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of Debates
(Hansard)**

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des débats
(Hansard)**

Wednesday 26 November 2003

Mercredi 26 novembre 2003

Speaker
Honourable Alvin Curling

Président
L'honorable Alvin Curling

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LEGISLATIVE ASSEMBLY
OF ONTARIO

Wednesday 26 November 2003

ASSEMBLÉE LÉGISLATIVE
DE L'ONTARIO

Mercredi 26 novembre 2003

The House met at 1845.

ORDERS OF THE DAY

Ms Shelley Martel (Nickel Belt): On a point of order, Speaker: I don't believe we have a quorum.

The Acting Speaker (Mr Ted McMeekin): Would the clerks please check to see if we have a quorum.

Deputy Clerk (Ms Deborah Deller): A quorum is present, Speaker.

ONTARIO ENERGY BOARD
AMENDMENT ACT (ELECTRICITY
PRICING), 2003

LOI DE 2003 MODIFIANT LA LOI
SUR LA COMMISSION DE L'ÉNERGIE
DE L'ONTARIO (ÉTABLISSEMENT
DU COÛT DE L'ÉLECTRICITÉ)

Mr Duncan moved second reading of the following bill:

Bill 4, An Act to amend the Ontario Energy Board Act, 1998 with respect to electricity pricing / Projet de loi 4, Loi modifiant la Loi de 1998 sur la Commission de l'énergie de l'Ontario à l'égard de l'établissement du coût de l'électricité.

Hon Dwight Duncan (Minister of Energy, Government House Leader): I'll be sharing my lead time with the new member from Sault Ste Marie and the new member for Scarborough Centre.

Yesterday I introduced the Ontario Energy Board Amendment Act for consideration by this assembly. Already the response to this proposed legislation has been overwhelmingly positive. People in this province understand that a responsible approach to electricity pricing is good public policy, and they understand that it's simply the right thing to do.

On October 30, the Premier asked me to deliver an approach to electricity pricing that better reflects the true cost of electricity in Ontario. He asked for a pricing plan and an overall approach to electricity policy that, first and foremost, would protect Ontario's consumers by providing them with fair, predictable and stable rates. This is what has been delivered in the Ontario Energy Board Amendment Act, which we are debating in the assembly tonight.

This plan is good for Ontarians for a variety of reasons. First, as I mentioned, it will protect Ontarians by

ensuring a fair and predictable solution to electricity pricing that better reflects the true cost of electricity in Ontario today. Second, it ensures that our government stops subsidizing electricity consumption and jeopardizing our ability to invest in health care and education. Third, it sends a clear and positive message about conservation, which is critical to a sustainable energy future and a healthier environment. Fourth, it will help to promote new, much-needed supply to keep the lights on in our great province.

We cannot see our energy policies continue to be tossed around like political footballs, as they were under the previous government. I'm sure we all remember, in the summer and fall of 2002, under the lack of leadership of the Tory government, when many consumers, without knowing why, found themselves paying volatile market prices for electricity. Every hour of every day the price changed—sometimes quite dramatically. Working families, small businesses, farmers and individuals on fixed incomes were terrified by the uncertainty this created.

Then late last year, as an election drew closer, the Eves government imposed a cap of 4.3 cents per kilowatt hour on the retail price of electricity. The price freeze solved the volatility problem but had the effect of obscuring the true cost of electricity and cutting consumers off from information they needed to make better choices.

Over the past year, 4.3 cents has been shown to be below the average market price of the electricity needed to heat and light our homes, businesses and farms. As Premier McGuinty has pointed out, the electricity price freeze is contributing to the \$5.6-billion deficit at a rate of hundreds of millions of dollars a year. In fact, since the price cap was put in place a year ago, it has cost us over \$800 million.

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It would be irresponsible for the province and taxpayers to continue to subsidize electricity consumption, because it jeopardizes our ability to invest in health care and education. This is simply not sustainable, nor is it acceptable. The people of this province deserve better.

