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**Official Report
of Debates
(Hansard)**

Thursday 26 September 2002

**Journal
des débats
(Hansard)**

Jeudi 26 septembre 2002

**Standing committee on
public accounts**

Public Sector Employees'
Severance Pay
Disclosure Act, 2002

**Comité permanent des
comptes publics**

Loi de 2002
sur la divulgation des indemnités
de cessation d'emploi
des employés du secteur public

Chair: John Gerretsen
Clerk: Tonia Grannum

Président : John Gerretsen
Greffière : Tonia Grannum

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
PUBLIC ACCOUNTS**

**COMITÉ PERMANENT DES
COMPTES PUBLICS**

Thursday 26 September 2002

Jeudi 26 septembre 2002

The committee met at 1007 in committee room 1.

SUBCOMMITTEE REPORT

The Chair (Mr John Gerretsen): I'd like to call the committee to order and, first of all, remind everyone that we have a delegation from the public accounts committee of Malaysia here today. They will be joining us shortly, and hopefully most of you will be able to join us for lunch as well at 12 o'clock.

The first item of business is the subcommittee report that has to be approved.

Mr Richard Patten (Ottawa Centre): I'd like to report on the subcommittee on committee business.

Your subcommittee on committee business met on Tuesday, September 24, 2002, and recommends the following:

(1) That the schedule for the committee's September 26, 2002, meeting be as follows: continuation of clause-by-clause consideration of Bill 53, Public Sector Employees' Severance Pay Disclosure Act, 2001, under the name of Mrs Bountrogianni; consideration of final draft, chapter 2, Ontario Innovation Trust; consideration of draft 2, section 3.11, road user safety program.

(2) That report writing on the following sections will be scheduled for upcoming committee meetings, dates to be determined: 3.01, food industry program, draft 1; 3.03, integrated justice project, draft 1; 3.05, violence against women program, draft 1; 3.07 community reinvestment fund, draft 1.

(3) That amendments to Bill 5, Audit Amendment Act, 2002, under the name of Mr Gerretsen, be submitted to the clerk of the committee by 5 pm on Thursday, October 31, 2002, and that clause-by-clause consideration of the bill be scheduled before the committee on Thursday, November 7, 2002.

The Chair: Any comments on that? All those in favour of the subcommittee report? Opposed? Carried.

**PUBLIC SECTOR EMPLOYEES'
SEVERANCE PAY
DISCLOSURE ACT, 2002
LOI DE 2002
SUR LA DIVULGATION DES INDEMNITÉS
DE CESSATION D'EMPLOI
DES EMPLOYÉS DU SECTEUR PUBLIC**

Consideration of Bill 53, An Act requiring the disclosure of payments to former public sector employees

arising from the termination of their employment / Projet de loi 53, Loi exigeant la divulgation des versements effectués aux anciens employés du secteur public par suite de la cessation de leur emploi.

The Chair: All right. Dealing with item number one, then, the continuation of the clause-by-clause consideration of Bill 53, the Public Sector Employees' Severance Pay Disclosure Act, Mrs Bountrogianni. We dealt with this on the last day before the summer recess but we did not actually deal with the clause-by-clause. Are there any further comments that you want to make before we commence with clause-by-clause?

Mrs Marie Bountrogianni (Hamilton Mountain): I do want to make one correction for the record and I can give this correction to the Hansard, the quote. An error was made in transcribing information from an article that appeared in the Windsor Star on April 1, 2000. The article in question read, "It cost taxpayers nearly \$250,000 for the salaries of two police chiefs—outgoing chief John Kousik, who received a buyout when he left the city in February 1999 and incoming chief Glenn Stannard, who earned \$120,936." The information that was subsequently provided to me inaccurately attributed the full amount to Mr Kousik's severance alone. I just want to put that on the record, and I can give this to Hansard.

1010

The Chair: Now, are you correcting your own record? Because that's the only record that you can correct.

Mrs Bountrogianni: I'm correcting my own record, yes.

The Chair: OK. Thank you.

I'd also like to welcome at this time the delegation that has joined us from Sarawak, Malaysia, the public accounts committee from that state and country. Welcome to our hearings. We meet every Thursday morning at 10 o'clock, usually in open session, except when writing a report, when we meet in closed session. You're welcome to stay and observe the proceedings. We hope we'll be able to join you later on for lunch at 12 o'clock and perhaps for some further discussions as to how we operate so that maybe we can learn from you and you can learn from us as far as the different procedures are concerned. Welcome to our hearings.

