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FT-2

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**Select Committee
on Financial Transparency**

Committee business

**Comité spécial de
la transparence financière**

Travaux du comité

1st Session
42nd Parliament
Thursday 4 October 2018

1^{re} session
42^e législature
Jeudi 4 octobre 2018

Chair: Prabmeet Singh Sarkaria
Clerk: Valerie Quioc Lim

Président : Prabmeet Singh Sarkaria
Greffière : Valerie Quioc Lim

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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**SELECT COMMITTEE
ON FINANCIAL TRANSPARENCY**

**COMITÉ SPÉCIAL DE
LA TRANSPARENCE FINANCIÈRE**

Thursday 4 October 2018

Jeudi 4 octobre 2018

The committee met at 0901 in room 151.

COMMITTEE BUSINESS

The Chair (Mr. Prabmeet Singh Sarkaria): Good morning. The Select Committee on Financial Transparency will now come to order.

Before we begin, I would like to remind the members that yesterday, the Clerk distributed copies of the select committee's mandate pursuant to the order of the House, as well as the report. We've provided copies of the mandate again today to help with our discussion. We have copies of the report available.

So far, the committee has decided on which days to meet. Now, we need to discuss and decide on how to proceed.

Please also keep in mind that the deadline for the committee to table an interim report is November 1.

I will open it up to any comments. Mr. Romano.

Mr. Ross Romano: I would like to move that the Select Committee on Financial Transparency call on the following individuals to appear before the committee as witnesses:

(1) Commissioners Gordon Campbell, Dr. Al Rosen and Michael Horgan. They may appear as a panel;

(2) the Auditor General;

(3) Matt Gurnham, Matthew Stephenson, Peter Harrison and Jeffrey Novak, again as a panel. These are representatives of the Financial Accountability Office;

(4) Secretary of Cabinet Steve Orsini, Deputy Minister of Transportation Scott Thompson, Deputy Minister of the Environment, Conservation and Parks Serge Imbrogno and associate deputy minister of the Treasury Board Karen Hughes, again as a panel; and further,

That each witness be scheduled to appear for two hours and 30 minutes; and

That the Auditor General and the commissioners panel each be scheduled to appear for up to five hours; and

That each witness or panel be given up to 10 minutes for an introduction; and

That the timing of questioning be split evenly between the two recognized parties.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano has moved a motion. Any discussion? Ms. Fife.

Ms. Catherine Fife: I'm just wondering about the timing of this whole process here. You've selected a number of witnesses. This should take us through two and half

weeks, unless we decide to extend some of the questioning processes. We also would like to call some witnesses.

What are the terms of reference for deciding how to go forward? I mean, to the best of our knowledge, we have no issues with the witnesses you've brought forward, but at the meeting yesterday, was there a conversation about how we would also participate in the calling of witnesses?

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano.

Mr. Ross Romano: Thank you for the question, Ms. Fife. At the subcommittee meeting yesterday with your fellow member, Ms. Shaw, and staff, we had some conversation with respect to the process. I trust you can confirm with Ms. Shaw with respect to that. If there is any concern, certainly we will provide that opportunity, but I trust, given the nature of the conversations to date, I believe the witnesses that have been suggested as a starting point, from the consensus we reached yesterday—everyone was comfortable with that. I see Ms. Shaw nodding in the affirmative.

The Chair (Mr. Prabmeet Singh Sarkaria): Sorry, I just want to clarify, there wasn't an official subcommittee meeting, but there may have been discussion on this issue.

Mr. Ross Romano: Sorry.

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Fife?

Ms. Catherine Fife: I think that this is what I was trying to get to, that if this committee is going to have some credibility, if we're all going to try to work through the next two months, if there are subcommittee meetings—I guess yesterday's meeting was not a subcommittee; going forward, we passed a motion yesterday that we would establish a subcommittee. Therefore, the minutes from those subcommittees would come back to the committee of the whole so that we would all be on the same page.

I guess I'm just looking for a commitment that, on a go-forward perspective, as the subcommittee does meet, those minutes get reported back to the committee of the whole.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano?

Mr. Ross Romano: I'm content with that. But again, given that those conversations occurred with Ms. Shaw, who is immediately seated next to you and is nodding in the affirmative—those conversations did occur, perhaps not in the context of a specific meeting, but there is certainly a desire to work together in this process and ensure that transparency is the utmost value we hold, and that we will proceed to do this in a joint effort.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Vanthof?

Mr. John Vanthof: Process is very important, so if we're going to have a subcommittee meeting and it's going to make decisions, we need a subcommittee report, not a subcommittee conversation.

Again, we have no problem with the witness list you've called so far. But with most committees I've ever been involved with, you establish the rules of how the witnesses are called before you name specific witnesses and specific times. That, in the long run, will make the committee run much better. We'll find out much more information and it will be better for—I don't care about really the committee members, but it will be much better for the witnesses.

It will be much better to actually find the information if we lay out the ground rules first of how witnesses are called, as opposed to, "Here's our witness list. Here's what we want to hear from these individuals, and then we'll start again with the next batch of individuals."