If we are to provide the people of Ontario with the services they expect and deserve, the price freeze cannot be sustained. As we all know, the price freeze provides little, if any, incentive to conserve energy. Today more than ever, it should be obvious that energy conservation is of paramount importance. It reduces the demands on our electricity system and our reliance on coal-fired generation and, in so doing, helps protect our environment.

It's obvious that we need to move quickly away from the current, artificially low fixed price to a more sustainable price that better reflects the true cost of electricity.

As I outlined to you yesterday, under the proposed legislation, our government will get rid of the artificially low cap of 4.3 cents. Our new plan introduces responsible pricing structure that is fair and predictable for consumers, reflects the true cost of electricity, gets rid of a subsidy that is completely unsustainable, and sends that clear and powerful conservation message to the people of this great province.

Under my proposed legislation, an interim pricing plan will take effect on April 1, 2004. The first 750 kilowatt hours consumed in any month will be priced at 4.7 cents per kilowatt hour. Consumption above that level would be priced at the higher rate of 5.5 cents per kilowatt hour. These numbers better reflect the true cost of electricity in Ontario.

Approximately 60% of homes in Ontario use less than the 1,000 kilowatt hours per month. Conservation measures could help reduce that consumption level. Since the proposed plan would not take effect until April, consumers will have a chance to review their energy use, take conservation methods and, as a result, limit the impact on their electricity bill.

Under the proposed legislation, the interim pricing plan will stay in place until an independent regulator, the Ontario Energy Board, develops new mechanisms for setting prices in the future. By so doing, this plan will take the politics and politicians out of electricity pricing and give that responsibility to an independent regulator. The Ontario Energy Board has been directed to assume this responsibility as soon as possible and no later than May 2005.

If the interim price turns out to be higher than the average market price, all eligible consumers would receive a credit after the Ontario Energy Board implements the new pricing mechanism.

By ensuring that the Ontario Energy Board, an independent body, sets future prices, we can be sure that electricity prices in Ontario will be regulated on the basis of what is in the public interest. At the same time, we're also taking steps to allow the Ontario Energy Board to protect and renew our electricity grid by ensuring reasonable charges for the delivery of electricity.

Furthermore, beginning March 1, 2004, local distribution companies would be allowed to recoup some of the costs that the previous government had put on hold. This will ease a tremendous financial burden that these local companies, the vast majority of which are owned by municipalities across Ontario, have had to face. To mitigate impacts on consumers, the OEB would be asked to ensure that these recoveries to local distribution companies are spread out over four years. We estimate that this will have a modest impact on the final price to consumers.

As of March 1, 2005, local distribution companies would be allowed to achieve their full commercial return, but only on the condition that they reinvest the equivalent

of one year's worth of these additional monies in conservation and demand management programs. This represents an investment in new conservation initiatives of approximately \$225 million, the largest single conservation investment in the history of the province of Ontario.

Through this plan, we are delivering on our commitment toward fiscal responsibility and fair and responsible government to the people of Ontario. But I don't want you to simply take my word for it. As I mentioned earlier, the positive response we've been receiving on this plan has been overwhelming.

Take Meena Hardat from Mississauga, for example. Mrs Hardat is the woman whose kitchen the former Tory government used to announce their 4.3-cent price cap last November. It looked like a home invasion on television as I watched it. Do you know what she had to say about the proposed plan? She said, "If you want to use, you have to pay." She endorsed this plan because she understands the importance of conservation. She understands that the legislation before us makes sense, and that it's good public policy.

But she's not the only residential consumer who understands that what we are proposing makes sense. If you read the Toronto Star today, you'll see that their readers were asked what they thought about the proposed legislation. Let me briefly read for you what some of them had to say.

Paul James, from Etobicoke, said, "Taxpayers were paying for the reckless cap by the Tories anyhow, so either way consumers are hit. This new legislation pushes consumers to conserve, something that Ontarians do not do enough of. I applaud the Liberals for this, as they're having enough trouble dealing with the mess left behind by Eves and the Conservatives."

Urs Eggiman, from Oakville, said, "The new hydro increase is reasonable and should encourage energy conservation. It does not make any sense to subsidize energy waste with taxpayers' money."