Currently we're dealing with a private member's bill that is now before the committee for clause-by-clause

consideration. We will go through the bill, then, clause by clause, and deal with the amendments as they affect each particular section.

Are there any amendments to section 1?

Mrs Bountrogianni: Chair, may I ask for recorded votes on this?

The Chair: You are not a member of this committee, or you haven't been officially subbed into the committee, so any amendments will have to be moved by another committee member.

Mr Bruce Crozier (Essex): In that case, in section 1, I move that section 1 of the bill be amended by adding the following definition:

“‘termination’ of the employment of an employee includes the employee’s dismissal, resignation or retirement, and ‘terminated’ has a corresponding meaning.”

The Chair: Is there any discussion on the amendment?

Mr Bart Maves (Niagara Falls): Could I have an explanation on the amendment?

The Chair: OK. Mrs Bountrogianni?

Mrs Bountrogianni: This was on the recommendation of the assistant privacy commissioner. There is more than one reason for termination, and his recommendation was that it was ensured that it was all-encompassing.

Mr Maves: So typically, someone wouldn't really get a severance package for retirement.

Mrs Bountrogianni: Typically, no, but it has happened. Typically, you wouldn't get one if you quit, but that has happened.

Mr Maves: OK. So the idea is just to widen the envelope for transparency.

Mrs Bountrogianni: Yes, that's right.

Mr Bob Wood (London West): But there was no definition of “termination” before? We're just replacing it.

Mrs Bountrogianni: There was no definition, yes.

The Chair: OK. Any further discussion on the amendment?

All in favour of the amendment? Carried.

Shall section 1—

Mr Maves: Sorry, Chair. Mrs Bountrogianni, on the definition of “employer,” could you break that down for me kind of in layman's terms, who that all includes? Is that going to include hospital employees, school board employees, municipal sector employees?

Mrs Bountrogianni: Yes, it would, who are not covered by a collective agreement; so basically the executive officers.

Mr Maves: OK. Why would you exclude those covered by a collective agreement?

Mrs Bountrogianni: Because typically the terms of severance are included in the collective agreements, and they're there, they're written, they're recorded.

Mr Maves: OK. Are there ever any occasions when people covered by collective agreements get severance packages that the public might want to see?

Mrs Bountrogianni: The public does have a right to see those.

Mr Maves: By virtue of?

Mrs Bountrogianni: By the nature of—

Mr Maves: You have to specify it in a collective agreement?

Mrs Bountrogianni: Yes, it is specified. But typically, collective agreements have the severance packages that are by the guidelines of the law, which are—I can't remember exactly what they are now. Ms Martel might know more.

Ms Shelley Martel (Nickel Belt): Under employment standards.

Mrs Bountrogianni: Under the employment standards.

Mr Wood: The public would have no means of figuring out whether or not they thought the agreement had been properly interpreted if they don't know what the severance was. If you don't tell them the number, they have no means of figuring out whether or not the collective agreement, in their opinion, has been followed.

Mrs Bountrogianni: That's true, yes.

Mr Wood: All they can do is look at the collective agreement and hope that the severance follows the collective agreement.

Mrs Bountrogianni: That's true. My bill does not cover collective agreement severances at all. So I have not done the background information on collective agreements at all.

The Chair: Any further discussion? Shall section 1, as amended, carry? All those in favour? Carried.

Section 2: are there any amendments to section 2? No. Any discussion on section 2? Seeing none, shall section 2 carry? All in favour? Carried.

Section 3: any amendments to section 3?

Mr Patten: Under subsection 3(1), I move that subsection 3(1) of the bill be amended by striking out “receives severance pay of \$100,000 or more” and substituting “is entitled to severance pay of \$100,000 or more in total, whenever and by whatever means payable.”

The Chair: Any discussion?

Mrs Bountrogianni: This again was a recommendation out of the office of the privacy commissioner. At times severances are not just cash buyouts; they're also cottages, boats, so whatever that entails should be public. I didn't know any of this before.

Mr Maves: To legislative counsel, are the words “severance pay,” then, not still limiting?

Mr Nick Horn: In what way do you mean “limiting”?

Mr Maves: I don't know. “Receives severance pay of \$100,000 or more,” and substituting “severance pay of \$100,000 or more in total.”