Let's lay out the ground rules. We see the mandate, but a committee, especially of this stature—I used to be on a municipal council, where the people had 500 people in the township. We didn't strike a committee without our own terms of reference. And here we're calling witnesses without a terms of reference? I don't understand that.

We're not trying to stall, not at all. We need a terms of reference.

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Martin?

Mrs. Robin Martin: Thank you, Mr. Vanthof, for your suggestion. Do you have some terms of reference to propose? Or would the Clerk of the Committee have standard terms of reference we could rely on? Because at this point we're trying to get on with the business of the committee, so if you have something to propose I think we would like to hear it.

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Shaw?

Ms. Sandy Shaw: If I could just clarify my understanding of the conversation that we had last night: It was really to establish our mutual understanding of the intent of this committee, which we agreed upon. We had some agreement on the witnesses that you were going to call, in that casual conversation. We also, in my understanding, established that we were going to see the motion last night at some point, so that we would have the opportunity to include documents or include witnesses into that motion. I don't think that happened. I could be wrong; you can correct me on that.

My other understanding about that is, we're talking about the intent of the meeting, but we did not formalize the procedure and process, and that's something we thought maybe we would be talking about here or at the subcommittee.

I just want to make sure it's clear that we did agree on certain things in that casual conversation, but there are other things that we haven't followed up on, and we still need to establish those.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano?

Mr. Ross Romano: Thank you for the comments, Ms. Shaw. I appreciate you essentially confirming everything that I've indicated: that we had a conversation. It was not

a committee meeting or a subcommittee meeting, so I will correct my record with respect to my first reference, but it was a very open conversation, and the information that you alluded to that was to be emailed was emailed, as per the discussions we had.

As you well put, I think that conversation went well. We are working together towards getting on with the business of this committee. If there's nothing constructive that you can add at this time, I would propose that we move on to vote on the motion.

0910

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Martin?

Mrs. Robin Martin: I just propose that the subcommittee—maybe as a motion—meet after this meeting to discuss some of the procedures etc., and in the interim we move ahead with the motions that we've prepared, just so the committee work can get started, but we can discuss how witnesses are to be called, the procedures and things that you're concerned about offline at the subcommittee and get those things agreed to.

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Shaw?

Ms. Sandy Shaw: I agree that we need to establish formally the procedure and that the subcommittee would be the appropriate place to do that. So I look forward to having a more robust conversation than the casual conversation we had last night to formalize some of those things.

The Chair (Mr. Prabmeet Singh Sarkaria): Yes, I think we can call the subcommittee meeting after as well.

Further debate on the motion? Mr. Vanthof.

Mr. John Vanthof: Again, I think we're trying to put two separate issues into this motion. Again, I want to put on the record that we have no problem with these witnesses. My question is, when you don't have the terms of reference—we'd like to reserve the right, and I believe the committee would like to reserve the right, to call more witnesses.

Interjection: Absolutely.

Mr. John Vanthof: Is the next batch of witnesses also going to have two hours and 30 minutes or is the next batch of witnesses going to have different rules? That's why I'm saying you need to establish the rules first.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano?

Mr. Ross Romano: Thank you for the question, Mr. Vanthof. The motion that is presently before this committee is a singular motion. That is why it is drafted in the fashion it is. The rules will permit that, as additional witnesses are called, we will determine on an ongoing basis and through the discussions with the opposition in the course of subcommittee meetings and through these discussions what the nature of time is that would be required. There is not going to be standardized times for each individual witness. That may occur from time to time, but there's going to be some flexibility, hence the way the motion is presently drafted.

This is singular. This is for this particular list of witnesses, as was discussed between us, and it is for the specific time set out in this particular motion. It is one motion, not two.

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Park?

Ms. Lindsey Park: I'll just clarify the way I read this motion, and you can tell me if you read it differently. But it does not preclude any future motions or bind any future witnesses.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Vanthof?

Mr. John Vanthof: To me, the committee will run more efficiently if we have a standardized set of ground rules, and if there is a witness who needs more time, I think we are all going to be able to agree to give more time. But to have a different set of rules for each batch of witnesses is like having a different set of rules for each hockey game. I would be much more comfortable with—basically the terms of reference are in here. The committee can always change it and then have a separate witness list.

This one, I understand it's singular, but I don't see this—the Legislature and its committees operate by rules that aren't singular. And yes, the rules can be changed. The government has the power to change the rules. But the rules, when we walk into a committee or when we walk into the Legislature, aren't made for each single issue, and I'm afraid we're going against the way the system is supposed to work.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano?

Mr. Ross Romano: Respectfully, Mr. Vanthof, I entirely disagree with you. Again, I repeat, this is one motion for the witnesses who were already canvassed for the timeslots that were canvassed with your party, and we are prepared to proceed at this time to address the motion that is presently before us. Your reference to the rules: There is no rule that stipulates that there must be a specific time limit. Some witnesses will require more time than others. We have already canvassed this list of witnesses and determined that this was a reasonable amount of time. Your own member was a participant in those discussions. So if there's nothing further at this time that will add to this debate, I would propose we proceed to vote on the motion.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Baber?

Mr. Roman Baber: We're good.