Carol Kanitz, from King City, said, "At some point, we were going to have pay the difference between the current price of electricity and the actual cost. I prefer to pay it in small instalments over time. Knowing what is coming in April will give us time to monitor our usage and find ways to cut back before the price rises. I am less concerned about a promise broken than I am about how a problem is solved."

Ila Bossons, from Toronto, said, "I'm sick and tired of having my taxes used to subsidize those who waste electricity because Mr Eves made it so cheap. Nowhere else in the western world do taxes pay for hydro! We should go back to what's fair—pay the full price."

And the list goes on and on. Clearly, Ontarians understand that a responsible approach is the right approach. They accept that we all have a responsibility to conserve and protect our environment and they understand that this proposed legislation is in the best public interest.

Municipalities in this province also understand that the legislation before us is good public policy. Ken Boshcoff, president of the Association of Municipalities of Ontario,

was quoted on behalf of his members as saying, "Municipalities, like others in Ontario, will be impacted by the increase in price, but AMO will work with the government and our members to mitigate these costs through conservation efforts and other measures. Municipal governments want a sustainable supply of electricity at an affordable price and we know our communities' health, safety and economic growth requires a dependable supply of electricity."

And yes, the mayor of Thunder Bay, in northwestern Ontario, a city I'm well familiar with—a great city that returns great Liberals and has for many years, including Michael Gravelle, and it's nice to see him here tonight—Ann Mulvale, AMO's incoming president, said, "We are pleased that the province recognizes the real costs incurred by our LDCs, and the legitimate charges they need to recover so that our infrastructure is maintained and improved. The Minister of Energy ... has listened to our concerns."

I am listening to their concerns and I'm also listening to the industry's concerns. Allow me to briefly tell you what some members of the industry had to say about the legislation that our government has put forward.

Charlie Macaluso, CEO of the Electricity Distributors Association, said that the announcement "is clear and welcome recognition by the McGuinty government of the fact that a strong and reliable electricity distribution industry is as important as having access to a sufficient supply of electricity. Putting Ontario's electricity distribution industry on the path to restored financial health will ensure a strong, competitive economy for our local communities and the province of Ontario."

Ed Houghton, chair of the same organization, said, "If left unresolved, the financial pressures on distributors could have compromised maintenance and capital expenditures, which, in turn, could have jeopardized electricity reliability and Ontario's competitive advantage."

John Wiersma, president and CEO of Veridian, a company that distributes electricity to more than 90,000 customers in the Pickering area, said, "We applaud the government for moving to a more sustainable price structure, free of government subsidies. The change will go a long way to instilling investor confidence in the Ontario marketplace."

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John Brace, president of the Independent Power Producers' Society of Ontario, said, "The Ontario government has sent out an important signal by setting the province on a course towards realistic electricity prices. Not only will this help ease the provincial deficit and encourage efficiency, if properly implemented it will improve the climate for investment in new and innovative energy technologies."

What does he mean by "new and innovative technologies"? He means green power, he means wind power, he means renewable sources of energy, moving forward in the 21st century, something a government that was really more set for the 18th century never wanted to do and certainly never had the vision to do.

Environmentalists and conservationists are also applauding our efforts to introduce this legislation. For example, Peter Love, executive director of the Canadian Energy Efficiency Alliance, said, "It's certainly a step in the right direction. We're seeing a price that's more realistic and more in line with what our generation costs are. It is clearly a signal to Ontarians that they need to conserve energy."

Deborah Doncaster, executive director of the Ontario Sustainable Energy Association, said of the plan, "I think it's really smart and good incentive for consumers to use less energy."

Tom Adams, executive director of Energy Probe, said, "It is an important step in the right direction."

Small business has also gone public to endorse the proposed legislation. The Ontario Chamber of Commerce, which represents over 56,000 businesses in Ontario—

Mr Garfield Dunlop (Simcoe North): What, all three of them?