Mr Patten: It means it can include in-kind evaluation—assessment, actually.

The Chair: Can we hear from leg counsel?

Mr Horn: My name is Nick Horn from legislative counsel. I'm not sure if I understand your question yet when you say, “Is it limiting?”

Mr Maves: I guess the part that expands the scope is the clause “whenever and by whatever means payable.”

Mr Horn: That's the intention of the amendment, because these packages are designed in different ways and may involve phased payments. It's so that the total amount to which the employee is entitled is covered, not just any actual payment that is made at the time of termination.

Mr Patten: This means that rather than simply limited to cash, sometimes an employee may have had a car, may have had a membership for a year or two at a golf club or something, and they may include that in a severance package saying, "OK, you can keep all that. Goodbye, good riddance." But it isn't purely \$100,000 in cash.

Mr Maves: Can I ask another question? Actually, it's on the section, so we'd better have the vote before I ask the question.

The Chair: Any further discussion on the amendment, then?

Mr Wood: Yes, I have a question. I gather that to the extent payment was made into an RRSP, it would not be captured by this section, as amended. Is that correct?

Mr Horn: It's a question of whether it has to be declared under income tax.

Mr Wood: It wouldn't have to if they took it out of the RRSP, would it?

Mr Horn: I don't know the answer to that question off the top of my head. But the way in which severance pay is defined is by reference to amounts that have been declared in federal income tax submissions.

Mr Wood: If it were paid into an RRSP, it wouldn't be declared on your federal income tax.

Mr Horn: That's a question of which I'm not sure of the answer. I have to be honest.

Mr Wood: I would have thought not, although I admit I'm not an expert in the area either.

Mr Crozier: A quick question, Mr Wood, and maybe you can help me. You said that if it were paid into an RRSP it wouldn't be on your income tax?

Mr Wood: That's my understanding.

Mr Crozier: Why?

Mr Wood: It's not.

Mr Crozier: Well, the money to put in the RRSP is. If it's a registered RRSP, you don't pay tax on the income from it. But certainly the money the government gives me has to be recorded on my income tax.

Interjections.

Mr Crozier: Well, it's not taxable. It's not taxable if it goes into an RRSP, but it's still income. It's just income that's not taxable.

Mr Wood: That's why I'm trying to—

Mr Crozier: So you do have to report it.

Mr Wood: I'm trying to understand whether or not that's captured. I gather counsel's not sure. Your opinion is that it is.

1020

Mr Crozier: I think it is.

Mr Wood: You think it's captured. OK, I just wondered.

Mr Crozier: Excuse me if my voice sounds gruff this morning. I have a cold.

The Chair: We thought you always sounded gruff.

Mr Crozier: I know. I'm a tough guy.

The Chair: Any further discussion on the amendment? All in favour of the amendment? Carried.

Are there any further amendments to section 3?

Mr Crozier: There is one further amendment to subsection 3(2).

I move that subsection 3(2) of the bill be amended by striking out the portion before clause (a) and substituting the following:

"(2) The record shall indicate the date on which the employment was terminated and shall show,"

The Chair: So it's changing the word "year" to "date." Any discussion on that amendment? Seeing none, all in favour of the amendment? Carried.

Any further amendments to section 3?

Mr Patten: I move that clause 3(2)(c) of the bill be struck out and the following substituted:

"(c) the total amount of severance pay to which the employee is entitled."

The Chair: Any discussion?

Mrs Julia Munro (York North): I'm just wondering if we could have an explanation of that shift.

Mrs Bountrogianni: This particular recommendation was made to me by legal counsel. So it wasn't something that came out of these meetings, I don't believe.

Mr Horn: If I could offer an explanation, the bill as it stands just refers to an amount of severance pay which is paid. This clause, the amount of severance paid by the employer to the employee in the year, is taken from a model which requires the disclosure of the salaries of public servants. In this context, there's a one-off payment; it's not just year by year. So we're saying the notice has to be of the total amount to which it's entitled. That's the intent of the bill. It's not the intent of the bill to cover yearly payments, as was the bill on which it was modelled. If you like, it's really just a change to bring it more into line with the intent of the bill.

Mr Maves: Doesn't that introduce an ambiguity, though, "total amount of severance pay to which the employee is entitled"? What we're after is what the employee actually receives.