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Fife?

Ms. Catherine Fife: Thank you, Chair. As we've stated, we have no issues with the list of witnesses. We already now have concerns with the process because the legitimacy of this committee relies on an open and transparent process.

Usually when a legislative committee sets their work before them, they also include how they'll be communicating with the public, for instance. We have no terms of reference as to how this committee will notify the public. This is the public's place, and they will be interested in these hearings. We won't be meeting next week, I assume, although it's not contained in the motion, but beginning October 15 we will have to advertise these committee proceedings. Usually that would be part the work of a committee, and it would be clearly communicated with the public whom we are here to serve.

This is a singular motion, as Mr. Romano has pointed out, but this is not a singular committee.

Perhaps through you, Chair, to Mr. Romano: Has the communication strategy for this committee been discussed

as a whole with your caucus and is there a plan going forward to communicate the work of this committee?

Mr. Ross Romano: I appreciate your question. That has absolutely nothing to do with the motion that is presently before us, and I believe I've answered the question. This is a singular issue. It has been well canvassed as to the time frame and the specific list of witnesses. You yourself have very clearly set out that this is going to take us for several weeks ahead. I don't think there's anything further to add to this particular debate.

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Martin?

Mrs. Robin Martin: I'd like to move that the question now be put.

The Chair (Mr. Prabmeet Singh Sarkaria): Further debate? Ms. Shaw?

Ms. Sandy Shaw: I have a couple of questions following up from—

Interjection.

Ms. Sandy Shaw: Not at this point? Okay.

The Chair (Mr. Prabmeet Singh Sarkaria): Sorry. If there's further debate that's required, then they have the opportunity to speak on the motion. Ms. Shaw?

Ms. Sandy Shaw: In the absence of terms of reference that spell out exactly the process and the procedure that will be going forward, what I would like to gain some understanding of here at this committee hearing is that we will be entitled, going forward as the opposition, to subpoena witnesses and that, as we tried to propose in our reasoned amendments to this—as the loyal opposition, we want to ensure that this was a good and transparent process and that this committee has no intention of using the majority that you have on this committee to block any witnesses that we would seek to interview or any documents that we were looking to review.

As we're just about ready to pass this singular motion, is it then my understanding that the intention going forward will be that when we do put forward a list of witnesses we would like to call, there will be a due process that will unfold, despite the fact that it is not actually established in writing?

The Chair (Mr. Prabmeet Singh Sarkaria): Further debate?

Mr. John Vanthof: Is it reasonable for us to expect, since there are no terms of reference, that this is going to be a fairly standard procedure, or could we, in the next batch of witnesses, have witnesses for half an hour, or as determined? I saw this last night, I believe.

We want this to go as smoothly as possible.

0920

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Martin.

Mrs. Robin Martin: Chair, I believe I proposed some time ago that the subcommittee meet and discuss these issues offline, and that in the meantime, in order to conduct the business of the committee in a timely way, we proceed with the motions before us. These issues will be canvassed thoroughly at the subcommittee meeting and they can report back to us.

I would hope that we could proceed in that manner and make sure that everybody is able to have their full say at

the subcommittee, but I really don't think we need to spend the time of the committee this morning going around in circles on this issue that we cannot resolve here at this moment.

The Chair (Mr. Prabmeet Singh Sarkaria): Thank you, Ms. Martin. We do have the ability to call the subcommittee meeting after, but we also have to allow for debate.

Mr. Baber.

Mr. Roman Baber: There's no suggestion that the motion before the committee ousts any future process. There is specific discussion on the fact that this is a discrete motion to enable the committee to get off the ground. Recognizing some of the timelines we have before us, recognizing that next week is constituency week, and I understand committee may not be sitting, it is the desire of the committee to try to get on with the process. It is understood that references are to be discussed, and they will be discussed at the subcommittee. But the motion before us in no way speaks to anything but getting the process going with respect to these particular witnesses in the timelines outlined therein.

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Martin.

Mrs. Robin Martin: Chair, I believe I'm entitled to move a motion for closure—the Clerk perhaps could guide us—and that is why I asked before that the question now be put.

The Chair (Mr. Prabmeet Singh Sarkaria): We could allow for a motion, as you have mentioned. That is totally at your discretion, Ms. Martin. But as Chair, I think there is enough time for some discussion here. At this point, if there are still further comments or debate that's required, I feel that members should have the opportunity to speak to that. At this point, it will be up to my discretion to allow or not allow the motion, but if there is further debate, I will entertain it.

Ms. Fife.

Ms. Catherine Fife: I take MPP Baber's point well. I understand there is some urgency, but we just want to point out it's highly unconventional to start a legislative committee without terms of reference. If we can correct the situation as soon as possible, I think that is in our collective best interest. It has now been deferred to the subcommittee.

I think there was some confusion yesterday when people met because we did establish a subcommittee, but that didn't appear to be a subcommittee meeting—although the confusion is shared, because MPP Romano also referred to it as a subcommittee. When that committee meets, I think that this debate is helpful, because we've articulated some of our concerns around communication, around transparency and around process.