Hon Mr Duncan: —not three, 56,000—said it's encouraged by the plan. The OCC, Ontario Chamber of Commerce, president and CEO Len Crispino, said, "We definitely applaud this first step the government has proposed today, because in the current climate of capped rates, there is reluctance by the industry to make new investments to ensure adequate supply. We have always supported measures that not only provide incentive to increase market supply, but also encourage conservation by consumers." Mr Crispino was also quoted as saying, "We support this important first step because it begins the process of ultimately ensuring that the full cost of power appears on the consumer's hydro bill, not on their tax bill."

Clearly the people have spoken: Residential consumers, small business, municipalities, industry, environmentalists and conservationists alike agree that the legislation before the assembly should be passed because it's good public policy. They understand and appreciate the direction we are taking. They understand that electricity isn't free, and despite the previous government's attempt with the 4.3-cent price freeze, they can't be fooled forever. They understand we shouldn't expect future generations to pay for the mistakes of the past, mistakes that we must act now to recognize. Finally, they understand that it would be irresponsible to continue to subsidize electricity consumption, because it jeopardizes our ability to invest in critical areas such as health care and education.

Energy is critical to the safety and comfort of our families and the strength and security of the economy they depend on. It's simply too important to be continually subjected to political whims and whatever opinion polls show to be popular on any given day. We must rebuild over the next 20 years virtually our entire capacity to power Ontario's businesses, schools, hospitals, infrastructures and homes. We must deliver power that will allow Ontario to grow and prosper for decades to come.

This legislation is one of many steps we are taking to ensure a safe, reliable and sustainable supply of energy for the people of Ontario. We firmly believe that our plan is in the immediate public interest. I appeal to everyone in this assembly to do what's right and vote in favour of the bill. Anything less would be a disservice to the people of the province.

This legislation begins the process of correcting a bad mistake that this Legislature made a year ago. That mistake, if left unchecked, would continue to cut off growth in this economy. Sometimes we have to change course. Sometimes we have to take tough decisions. Sometimes we have to acknowledge that there was a mistake. Those of us on this side of the House acknowledge that. Those of us on this side of the House are prepared to move forward in a way that will guarantee future prosperity for this province as it relates to energy. I submit that the previous government's ill-fated policy didn't work. They said—and I remember very clearly—not once but many times, that the freeze was revenue-neutral. That was the term that Premier Eves used. He said it wouldn't cost the taxpayer anything, that we could manage this. "We can do this and we can keep all of our other commitments." You know what? It cost us \$800 million, and it did nothing to encourage conservation. It has done nothing to ensure that we take those coal-fired plants out of production. This government will do that by 2007.

No vision, an empty policy, a party wracked by dissonance and disservice—that's why you're over there and we're over here. We were given the mandate to fix the problems you created. We're not going to shrink from the responsibility.

Under the leadership of Premier Dalton McGuinty, this province will grow and prosper, and this party and this government will live up to their commitments on health care and education in a way that you couldn't even imagine. The days of cutting health care, the days of firing nurses, the days of closing schools, the days of insulting teachers are gone and buried. Good riddance.

Thank you to the people of Ontario. We're moving forward in a positive light for everybody.

Mr David Oraziotti (Sault Ste Marie): It's my privilege to be here representing the riding of Sault Ste Marie. I want to thank the voters of Sault Ste Marie for electing me to serve their interests. It's the first time a Liberal member has had this opportunity from our city since 1937. I'm truly honoured and proud to be part of a new Liberal government that has been on the job since day one and has already put forward an aggressive plan of change to address the tremendous mismanagement of this province by the past Conservative government.

I want to tell you I have tremendous enthusiasm for our government's ability to meet the pressing challenges that we face in this province today. I am saying this because, without a doubt, the last time in the past 25 years that the riding of Sault Ste Marie received significant investment that resulted in economic growth was under the Peterson Liberal government. During the recent election, our party was the only party that took the needs of

northern Ontario seriously and clearly outlined our plans in a document called True North. Northerners once again have a renewed hope that their economic and social conditions will improve, because our new Premier also takes the concerns of northern Ontario seriously. It is my privilege to be part of a government that respects the interests of all Ontarians.