Mr Horn: The fact is the severance package may not involve the payment of an amount upfront, but it may provide for entitlements. I'm just imagining a package where you had a series of those payments every three months, three months, three months. The point is, it gives you an entitlement to pay down the line. The record that we want here is a one-off record which covers the whole package and gives you a picture of the whole package. You can't cover that by just saying the amount—you may have only been paid a certain proportion of that amount up front, but you may be entitled to another portion further down the line. But you don't want to have to make a number of these records. You want the record to show the total amount of the package.

The Chair: Isn't the entitlement already dealt with in the earlier amendment of 3(1)?

Mr Horn: That does match the earlier amendment of 3(1). Those two go together.

Mr Maves: Why would you use that similar language, though?

Mr Horn: That is used by the amendment to 3(1). The earlier amendment to 3(1) talks about entitlement.

Mr Maves: "Entitled ... whenever and by whatever means payable." Doesn't 3(1) already cover that then, the amendment being made in 3(1)?

Mr Horn: No, because clause (c) just talks about the amount which is paid.

Mr Maves: "Amount of severance paid to which the employee is entitled." Couldn't I say he's entitled to \$100,000 but I'm giving him \$200,000?

Mr Horn: No. If you give him \$200,000, the package entitles him to \$200,000. You're entitled to an amount. You may be paid part of it up front and you may be paid some of it later. If you're entitled, you're entitled either to immediate payment or to later payment. Entitlement covers the whole package. It doesn't leave anything out. It doesn't leave out those upfront payments.

The Chair: It deals with the situation where—

Mr Maves: I understand. I just don't know if I like the wording. I understand what you're getting at. I just don't know that that wording is the right wording.

Mr Patten: Legal wording.

Mr Horn: Yes, at law, if you're entitled, you have a right to the payment. The law distinguishes between a right to an immediate payment, which might be a cheque that you get on severance, and a right to a later payment in six months. You can have a binding agreement to pay someone in six months. That gives you an entitlement to that later payment. You don't have an entitlement to be paid up front in that case, but it is nonetheless an entitlement. It's a right to a payment, whether it's immediate or later. That's what severance packages are about. They give you a right to a certain form of payment.

Mr Maves: I know. I'm looking at it from the other end, though. If I'm the employee and I don't want my total severance package known, I might agree that I'm only entitled to \$100,000 but that I made an agreement to get \$200,000.

Mr Horn: That second agreement is under the table. That's in bad faith, I would say. Your actual severance package includes the \$200,000 as well, no matter what may be in the black letters of that agreement. It's an oral agreement. It's actually covered by the bill, that under-the-table payment.

Clerk of the Committee (Ms Tonia Grannum): That's the purpose of the bill.

The Chair: Anything further by anyone on the amendment? No? All those in favour of the amendment? Opposed? Carried.

Shall section 3—

Mr Maves: I have a question on this section. In subsection 3(1), when we say "...the employer shall immediately make available for inspection by the public without charge a written record of the amount of the

severance pay," do we need to say how, in what form and where?

Mr Horn: This just gives flexibility to make it public in whatever way is appropriate. I imagine you could publish a notice on the Internet or in the Ontario Gazette. It just leaves some flexibility to the arrangement. It doesn't tie you in to a certain form of notification.

Mr Maves: Which, again, could defeat our purpose. Doesn't it allow them to make it public in a manner that they deem to have been made public and maybe it's a manner in which no one is going to find out about?

Mr Horn: I think you just take a fairly robust view of what is available to the public, what is reasonable for the public to have access to.

Mr Patten: Which is common sense.

Mr Horn: It's a common sense view and, as I understand it, this is modelled on the provisions for disclosure of public servants' annual salaries. I think the wording is the same; I'm not sure.

The Chair: Shall section 3, as amended, carry? All in favour? Opposed? Carried.

Any amendments to section 4? Any discussion? No. Shall section 4 carry? All in favour? Opposed? Carried.

Any discussion on section 5?

Mr Wood: I support the bill and I'm going to support section 5. But I would observe that the wording of section 5 will lead the public to believe a little more is covered in this bill than actually is, and that comes back to my point earlier. There is a general presumption that people, whether they are covered by a collective agreement or they aren't, are going to get what they're entitled to under whatever contract they have, be it a collective agreement or a contract of employment. I think it's a very good idea to put the number out so that the contract can be scrutinized and we can see whether or not what should have happened has actually happened.