I look forward to receiving those terms of reference, hopefully by our next meeting, so we can all know what the rules of engagement are.

The Chair (Mr. Prabmeet Singh Sarkaria): Further debate? Are members ready to vote? Shall the motion carry? The motion is carried.

Further business? Mr. Romano.

Mr. Ross Romano: I move that the Select Committee on Financial Transparency order that:

The individuals or entities listed in column A to schedule 1 of this motion—and I will provide a copy to the Clerk—produce any and all records, including correspondence and emails, in their custody and control listed in column B to the schedule;

That the records be produced within three calendar weeks of the passage of this motion;

That the records be produced in searchable electronic format; and

That the records be produced with no relevant information redacted or sealed, regardless of any claim of privilege or confidentiality.

I will, subject to direction from—

The Chair (Mr. Prabmeet Singh Sarkaria): Thank you, Mr. Romano. I believe we will need to recess very quickly, just to check the order of the motion.

Mr. Ross Romano: Thank you.

Interjection.

The Chair (Mr. Prabmeet Singh Sarkaria): Just a few minutes.

Ms. Catherine Fife: Five-minute recess?

The Chair (Mr. Prabmeet Singh Sarkaria): Five minutes, yes.

The committee recessed from 0925 to 0930.

The Chair (Mr. Prabmeet Singh Sarkaria): The committee is back in session, but we do require an additional 10 minutes. So we're going to take another 10 minutes to recess, but please do stay close. We'll be back in about 10 minutes.

The committee recessed from 0931 to 0940.

The Chair (Mr. Prabmeet Singh Sarkaria): Committee is back in session. I do believe that the Clerk will require some additional time to examine the motion that was presented to the Clerk.

I would ask if there are any comments. Mr. Romano?

Mr. Ross Romano: Yes, that is our understanding. We are certainly very amenable to assist in any way we can from a timing perspective. At this time, I would like to move for postponement of the motion presently up for debate to 1 p.m. this afternoon.

The Chair (Mr. Prabmeet Singh Sarkaria): Any discussion? Further debate? Ms. Fife.

Ms. Catherine Fife: Thank you, Chair—

Interjection.

The Chair (Mr. Prabmeet Singh Sarkaria): One second; sorry.

Sorry, Mr. Romano; because there's a motion on the floor, we can only move postponement specific to the motion at hand. I believe you do have the ability to move a motion to meet in the afternoon, later on, after this motion.

Mr. Ross Romano: Yes, I suppose it wasn't a singular motion. I will move for postponement of consideration.

The Chair (Mr. Prabmeet Singh Sarkaria): Shall the motion carry?

Interjection.

The Chair (Mr. Prabmeet Singh Sarkaria): Oh, sorry. Ms. Fife.

Ms. Catherine Fife: This gets a little complicated now, because some of us have other duties in the afternoon.

Interjection.

Ms. Catherine Fife: I know, but if you can't come back at 1 o'clock, it's hard to continue the debate if you're not here.

The Chair (Mr. Prabmeet Singh Sarkaria): Sorry, Ms. Fife. There's going to be no debate on it. It's just a postponement.

Shall the motion carry? The motion is carried.

Further discussion? Mr. Romano.

Mr. Ross Romano: I would like to move that the Select Committee on Fiscal Transparency request that the Clerk of the Committee provide copies of the following documents to the committee—and I understand that all parties have copies of this list:

(1) The Auditor General's Fair Hydro Plan special report of October 2017;

(2) The Globe and Mail article on the Fair Hydro Plan entitled "Bad Books: How Ontario's New Hydro Accounting Could Cost Taxpayers Billions," from April 2018;

(3) The spring 2017 report of the Financial Accountability Officer: Fair Hydro Plan fiscal impact assessment;

(4) The report of the Independent Financial Commission of Inquiry dated August 30, 2018;

(5) The 2015 Annual Report of the Auditor General, section 3.05, "Electricity Power System Planning";

(6) The Auditor General's 2000 annual report outlining good government by the Harris regime regarding the creation of assets for ratepayer payments, as referenced on page 17 of the Auditor General's special report of October 2017;

(7) The Auditor General's remarks to the Standing Committee on Justice Policy on Bill 132 from May 24, 2017;

(8) The 2002 report entitled Financial Reporting by Rate-regulated Enterprises, published by CPA Canada—formerly known as the Canadian Institute of Chartered Accountants—as referenced on page 16 of the Auditor General's special report of October 2017; and

(9) The Canadian public sector accounting standards and any available documents related to the "substance over form" principle and any language which outlines it, as referenced on page 14 of the Auditor General's special report of October 2017.

The Chair (Mr. Prabmeet Singh Sarkaria): Is there any discussion? Further debate? Shall the motion carry? The motion is carried.

Further discussion? Mr. Romano.

Mr. Ross Romano: I would move for adjournment to this afternoon at 1 o'clock.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano moves that we meet in the afternoon today. Any discussion? Mr. Vanthof?