On the energy bill, Bill 4: What does this bill mean to Ontarians? Our government is taking a responsible approach to electricity pricing that better reflects the true cost of electricity. The Tories' electricity price freeze did not reflect the true cost of electricity and has contributed to the \$5.6-billion deficit threatening this province. The 4.3-cent price freeze was simply unrealistic. Ultimately, Ontario taxpayers are paying for this bad decision.

Since the Tory price cap was put in place a year ago, it has cost us \$800 million. That's simply not sustainable. It is irresponsible for the province to continue subsidizing electricity consumption, because it jeopardizes our ability to invest in health care and education, a commitment that we have made to all Ontarians and a mandate that we were elected to deliver on.

The days of using energy as a political football are over. We owe it to the people of Ontario to ensure our government lives within its means and puts the public interest first.

Through this plan, we are delivering on our commitment toward fiscal responsibility and fair and responsible government to the people of Ontario.

Our government plan will protect consumers by ensuring a fair and more predictable solution to energy pricing. The plan will protect residential and low-volume consumers from the volatile price spikes we saw in the summer and fall of 2002, when the Tories were in power. We will have stable and predictable pricing so families, small businesses and other low-volume consumers can better manage their energy costs.

The price will be regulated by an independent body, not by politicians. The Ontario Energy Board will be the price regulator, and will develop a clear and transparent way of setting prices prior to May 1, 2005. The OEB will also protect and renew our electricity grid by ensuring reasonable charges for the delivery of electricity. Electricity prices in Ontario will be regulated on the basis of what is in the public interest.

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Electricity prices in Ontario, even after the removal of the cap, are expected to be competitive with most surrounding jurisdictions, in fact will be lower than New York, Illinois, Ohio, Michigan and other states that we're often compared to as not being competitive with.

The government's plan will include a strong incentive to conserve energy, which is good for consumers and good for the environment. The fact that consumers have been shielded from the true cost of electricity has encouraged consumption instead of encouraging conservation. The current 4.3-cent price cap will be removed in favour of a pricing structure that will send a clear and powerful conservation message to Ontarians.

Starting April 1, 2004, the first 750 kilowatt hours consumed in any month will be priced at 4.7 cents per kilowatt hour. Consumption above that level will be priced at a higher rate of 5.5 cents per kilowatt hour. A typical suburban home in Ontario consumes approximately 1,000 kilowatt hours per month. Conservation measures could help reduce that consumption level.

Since the proposed plan will not take place until April 1, 2004, consumers will have a chance to review their energy use, take conservation measures, and as a result, limit the impact of the price change on their bills.

Conservation also makes good environmental sense, because it will reduce our reliance on coal-fired generators, which will help meet our commitment to phase out coal-fired generation.

Mr Peter Kormos (Niagara Centre): On a point of order, Speaker: Standing order 23(d), please.

The Acting Speaker (Mr Ted McMeekin): Stop the clock for a moment.

Thank you for your point of order. I'm informed, I think quite correctly, that if someone is reading excessively from notes that they didn't prepare, that could be considered a point of order. But when you're reading from your own speech—some members, particularly new members, are more comfortable doing that. So I don't accept the legitimacy of the point of order.

Please continue, member from Sault Ste Marie.

Mr Oraziotti: As citizens of this province, we all have to take responsibility to conserve energy and to protect our environment. Our government's plan will promote safe, reliable and sustainable supplies of energy.

As a former city councillor in Sault Ste Marie, I'd like to take you back to an example in our community. The public utility commission was on the auction block. Of course, in our community we decided not to sell off the public utility commission. We could have put \$40 million in the pockets of our community, but what would we do after? This was the problem with the past government's energy policy. There was no forethought on that issue. We're very pleased to be able to address this in a more responsible way.

Very shortly after I was elected, I had the opportunity to meet with several individuals and some of the major corporations in Sault Ste Marie that heavily consume power—Algoma Steel, St Marys Paper, Siderca seamless tubes in Sault Ste Marie; GP Flakeboard and Boniferro Millworks—that are all concerned about the lack of investment in energy for long-term price stability. All of them wanted long-term price stability, which was not provided by this government.