1030

I would invite members to consider in the future the application of this to collective agreements. How do we know, where a settlement has been made under a collective agreement, that the public's rights under the agreement have been protected? We don't know unless the number is put out. So I'd invite members at a future time to consider including collective agreements in this bill.

The Chair: Any further discussion? Shall section 5 carry? All in favour?

Mr Maves: Recorded vote.

Ayes

Crozier, Martel, Maves, McDonald, Munro, Patten, Wood.

The Chair: The preamble: there's no preamble. Any discussion on the long title?

Mrs Bountrogianni: I know I'm not a voting member of the committee and I can't make an amendment. Maybe someone else can if they agree. It was recommended

again by the privacy commissioner's office that the word "former" be struck out of the title. It has happened where people are still employed, say, in one hospital sector, are in the process of getting a golden handshake and are having an interview at another hospital and they're not really former employees; they're still employed, and they're negotiating entrance into a new public domain and termination from a former one. That was a recommendation by Mr Mitchinson. I can't make that amendment.

Mr Patten: Can I move that amendment so we can have discussion of this?

The Chair: Yes.

Mr Patten: I'd like to move that the title of the bill be modified by removing the word "former," so it would read "An Act requiring the disclosure of payments to public sector employees arising from the termination of their employment."

Mr Wood: "Present or former." Some may still be—

Mr Horn: I'll offer an explanation for the use the word "former" in the long title and in subsection 3(1). It's really a question of making sense of the language. If you've received a payment in respect of the termination of your employment, you are no longer a public sector employee. Therefore, you are a former public sector employee at that point. So at the point at which this bill applies to you, you are a former public sector employee by virtue of that application of the bill. You have ceased to be a public sector employee. That's the technical explanation for why the word "former" is used there. There's nothing more than that involved. If the word "former" was taken out, it would look a little odd, on the other side of it, to say that you've been given a termination payment and yet you are still a public sector employee. So if you take it out, I think there is a sense of oddness about it because you could even, at a stretch, say, "Does this only apply to public sector employees? One office is terminated and they take up another office." The answer is no, that you don't want to give that impression.

Mr Wood: In the case of constructive dismissal it's not unusual that you'll say, "OK, we accept that we've constructively dismissed you and we're going to give you another position, except we have to pay you off for the"—

Mr Horn: I would say in respect to the long title, because the long title is a description of the bill that has to convey its sense in one bite, I wouldn't object, on drafting grounds, if you like, to taking out the word "former."

Mr Wood: Would you object to "present or former"? I think there's good reason to have "former" in, I'm not objecting to that, but it is possible in the case of constructive dismissal, being the classic one surely, where you say, "OK, you're still on the payroll, except that we have to pay you off for demoting you."

Mr Horn: Yes, I see. So you actually are talking about someone who has a severance pay and has been re-engaged in another capacity.

Mr Wood: That may be simultaneous, that being part of the deal.

Mr Horn: Yes.

Mr Wood: I agree with you. I think you have good reason to want to leave "former" in. I agree with that. But why not say "present or former"? That covers off the objection.

Mr Horn: In which case, perhaps the insertion of the words "of their former employment" at the end of the long title would then cover it. So the long title would read, "An Act requiring the disclosure of payments to present or former public sector employees arising from the termination of their former employment." It's a little bit of a mouthful, I feel.

Mr Wood: I like that.

Mr Horn: But you like it.

Mr Wood: I admit it's a lawyer's argument. Nobody's going to care one way or the other, but I think it's more accurate.

The Chair: Yes, that makes sense.

Mr Maves: Do we then have to amend subsection 3(1), which says, "is terminated and the former employee receives severance pay"?

Mr Horn: No, I think in 3(1) the situation is a little different. We have a definition of "employee" and it's in their capacity as an employee within the definition in the bill that their employment is terminated. In fact, the argument does apply to the long title, but I would be more flexible about the long title. But in subsection 3(1), an employee—you look to their definition. It's someone who has a certain employment arrangement with Ontario and it's about the termination of that particular employment arrangement. So when you read "former employee," it's that they are a former employee in respect of that particular arrangement which has been terminated. Subsection 3(1) then doesn't have any reference to where their future employ is, what their current employment status is, and I think it would actually confuse the issue to make any sort of parallel change to 3(1), whereas for the long title I'm a little more flexible because the long title has a certain communication function.

