and outside. Again, I stand to be corrected, but if the committee's work is solely and singularly to reflect the views of those who choose to make a presentation, then the work of the committee could readily be done simply by copying the submissions, as they're here, and rightfully so, for us to review; by putting them in Hansard and allowing people to read Hansard.

I think the work of committees is far more substantive. The work of committees is to consider those submissions in a much broader context—in this case, the health premium—from the history, the expertise, the engagement that we have as legislators, and then report accordingly back to the Legislature based on all of those factors.

I want to thank Mr. Johnston for his report. I think it clearly, as Mr. Hudak said, was an admirable job. I think it clearly reflects the history. I think he hasn't pulled any punches, in the context of ensuring the inclusion of matters of quotes directly from Minister Sorbara's speech in 2004, where issues were raised around the need for this particular piece of legislation and the revenue stream from that. He didn't pick out only one line; he took an entire appropriate paragraph in which the minister of the day took ownership for the situation, in the context of introducing the tax in light of a large deficit for the purpose of keeping a promise around improved health care. Mr. Johnston clearly reflected, without having been prompted by the opposition, where the resource goes. At no time has the government, in my view, in my time, tried to deflect in some fashion that this money is going directly to the Ministry of Health. The only time I ever heard that was from the opposition, quite frankly. I've always heard that the monies go to the general revenue fund. That is money dedicated in the context of volume of quantum to the health care system, and our expenditures on health care would truly reflect that these dollars had been and continue to be needed for the purpose of health care here in Ontario if we want to continue investing in this as a key priority for Ontarians.

We didn't discuss in the context of the debate up until now, but this is an opportunity just to put it on the record as well, that we had a form of referendum in October 2007, and the health premium certainly wasn't the only issue that the people of the province of Ontario were taking into consideration during that debate in September and October of 2007. But I would pose that, among the issues that the people of the province of Ontario had to consider, it was whether or not the investments that were being made in health care—and those investments include the Ontario health premium as a tax—were im-

portant to the people of Ontario, and whether they were important in making a determination on electing members individually, and in what form a government would look like when those members were elected.

1120

I can say without hesitation that if one looks at that result, the outcome was a strong majority government for the Liberal Party under the leadership of the Premier. Among the issues was the issue of health care and the matter of the Ontario health premium, to the extent that, on the individual basis, people may not like taxes. We'd all love not to have taxes, I guess, but that's not a democracy. It's not where we work, where we live, where we play and where our health needs are being serviced. The public made a determination in the context of that referendum among a scope of issues, as to whether or not they were prepared to continue to see this party form the government under the leadership of our Premier and make the necessary investments as part of that.

I just wanted to put those matters on the record, particularly the matter of the function, form, nature and activity of committee work, at least in my understanding in my time here. Certainly, in my time in municipal government, it was an awful lot about hearing from a broad public and taking their views into consideration and balancing those views, adding and balancing them against what the broader needs are. I believe that the committee work over the days we had the deputations and our work today reflects that.

We didn't need to have three days of committee hearings for deputants and witnesses. We had set aside that amount of time, which would have included travel, but by consent of all three parties through a subcommittee determined that if we had less than a minimum number of folks at a location, we wouldn't travel. It wouldn't be necessary to have those expenditures and that time and effort, but we provided opportunity for folks to be able to conference in or make their submissions.

The result of that, having provided that opportunity and having advertised extensively for it, was a rather limited number of individuals and organizations. The opposition, I'm sure if they were still here, might argue the case that it was because people had already made up their minds that nothing was going to change. I would argue the contrary: that people have given due consideration to this; they understand the need, to a large extent, for this particular dedication of tax through the consolidated revenue fund to support the Ministry of Health and its work to ensure that Ontario moves forward on its health agenda.

If I'm in error, I'm sure that, at some point, someone will correct me in the context of the work of committee. If someone doesn't correct me, then I'll continue to proceed on that basis in the future, that my job is broader than listening to, hearing from and reading the submissions of deputants and then simply figuring out how to incorporate those into a report in the absence of my role as a legislator, with the expertise that I can bring to this table, and take those views into account in making

determinations on a report that I would like, on elements I would like to support and see move forward.

So, Mr. Chairman, those are my comments. At your pleasure, I would be happy to move the government motion.

The Chair (Mr. Pat Hoy): First, shall the draft report carry?

Mr. Wayne Arthurs: Recorded vote, please.

Ayes

Aggelonitis, Albanese, Arthurs, Lalonde.

The Chair (Mr. Pat Hoy): Carried.

Now then, you indicated you had a motion, Mr. Arthurs? You would put it now.

Mr. Wayne Arthurs: The Standing Committee on Finance and Economic Affairs recommends that—after hearing from a number of Ontarians during the public hearing phase of this review that health care in Ontario is improving because of the government's investments since 2003—the government continue making the significant investments that it has made since 2003 in health care and that it continue to increase investments in health care and that it continue along its plan to:

—invest in public health care to lower wait times;

—invest in public health care to improve access;

—invest in public health care to promote health and prevent illness;

—and invest in modernizing health infrastructure.