If we are to go back briefly to the history of some of this confusion and mismanagement with regard to the electricity market, we can take a look at the former NDP here, who put us partly in this situation. Cancelling a lifeline with the province of Manitoba and spending money frivolously on a Costa Rican rainforest, to me, is not responsible to the taxpayers of Ontario.

The Conservatives have flip-flopped about 11 times, as I'm counting—correct me if I'm wrong; it may be

12—on deregulation, and it has really created a problem for us in this province. There's really no reason that on every hot and cold day in this province we should be relying on the American power grid. We need affordable, sustainable power with renewable, environmentally sound sources of energy in this province. We have lost our energy sovereignty under the past two governments and we will be responsible for allowing for and encouraging reinvestment in the energy sector and creating new sources of energy in this province that will bring that long-term and much-needed price stability to this province.

This plan is a major step forward in attracting new electricity supply to sustain our future energy needs. We're sending a clear signal to the investment community that Ontario intends to deal with issues in a practical, sensible and transparent way. This plan reaffirms our commitment to modernize our electricity system by attracting new supply, encouraging conservation and delivering cleaner energy to the people of Ontario.

This plan will protect Ontarians by ensuring a fair and predictable solution to electricity pricing that better reflects the true cost of electricity in Ontario today. It ensures that our government stops subsidizing electricity consumption and jeopardizing our ability to invest in health care and education. It is also good for Ontarians because it sends a clear and powerful message about conservation, which is critical to sustainable energy and a healthier environment in the future. Finally, the responsible approach we are taking will promote new and much-needed additional supply of energy in this province.

Our government's plan will protect consumers by ensuring a fair and more predictable solution to electricity pricing. Approximately 60% of homes in Ontario consume less than 1,000 kilowatts per hour of electricity and will see less than a \$10 increase on their total monthly bill. However, by implementing simple conservation measures, these consumers can reduce their consumption and their bills. Our government will be implementing measures to educate consumers about conservation measures they can take between now and April 1, 2004, in order to limit the impact and the price change on their bill. For example, we have announced the extension of the sales tax rebate on energy-efficient appliances as one of the measures.

Our plan will provide residents of apartments and condominiums with stable, predictable pricing. Since the average monthly electricity use of most residents of apartments or condominiums is generally 750 kilowatt hours or less, most of their use would be covered by the 4.7-cent price cap. For multi-residential units that are individually metered, monthly electricity usage will be billed in the two blocks like other residential consumers. For the bulk meter departments and condominiums, regulations are being developed that would allow building owners to report the number of individual units to distributors to ensure that the monthly bill for the building

reflects the two-block pricing structure for individual units.

By implementing conservation measures, both landlords and tenants will be able to reduce electricity consumption and costs. Increases in costs such as utilities are reflected in operating costs used to determine annual rent increases and guidelines. Regulations are being developed to ensure that the cost of electricity billed to landlords will reflect the two-block price structure based on the number found on the bill.

Our government is committed to providing both residential and business consumers with the information and assistance they need to make decisions about energy conservation and efficiency. As just one initial step, we've announced the extension of the sales tax rebate. It's important to realize that the cost to date of the government fixed-price structure has been over \$800 million, which is jeopardizing our ability to invest in health care and education. Of course, we'd like to continue to keep the province's bills low, but that wouldn't be sustainable at this point and it would not be honest. Why? We should not be subsidizing the electricity use of schools and hospitals; we should be reinvesting in those facilities.

Our government is delivering the straight goods to everyone, including farmers and small businesses. We're taking a responsible approach to electricity pricing that better reflects the true cost of electricity and remains competitive with other jurisdictions. The Minister of Energy has met with the Canadian Federation of Independent Business and the Ontario Federation of Agriculture and has made a commitment to work together with them to look at ways that farmers and small business owners can limit the impact of the price change. Between now and April, we will be working hard with them to find opportunities for conservation and demand management programs.

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Since becoming the Minister of Energy on October 23, the Honourable Dwight Duncan has met with a number of energy industry stakeholders and consumer groups to get their input into the development plan. The government has also received a number of endorsements from key stakeholders for the development of this plan, including groups such as the Consumer Association of Canada, the Stakeholders' Alliance for Electricity Competition and Customer Choice, the Independent Power Producers' Society of Ontario, and the Electricity Distributors Association, as well as the Canadian Taxpayers Association and many others.