Mrs Munro: I wondered if we would be better off if we moved "former" to the last line of the long title—"of their former employment."

Interjection.

Mrs Munro: No, you agreed on "present and former employees," and then putting "former" in a second time. It seems to me that if you just moved "former" to "employment" it would cover the situation where the individual may in fact be in the position of moving from one to the other, but the only part of this act, or the only part that we're concerned about, is the status of former employment. Because it doesn't matter what your current employee status is; it matters about the former employment.

Mr Patten: Can I respond to that?

The Chair: Yes.

Mr Patten: If I understand you correctly, Julia, you're saying that you don't even need "present" and "former"

if you just have “payments to public sector employees arising from the termination of their former employment.” Will that cover it?

The Chair: Let’s hear from legislative counsel.

Mr Horn: I have a suggestion which may finesse our way out of this problem if the long title were to read, “An Act requiring the disclosure of payments arising from the termination of public sector employment.”

Mr Wood: I like that.

The Chair: Is that acceptable, that amendment, as far as the title is concerned?

Mr Maves: Say that again.

Mr Horn: I will say it again. “An Act requiring the disclosure of payments arising from the termination of public sector employment.”

Mrs Munro: I think that doesn’t cover the point I made a moment ago, the fact that that will only be if they’re actually leaving the public sector. I think the intent of the original comment from Ms Bountrogianni was in fact the problem where someone may be being terminated from one position and going to another. So I don’t think that particular suggestion—

Mr Horn: Well, if it said, “termination of an office of public sector employment.”

Mrs Munro: I guess my thought would be that if you say what I suggested by moving “former” to “their former employment,” that’s sort of unequivocal, that if they’re moving on that’s outside the purview of this bill, and if they’re not moving on, then we’ve captured what we want to do through the intent of the bill.

1040

Mr Maves: I concur in Mrs Munro’s amendment. If I have two employments, A and B, and I leave A and move to B, then A was my former employment, so I should be covered by it, even if I get re-employed in B.

The Chair: What’s your suggested wording, then?

Mr Maves: Leave it as it is, but move “former” to before the word “employment.” Then you’re covered.

Mr Horn: I’m a little uncomfortable with it, because there’s confusion about the current employment status. This bill does not deal with the current employment status of the particular employee.

Could I just make another suggestion: “An Act requiring the disclosure of severance payments to public sector employees.” No matter which way you look at it, it’s a severance payment, even if you go on to work in the public sector. So we could say, “An Act requiring the disclosure of severance payments to public sector employees.”

The Chair: Could I have any comments on that suggestion?

Mr Wood: I liked your earlier one. Let’s get out of whom it’s to. What this act covers are payments arising from the termination of employment. I understand what Mrs Munro is saying, but I think your suggestion a couple of minutes ago got us out of all these problems, and the public would get that. We’re talking about payments being made where employment is terminated. Why don’t we get out of the issue of whether they’re still

employees or not? In most cases, they won’t be, but in some cases, they will be.

The Chair: We’ve had so many different ideas thrown about. What is the suggestion, then? Could somebody—

Mr Maves: I don’t know how the last suggestion— “An Act requiring the disclosure of severance payments to public sector employees”—doesn’t cover everything. It’s irrelevant whether you’re former or whether you’re terminated; if it’s a severance payment, this act covers it.

Mr Horn: I think both of them cover it, and I’d have to leave it to the committee members to decide.

Mr Maves: “An Act requiring the disclosure of severance payments to public sector employees.” No matter what, when you get—

Mrs Bountrogianni: A question for the counsel: when you say both cover it, which “both” are you talking about?

Mr Horn: I think both of the suggestions I have just made cover it, perhaps more elegantly even than the current long title, if I may say so. I can read them out, if members want to hear them again.

The Chair: Could we have the wording one more time, unless there are any other suggestions? What is the final wording?

Mr Horn: There are two alternatives being considered at the moment, as I understand it, from the government side.

The Chair: OK. Let’s hear them both.

Who would like to move an amendment to the long title?

Mrs Munro: We have one on the floor.

The Chair: Would you like to withdraw your amendment at this time? You wanted to amend it by just including the word “former” in front of “employment.”

Mr Patten: Yes, deleting the word “former.”

The Chair: Are you prepared to withdraw that at this time?

Mr Patten: Sure, why not?