The Chair (Mr. Pat Hoy): Any comment?

Mr. Wayne Arthurs: Mine will be very brief. I don't know whether other members of our caucus in the committee would want to comment briefly as well. I'd simply say that I want to thank the deputants for the submissions that were made, some of which I agree with, some of which I don't. I want to thank the staff for the work that they've done in preparing a report for us that we can now send forward to the Legislature.

I want to say that the investments that we have been making are making dramatic changes in the health care system. At a very local and somewhat partisan level, I'm extremely pleased with the capital investment being made in hospitals that my constituents are served by. I'm pleased with the development of the family health teams structure, in and near where I am, as we work to actualize family health team activity. I'm pleased with the reductions we see in wait times for a variety of activities, all as part of our initiatives under health care. I look forward to seeing continued improvements in health care, particularly when people can identify at a local level and see those improvements.

I was very excited with the presentation made by the Windsor regional health centre in the context of—I'm trying to recall the phraseology; I don't have it in front of me—their initiatives when it comes to emergency care, where they want to move people into the system quickly and not have them waiting, and thus move them through the system, and the opportunities that that presents for

them to share that expertise with others in the province. I'm anxious and hopeful that hospitals in my community will be able to draw upon that expertise so that wait times in hospitals for emergency can be eliminated, ideally by moving people through in a different structure. I think that's an important element, a key element of what the Minister of Health and the Ministry of Health are dealing with now in the hospital sector, making emergency wait times ideally obsolete, but at the very least reducing them to the greatest amount possible. I think we're making strides that way. In particular, the presentation we had in that regard is going to be very helpful in that respect.

The Chair (Mr. Pat Hoy): Thank you. Mr. Lalonde.

Interjection.

The Chair (Mr. Pat Hoy): Would you raise your microphone, please? It's down quite low.

Mr. Jean-Marc Lalonde: Just briefly, in support of Mr. Arthurs' comments: One of the reasons, I was told, by some of my constituents and also from the neighbouring municipalities, that they didn't submit their application to appear in front of the committee was the fact that they do recognize the need to improve health care in Ontario. When I refer especially to MRIs in Ottawa, anybody who is telling me now that they cannot get an MRI within a month—because quite a few of them are getting an MRI in four days, seven days and eight days.

They do now recognize the need for that premium or tax, as we call it, for health care to improve the health services and also to respond to the needs of Ontarians. This is one of the reasons that we had so few deputations. Like Mr. Arthurs said, we had set aside three days, and some of those people from outside the Toronto region were able to do it by phone, which was accepted by the committee.

The Chair (Mr. Pat Hoy): Thank you. I'll call the motion, then. All in favour? Carried.

Committee, shall the report, including recommendations, carry? All in favour? Carried.

Who shall sign off on the final copy of the draft? The Chair?

Mr. Wayne Arthurs: The Chair.

The Chair (Mr. Pat Hoy): Carried.

Shall the report be translated? Carried.

Shall the report be printed? Carried.

Shall the Chair present the report to the House and move the adoption of its recommendations? Carried.

We are adjourned—oh, I had one other comment I wanted to make before we do adjourn. Any dissenting opinion to this review will be due by August 28 at 5 p.m. And now we are adjourned.

The committee adjourned at 1131.

CONTENTS

Thursday 21 August 2008

Review of the Ontario health premium..... F-449

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

Chair / Président

Mr. Pat Hoy (Chatham–Kent–Essex L)

Vice-Chair / Vice-Président

Mr. Jean-Marc Lalonde (Glengarry–Prescott–Russell L)

Ms. Sophia Aggelonitis (Hamilton Mountain L)

Mr. Ted Arnott (Wellington–Halton Hills PC)

Mr. Wayne Arthurs (Pickering–Scarborough East / Pickering–Scarborough-Est L)

Mr. Toby Barrett (Haldimand–Norfolk PC)

Mr. Pat Hoy (Chatham–Kent–Essex L)

Mr. Jean-Marc Lalonde (Glengarry–Prescott–Russell L)

Ms. Leeanna Pendergast (Kitchener–Conestoga L)

Mr. Michael Prue (Beaches–East York ND)

Mr. Charles Sousa (Mississauga South / Mississauga-Sud L)

Substitutions / Membres remplaçants

Mrs. Laura Albanese (York South–Weston / York-Sud–Weston L)

Mr. Gilles Bisson (Timmins–James Bay / Timmins–Baie James ND)

Mr. Tim Hudak (Niagara West–Glanbrook / Niagara-Ouest–Glanbrook PC)

Also taking part / Autres participants et participantes

Mr. Ted Arnott (Wellington–Halton Hills PC)

Clerk / Greffier

Mr. William Short

Staff / Personnel

Mr. Larry Johnston, research officer,
Research and Information Services