

VIEW FROM QUEEN'S PARK: Interesting Debate

An Interesting Debate at Queen's Park

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There was an interesting bit of political theatre at Queen's Park recently when Giles Bisson, NDP MPP for Timmins-James Bay, put forward a private members bill calling on the government to cap top public servant salaries.

I found myself voting against the bill, even though I've been shocked at the salaries some in public office are paid, and understand the current public mood for reform.

But, I couldn't vote for Mr. Bisson's bill for a number of reasons. First among them we are already in the process of doing exactly what Mr. Bisson and the NDP have asked, through Bill 8, An Act to promote public sector and MPP accountability and transparency by enacting the Broader Public Sector Executive Compensation Act, 2014.

I share the frustration around compensation for executives in the public sector, and I absolutely believe that Ontarians need a clear rationale as to why people are paid what they're paid.

Our government thinks that every dollar counts, that everybody needs to do their part, and we are as outraged as anyone at some of the examples we have seen where there isn't a clear rationale.

We agree this issue is one that needs to be addressed. We support the desire of the opposition to take a strong stand. However, we have already done it. We've already taken a strong stand when it comes to executive compensation.

We have already passed Bill 8 and we're implementing it right now.

Bill 8 expands the Ontario Ombudsman's role to include municipalities, school boards and publicly funded universities. It requires cabinet ministers, parliamentary assistants, opposition leaders and their respective staff to post expenses online, making Ontario a leader in expense reporting.

Bill 8 requires the Speaker to post online MPP expense information for out-of-riding travel, hotel accommodations related to that travel, meals and hospitality.

Bill 8 establishes a patient ombudsman and expanding the Provincial Advocate for Children and Youth's mandate. Bill 8 gives the government greater oversight over air ambulance providers.

Bill 8 puts hard caps on executive compensation.

The NDP bill deals only with people who are hitting that maximum of \$480,000. Our bill covers all people, all executives with compensation well below that.

The member for Timmins-James Bay goes on about raises to Community Care Access Centres (CCAC) CEOs, yet his bill does not capture them. The bill the NDP voted against ? Bill 8 ? addresses that. The NDP bill does not.

As Deputy Premier Deb Matthews said when she spoke against the proposed Bill, 'The third party has a good bumper sticker here, but it's bad public policy.'

When our government passed the Broader Public Sector Accountability Act, it allowed the government to put in place hard caps on executive salaries, including universities and colleges. The restraint applies to designated executives and officeholders who earn \$100,000 or more per year at hospitals, universities, colleges, school boards and Ontario's hydro entities. Our government is the first in Ontario's history to legislate caps.

We're taking a thoughtful, evidence-based approach to controlling executive compensation. It is important that we're thoughtful and that we do our homework. What that means is the caps we implement must be reasonable and allow us to manage public dollars responsibly while continuing to attract good talent.

The plan also includes significant compliance and enforcement measures, which, for example, would require organizations to repay any amount above the compensation frameworks. The frameworks will be fully applicable to existing executives following a three-year transition period.

I believe the member's bill we were debating fell short in a number of ways. First, it was just an utterly blunt instrument. Secondly, it didn't consider the sector-by-sector issues, the individual-by-individual issues, that the minister is working on to make sure that we can attract the best talent, but also deliver those strong services that our constituents expect.

It also applied only to those folks who are making twice the Premier's salary today, which is about \$440,000. It wouldn't touch those CCACs that Mr. Bisson so passionately spoke about, and it wouldn't address a whole series of other executives in the public sector. Our Bill 8, and the work that the minister is doing, covers folks with incomes of \$100,000 or more.

The government's legislation applies immediately to new hires, to those who have changed positions and to all executives after a three-year period. The private member's bill, in contrast, explicitly stated that the cap would not apply to any salaries established before the act comes into force. In other words, it wouldn't apply to salaries currently being paid in the broader public sector. So basically, most of the folks in the broader public sector wouldn't be affected by the proposed NDP bill.

The government's approach to compensation control realizes that there should be mechanisms in place to ensure accountability and respect for any restraints imposed, and so we have compliance and enforcement measures.

The member only talked about salary in his proposed bill. There is much compensation that goes beyond salary. There are various forms of compensation. The minister is working on that.

The bill didn't do what the member claimed it would do, and for that reason I stood to vote against it ? and it was defeated.