The Chair: OK. So now can we have an amendment put forward?

Mrs Munro: Could we hear—

The Chair: Yes, could we hear the two suggestions?

Mr Horn: Mrs Munro, your suggestion was: “An Act requiring the disclosure of severance payments to public sector employees.”

The other suggestion, I think by Mr Wood, was: “An Act requiring the disclosure of payments arising from the termination of public sector employment.”

The Chair: Is there anyone here who would like to move either amendment?

Mr Wood: I like mine better than the other one, but I’ll take either. So if there’s a strong view one way or the other, I’ll support both.

Mr Maves: Could you read the second one again?

Mr Horn: “An Act requiring the disclosure of payments arising from the termination of public sector employment.”

Mr Wood: I'll move that one to get something on the floor.

The Chair: OK. That's been moved by Mr Wood. Is there any discussion on that?

Mr Maves: That amendment doesn't do what we were intending to do, because the public sector employment may not be totally terminated.

Mr Wood: No, but that employment was terminated. In the employment we're talking about, there is a termination of employment, otherwise there's no severance pay. In the case of constructive dismissal, if I was the deputy minister and I become the director—

Mr Maves: Then that would mean that the current title is fine.

Mr Wood: No, because they may be current employees. What's wrong with the current title is that it's "present or former public sector employees." In the case of a constructive dismissal, when the deputy minister becomes the director, he or she gets paid off and takes a new job. It may be part of the deal that they never go off the payroll. They may say, "Wait a minute, I'm not signing that unless you guarantee I have employment as the director."

Mr Maves: But the other one is, "An Act requiring the disclosure of severance payments to public sector employees." That means your employment status doesn't matter. If you've got severance, that covers everything.

Mr Wood: I'll take either. I just put one on the floor.

The Chair: We have one on the floor right now.

Mrs Bountrogianni: The motivation of the privacy commissioner, and I agree with it, is—for example, in my city, with the amalgamation the city manager got a new job, basically the same job but a new city name, and both the former severance package and the next one when he was actually asked to leave were both private. If you have "former" in there, we would not have been able to access his former severance, because he's still a city employee. Do you see what I'm saying?

Mr Wood: That's a common thing. We used to call it constructive dismissal. They will not sign the settlement unless you guarantee that employment continues.

Mrs Bountrogianni: That's right.

Mr Wood: It's got to be simultaneous, otherwise the employee will not sign.

Mrs Bountrogianni: I think both titles capture that.

Mr Horn: That's my view. It's a question of emphasis, if I might put it that way.

Mrs Bountrogianni: I'm fine with either one.

The Chair: We have an amendment currently on the floor. If there is no further discussion, then I will ask for a vote on that amendment.

Mr Maves: Can I have the amendment again? The one that's on the floor.

Clerk of the Committee: Mr Wood has moved that the title should be amended to read, "An Act requiring the disclosure of payments arising from the termination of public sector employment."

Mr Maves: I don't think that does what we've been trying to do, because my public sector employment may not be totally terminated.

Mr Wood: But the payment arises from it. This is a legal argument, I agree. The payment arises from the termination of employment. If there is no termination of employment, there's no payment. It's because I'm no longer the deputy minister; the termination of that employment is why I'm getting paid.

The Chair: Are you aspiring to higher office, Mr Wood?

Mr Wood: The Senate, in fact. You don't have to worry about termination.

The Chair: Are we ready to vote on this?

All those in favour of Mr Wood's amendment? Opposed? Carried.

Shall Bill 53, as amended, carry?

Mr Maves: Recorded vote.

Ayes

Crozier, Martel, Maves, McDonald, Munro, Patten, Wood.

The Chair: Carried.

Shall I report the bill, as amended, to the House? Agreed? Agreed.

Thank you very much. That deals with that issue.

For the members of the Sarawak delegation that is here, what we have just dealt with is a private member's bill that was referred to the committee. Most of the committee's work, of course, deals with the report from the Provincial Auditor and the report writing that we do as a result of the investigation the committee does as well.

Over the years, there haven't been that many private members' bills brought before the committee, but this was one of those bills. As you can see, the opposition and the government worked extremely well together in order to see that the bill was passed. We'd like to thank everybody for doing that.

We are now moving into closed session to deal with the final draft of chapter 2 of the Ontario Innovation Trust.

The committee continued in closed session at 1050.

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