Mr. John Vanthof: I appreciate that this at the call of the Chair. It's a bit of a bad start to a committee, because now those of us who have to attend routine proceedings,

those of us who are scheduled to speak to other members' business, are once again—on the first day. This shows, in my humble opinion, that there hasn't been enough time taken to actually make this work efficiently. We don't want to hold this up, but nor do I want to infringe on other—I'm scheduled to speak to one of your members' private bills. I'm scheduled to speak to it. I won't be able to do that.

Again, this is at the call of the Chair. We don't want to slow this down. We just want it done right.

The Chair (Mr. Prabmeet Singh Sarkaria): Further debate? Ms. Martin.

Mrs. Robin Martin: I believe the purpose of coming back this afternoon is to allow the committee Clerk time to work on the schedule of documents and look at it and make sure it's in the proper form etc. Is there another time that you would suggest, Mr. Vanthof, that would be more suitable this afternoon?

Mr. John Vanthof: I don't want to slow this down. I just want to get on the record that it would have served the Clerk and the committee members if there had actually been the time taken to ensure that this was going to work for the Clerk before you submitted it. This isn't rocket science, and for some reason, we're operating—again, it's going to be discussed at the subcommittee—without terms of reference, and you are putting forward documents that haven't been passed by the Clerk.

When we put forward an opposition day motion, we make sure before we table it that it is actually in order. I don't understand why this couldn't have been done in this case.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano?

Mr. Ross Romano: Thank you for raising the issue, Mr. Vanthof. This terms of reference you continually refer to—we are bound by the rules of select committees. Those rules are set out. I would certainly refer that perhaps you may want to review them. But that is what we are bound by, and we certainly have the opportunity and the ability to bring in substitutions within our roles. It happens routinely. I don't think there's any benefit to this further difficulty.

If you truly do believe that you want to proceed and you do not want to stall, then I would be content to proceed at this time with the motion as set out before us.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Vanthof?

Mr. John Vanthof: I appreciate the debate; I appreciate our different points of view. I would like to put on the record I don't appreciate—as a member, I would never tell another member what to do, and I don't appreciate that coming from the government side either. This is a place of debate. I have been very respectful, I will continue to be respectful, and I would ask that that not happen again. Thank you.

The Chair (Mr. Prabmeet Singh Sarkaria): Further debate? Ms. Fife.

Ms. Catherine Fife: Just as a procedural—so we come back at 1 o'clock. The Clerk will tell us whether or not this motion—I mean, we just received this motion at 8:13 a.m. this morning. We're going to go back and review it, but the Clerk will report back to the committee whether or not

this motion is in order, or that it can be conducted—can you please clarify?

The Chair (Mr. Prabmeet Singh Sarkaria): Yes. The Chair will report back in terms of the motion and its requirements and if they suffice to the Clerk.

Ms. Catherine Fife: And if it's compliant; right? Is that right?

The Chair (Mr. Prabmeet Singh Sarkaria): That's true.

Ms. Catherine Fife: It's a compliance issue.

The Chair (Mr. Prabmeet Singh Sarkaria): If it's in order.

Ms. Catherine Fife: If it's in order. Okay. Well, we're off to a rocky start.

The Chair (Mr. Prabmeet Singh Sarkaria): Further debate? Shall the motion carry? The motion is carried.

Further discussion?

Interjection.

The Chair (Mr. Prabmeet Singh Sarkaria): We will meet at 1 p.m. Committee is now adjourned.

The committee recessed from 0950 to 1301.

The Chair (Mr. Prabmeet Singh Sarkaria): The committee is now in session. I believe, previously, we had Mr. Romano who would be moving the full text of his motion from this morning.

Mr. Ross Romano: Thank you, Mr. Chair. Perhaps as a preliminary matter—we have had some discussions with the Clerk, and at this time, I would like to withdraw the motion that had earlier been postponed.

The Chair (Mr. Prabmeet Singh Sarkaria): Withdraw? The earlier motion from the morning is officially withdrawn.

Just a few words: It is not an obligation of the entity being asked by committee to produce material to divine or interpret what the material is; rather, the committee is obliged to clearly identify the material it wishes to receive, being confident in the knowledge that it actually exists, can be located within Ontario and is relevant to the committee's terms of reference.

I encourage members to consult with the Clerk in advance. All advice will be confidential.

Next item: Mr. Romano.

Mr. Ross Romano: Thank you, Mr. Chair.

At this time I would like to move that the Select Committee on Financial Transparency order that:

—The individuals or entities listed in column A to schedule 1 of this motion produce any and all records, including correspondence and emails between the dates September 1, 2016, and June 7, 2018, in their custody and control listed in column B to the schedule;

—That the records be produced within three calendar weeks of the passage of this motion;

—That the records be produced in searchable electronic format; and

—That the records be produced with no relevant information redacted or sealed, regardless of any claim of privilege or confidentiality.

I will now proceed through schedule 1 to the motion.

Column A: Individual/Entity.

The Auditor General of Ontario.

Column B: Documents to be Produced.

(1) Records outlining the advice the FHP special report garnered from national Auditors General as referenced on page 17 of the Auditor General's special report of October 2017.

Next:

The Cabinet Office, the Ministry of Finance, the Ontario Financing Authority, the Treasury Board and the Ministry of Energy.

(1) Records related to the Fair Hydro Plan, including records referencing accounting treatment and Canadian public sector accounting standards, US accounting standards, records referencing the potential response of the Auditor General, records referencing a potential qualified audit by the Auditor General, correspondence with KPMG, Deloitte, Ernst and Young, Navigant, PricewaterhouseCooper (PwC), Blake, Cassels and Graydon LLP, Koskie Minsky LLP and Osler, Hoskin and Harcourt LLP, and records discussing or related to the treatment of the IESO's financial statements as referenced in page 16 of the Auditor General's special report of October 2017, contained in the files and email accounts of the following individuals:

- Kathleen Wynne
- Liz Sandals
- Glenn Thibeault
- Charles Sousa
- Andrew Bevan
- Andrew Teliszewsky
- Ali Ghiassi
- Mike Jancik
- Bill Killorn
- Rebecca MacKenzie
- Gillian McEachern
- Jason Pichelli
- Christine Poopalapillai
- Matt Whittington
- Marianne Nguyen
- Steve Orsini
- Steven Davidson
- Lynn Betzner
- Serge Imbrogno
- Scott Thompson
- Helen Angus
- Cindy Veinot.

(2) Records related to the accounting treatment of the Ontario Teachers' Pension Plan and OPSEU pension plan and their reflection in the financial statements of the province, including any records referencing the potential response of the Auditor General, records referencing a potential qualified audit by the Auditor General, correspondence with and advice from KPMG, Deloitte, Ernst and Young, Navigant, PricewaterhouseCooper (PwC), Blake, Cassels and Graydon LLP, Koskie Minsky LLP and Osler, Hoskin and Harcourt LLP, contained in the files and email accounts of the following individuals:

- Kathleen Wynne
- Liz Sandals
- Glenn Thibeault
- Charles Sousa

—Andrew Bevan
 —Ali Ghiassi
 —Mike Jancik
 —Bill Killorn
 —Rebecca MacKenzie
 —Gillian McEachern
 —Jason Pichelli
 —Christine Poopalapillai
 —Matt Whittington
 —Marianne Nguyen
 —Steve Orsini
 —Steven Davidson
 —Lynn Betzner
 —Scott Thompson
 —Helen Angus
 —Cindy Veinot.

(3) A list of any individuals employed in the offices of the former Premier, the Minister of Finance, the President of the Treasury Board and the Minister of Energy not listed above who held the position of director of policy or any equivalent position.

(4) A list of any other external advisers or experts not referenced in paragraph 1 or 2 above retained to provide advice or recommendations to the government on the Fair Hydro Plan or the accounting treatment of the Ontario Teachers' Pension Plan and OPSEU pension plan, including the third-party experts as referenced on page 48 of the Auditor General's special report of October 2017.

(5) Official records of cabinet, including cabinet committees, with respect to the approval of the Fair Hydro Plan.

(6) Records related to alternate design options for the Fair Hydro Plan, as referenced in paragraph 1 of page 8 of the Auditor General's special report of October 2017.

(7) Records in the possession of the Ministry of Energy requested by the Auditor General but produced after the completion of the Auditor General's special report of October 2017, as referenced on page 6, paragraph 2 of that report.

(8) Ministry of Energy estimates of interest costs pertaining to the Fair Hydro Plan as referenced on page 13 of the Auditor General's special report of October 2017.

(9) Records related to the provincial performance guarantee to investors over the OPG Trust and its capacity to repay the borrowings incurred in the Fair Hydro Plan as referenced on page 10 of the Auditor General's special report of October 2017.

(10) The Ministry of Energy contract with Wortzmans (now known as MT>3) related to e-Discovery services utilized to respond to document requests from the Auditor General related to the Auditor General's special report of October 2017.

(11) Records, including contracts, correspondence and exchanges with the following firms retained to provide advice on the Fair Hydro Plan, electricity refinancing, and accounting standards and treatment: KPMG, Deloitte, Ernst and Young, and Blake, Cassels and Graydon LLP.

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(12) Records in the possession of the Treasury Board related to the appointment of the pension advisory council and any and all records of the council's work and advice.

(13) Records pertaining to the IESO's financial transactions with a legislated asset (OPG/FHP trust) from January 1, 2016, to the present.

(14) Records, including contracts, records and exchanges with the following private sector advisors or firms retained to provide advice on the accounting treatment of the Ontario Teachers' Pension Plan and OPSEU pension plan and their reflection in the financial statements of the province: KPMG, Deloitte, Ernst and Young, and Blake, Cassels and Graydon LLP.

(15) Current "business as usual" forecast documents or "status quo" extrapolations for future years related to the findings of the findings of the Financial Commission of Inquiry prepared by the Ministry of Finance.

Now, with respect to the IESO:

(1) Records related to the Fair Hydro Plan, including records referencing accounting treatment and Canadian public sector accounting standards, and electronic or other correspondence sent or received by Bruce Campbell, Kim Marshall and Kerry Young.

(2) All consolidated financial statements, balance sheets and invoices related to the Fair Hydro Plan from 2017 to the present.

(3) IESO's December 31, 2016, audited financial statements and the audited financial statements for the previous five years.

(4) Records pertaining to the IESO's financial transactions with a legislated asset (OPG/FHP trust) from January 1, 2016, to the present.

(5) Records discussing or related to the treatment of IESO's financial statements as referenced in page 16 of the Auditor General's special report of October 2017.

(6) A list of all local distribution companies contracted with the IESO and any cash and asset/debt flow documents and invoices between the IESO and these local distribution companies.

(7) A list of private sector advisors or firms retained to provide advice on the Fair Hydro Plan, electricity refinancing and accounting standards and treatment.

(8) Records related to the acquisition of tranches of an investment interest under the Fair Hydro Trust by the IESO.

Moving on to the Ontario Energy Board:

(1) Records related to the Ontario Energy Board's consideration of IESO as an electricity regulated entity as referenced on page 16 of the Auditor General's special report of October 2017.

(2) Any correspondence sent or received by Ontario Energy Board chair Rosemarie Leclair related to the Fair Hydro Plan.

(3) Records related to any advice provided by the Ontario Energy Board on Bill 132 as referenced in page 15 of the Auditor General's special report of October 2017.

(4) A copy of all power supply contracts whose guaranteed payments are incorporated into the electricity rates that are affected by the Fair Hydro Plan.

Moving on to Ontario Power Generation, otherwise referred to as OPG, and OPG Trust:

(1) Records related to the Fair Hydro Plan, including electronic or other correspondence sent or received by Bernard Lord, Ken Hartwick and Jeff Lyash, and copies of all financial transactions between OPG and the OPG Trust.

(2) Records related to the province to OPG cash and asset/debt flow, Fair Hydro Trust borrowing and the issuance of debt.

(3) Records and relevant data on bonds from OPG Trust from the commencement of the Fair Hydro Plan.

(4) Records related to the OPG agreement with OPG Trust on administration fee revenues and documents outlining interest expenses as referenced on page 45 of the Auditor General's special report of October 2017, including actual interest expense and interest earned in this process.

(5) A list of any private sector advisers or firms retained to provide advice on the Fair Hydro Plan, electricity refinancing and accounting standards and treatment.

(6) Drafts and final copies of any stakeholder management plans regarding the role of OPG in the Fair Hydro Plan.

(7) Minutes and related notes of any meetings of the OPG board of directors to any discussions of the Fair Hydro Plan.

(8) A list of any working groups established within OPG to discuss the Fair Hydro Plan, including a list of members of those groups.

(9) Records, including external reporting documents, related to interest income earned by the OPG on money it loans to the Fair Hydro Trust and services provided by the trust.

(10) Records related to the February 18, 2018 offering of Fair Hydro Trust bonds.

(11) The 2017 management fee submission to the Ontario Energy Board.

(12) A list of all OPG/OPG Trust assets and any related analysis of those assets.

(13) OPG and OPG 2018 audited financial statements.

(14) Records related to the acquisition of tranches of investment interest from the IESO under the Fair Hydro Trust.

(15) Records related to the 2016 acquisition of nine million common shares of Hydro One.

(16) Records related to the issuance of senior notes by the OPG Trust in February 2018.

(17) OPG Trust external cash and asset/debt flow and operational documents (including operational structure).

(18) OPG Trust and its capacity to repay the borrowings incurred in the Fair Hydro Plan as referenced on page 10 of the Auditor General's special report of October 2017.

The Chair (Mr. Prabmeet Singh Sarkaria): Thank you, Mr. Romano. I just want to point you to the last page, point 16. Could you just clarify: Is it "OPG Trust"? I see it's "T-R-Y-S-T." If you could just clarify for the committee.

Mr. Ross Romano: Yes, it should be "Trust." That should be "T-R-U-S-T."

Mr. Chair, if I may also correct my record: On the IESO, first number 1, I referred to a Kerry Young. I meant to say Terry Young with a "T."

The Chair (Mr. Prabmeet Singh Sarkaria): Terry Young, okay. That's bullet 1 under IESO: It's Terry Young, for the record. Is everybody clear on the two changes? Any discussion or debate?

Sorry, I just have one last thing on the last page. Point 13 says, "OPG and OPG 2018 audited financial statements." Is that "OPG and OPG Trust 2018"? If you could clarify—

Mr. Ross Romano: Yes, that is correct, Mr. Chair.

The Chair (Mr. Prabmeet Singh Sarkaria): "OPG and OPG Trust." So that's point 13. Just for the record, it should read "OPG and OPG Trust 2018 audited financial statements."

Mr. Ross Romano: That is correct.

The Chair (Mr. Prabmeet Singh Sarkaria): Is there any discussion? Ms. Fife?

Ms. Catherine Fife: This is quite an extensive list. It took you quite some time to read it into the record. I don't know if the committee members have given any thought to how this documentation is actually going to get to this committee on time.

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I chair the public accounts committee, and the IESO had to report back to PAC within 120 days. They just asked for a 100-day extension on reporting back on the Auditor General's report. So, already having been given three-plus months to report back to the committee, they asked for, essentially, another 100 days to respond.

I guess my question is twofold: How can we as a committee ensure that the documentation gets to us on time? Who will be confirming the accuracy of the information that we're going to be receiving, and how can we ensure, based on the events from the gas plant committee—and what we have learned from that gas plant committee is that there's a comment in here to ensure that documents won't be redacted.

How can we ensure the integrity of the data that we're going to be receiving? In some instances, it will be emails between lawyers, between accountants, who are outside the purview of the integrity act as it relates to information and cabinet. I wonder if anyone on the government side could answer any of these questions.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano?

Mr. Ross Romano: Thank you, Ms. Fife. That is a very important question and certainly a consideration that was given due weight and thought in this process. In fact, as you cited, the gas plants scandal and the gas plants inquiry that occurred, that process—the documents produced therein—was in less than the 21 days and that was part of the reason for us looking at a 21-day period in this particular committee.

We do believe 21 days is a reasonable period of time. However, I think at this point in time we will obviously look to producing those documents, and for our purposes we trust that we will receive those within the time frame

set out, and if further motions are required to address any issues, we will address those in due course.

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Fife?

Ms. Catherine Fife: I guess a secondary question would be—obviously the Fair Hydro Plan is a major focus for the committee, to look at the costing of that plan and the questioning of the costing of that plan. Yet I don't see any of the Hydro One board members called to the committee, including Mayo Schmidt. The government was very vocal about removing that entire board. Is there any reason or rationale that the government has not called the hydro board to this committee as witnesses, given the fact that you've already called into question their ability to have done the work that they were called to do at that level?

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano?

Mr. Ross Romano: Thank you for the question, and again a very important question. As indicated earlier today and further to the meeting that was held last night, this is a preliminary list of witnesses at this time and any member on this committee is entitled to put a motion forward before the committee for consideration of additional witnesses.

The Chair (Mr. Prabmeet Singh Sarkaria): Ms. Fife?

Ms. Catherine Fife: Thank you for that clarification. It's my understanding then that the committee would be amenable to us amending this list of deputants and the documents that can be called before the committee?

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano?

Interjection: The motion before us is the documents, not the deputants.

Mr. Ross Romano: Thank you. The motion that is presently before us is with respect to the list of documents. As far as individuals, again as I indicated earlier, it is free to any member of this committee to put a motion forward for consideration of the committee for any further witnesses—or documents, for that matter.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Downey?

Mr. Doug Downey: I would recommend that the subcommittee deal with potential witnesses so that we don't have all of us throwing that around in circles. If the subcommittee can have those discussions and scope that out, that would be helpful.

The Chair (Mr. Prabmeet Singh Sarkaria): Thank you. Ms. Fife?

Ms. Catherine Fife: I'm happy that the subcommittee gets a chance to debate the next steps with regard to a list of witnesses as long as those minutes, obviously, come back to the committee as a whole. The question pertains to documents. For instance, you have Kathleen Wynne and all the documents that she has that will be pulled from her files as Premier of the province. It's perfectly rational to assume that once we have those documents, we will probably like to seek greater clarification based on those documents. That's why I reference the deputants. I'm happy that the subcommittee will delve into the next steps as it relates to calling further witnesses.

The Chair (Mr. Prabmeet Singh Sarkaria): Mr. Romano?

Mr. Ross Romano: Thank you again, Ms. Fife. As I indicated earlier, we are amenable to looking at any list of documents and/or witnesses that any committee member wishes to put forward and certainly would consider that as it arises.

The present motion before us is, as you can clearly see, quite voluminous and we would like to proceed with that motion at this time.

The Chair (Mr. Prabmeet Singh Sarkaria): Further debate? Are members ready to vote? Shall the motion carry? The motion is carried.

Any further business? Mr. Romano.

Mr. Ross Romano: I move at this time, Mr. Chair, that we adjourn until the next sitting of this committee.

The Chair (Mr. Prabmeet Singh Sarkaria): Committee is adjourned, but I do ask that members of the subcommittee just stay back so we can get a timetable ready for when we can meet, and continue our discussion from this morning as well.

Mrs. Robin Martin: Mr. Chair.

The Chair (Mr. Prabmeet Singh Sarkaria): Mrs. Martin?

Mrs. Robin Martin: Sorry, I don't think we clarified, on the record at least, that we're not meeting next week.

The Chair (Mr. Prabmeet Singh Sarkaria): Just for the record, we're not meeting next week.

Ms. Catherine Fife: That's confirmed now.

The Chair (Mr. Prabmeet Singh Sarkaria): That's confirmed. The committee is adjourned. Thank you.

The committee adjourned at 1327.

SELECT COMMITTEE ON FINANCIAL TRANSPARENCY

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Mr. Prabmeet Singh Sarkaria (Brampton South / Brampton-Sud PC)

Vice-Chair / Vice-Président

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Mr. Roman Baber (York Centre / York-Centre PC)

Mr. Doug Downey (Barrie–Springwater–Oro-Medonte PC)

Ms. Catherine Fife (Waterloo ND)

Mrs. Robin Martin (Eglinton–Lawrence PC)

Ms. Lindsey Park (Durham PC)

Mr. Ross Romano (Sault Ste. Marie PC)

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