We have asked the OEB to move as quickly as possible to assume its role as an independent regulator of electricity prices. We believe we need to take the politics and politicians out of price setting. The best way to achieve this is to have the energy board assume the responsibility to develop a fair and transparent process for setting rates.

With that, I am very pleased to be supporting Bill 4 to do the responsible thing for Ontarians in managing this

very difficult issue that has caused much turmoil in the lives of Ontarians over the past years.

Mr Brad Duguid (Scarborough Centre): Let me commend the member from Sault Ste Marie. He did a wonderful job on his speech, a really terrific speech. I have gotten to know the member from Sault Ste Marie a little bit over the last few weeks, and I have to tell you, I think the people of Sault Ste Marie really have a terrific member in store for them.

Hon James J. Bradley (Minister of Tourism and Recreation): He's a dynamo.

Mr Duguid: He's a dynamo. He's going to go places here at Queen's Park. They're going to be reading a lot of good things about him. He's going to represent Sault Ste Marie and I think all the north very, very well, both in caucus and here in this place. I commend him on his first speech and I commend him on the work that I believe he's going to show us here today in this place.

I'm here today following in the line of a number of very good members of provincial Parliament, all of whom I think would have something to say on this bill before us today. My predecessor was Marilyn Mushinski, who is somebody I have a lot of respect for. I worked with her for a number of years as a city councillor. She was the MPP for the same area that I represent. I know as well that she would probably be very disappointed right now that the Tories would be coming down on us so much, when all we're trying to do is clean up the mess they left behind. I know she would recognize that, because she's always been a very rational and fair person. I believe she would probably have taken a different approach over the early days of Parliament in giving us a chance to clean up the mess that her government did leave behind.

I also follow in the footsteps of one David Warner, a former Speaker of this place. David Warner is a very nice man, a very balanced individual who worked very hard. He was a good Speaker in this place. He's doing very well. I think he's back in the teaching profession now and I wish him very well in his endeavours. He's contributed very much to this place.

Frankly, somebody who would be very interested in this bill as well would be somebody I would consider to be my mentor, probably more than my mentor, and that's one Frank Faubert. Do you remember Frank?

Applause.

Mr Duguid: Frank Faubert served in this place from 1987 to 1990. I happened to serve as his executive assistant during those years, and despite my poor advice, he did very well here. He really enjoyed his years at Queen's Park. I don't think anybody respected this place more than Frank Faubert did.

There are a number of things I learned from Frank. One was that to get ahead in life there's one thing that you can't substitute for, and that's hard work. Frank was one of the hardest-working individuals, and I hope I can live up to those expectations.

Secondly, Frank respected everybody on all sides of the House and he was friends with people on all sides of the House. I hope to follow in those footsteps as well.

Thirdly, Frank respected everybody. Whether it was the Premier or the mayor or a head of state or whether it was the janitorial staff or the cafeteria staff, he treated everybody the same. That's something I think we can all learn. As Frank would say, you can't fake it. You either care about all the people you serve or you can try to fake it, but if you try to fake it, you're not going to get away with it. That's something that I think helped Frank very much, and that's why he went on to become mayor of the city of Scarborough. In fact, he was the last mayor of the city of Scarborough and he probably would be mayor today had it not been for the Tories' vengeful amalgamation of the city of Toronto. The residents of Scarborough to this day are disappointed at the fact that the former city of Scarborough no longer exists and that it's an amalgamated city. They're doing the best they can with the amalgamated city. I enjoyed the years I spent on Toronto council, but at least now they are going to have a government here in this chamber that's going to listen to them.

I've got to tell you, in all the years I spent, the nine years I spent at the local level and the six years in the new city of Toronto, time after time I'd come to this place with a legitimate request for assistance, not begging for things we weren't entitled to, just asking for the things that every other city on the face of this planet gets, and every single time that door was slammed in my face—every single time. Not only mine; it was slammed on everybody who was at the city of Toronto and in municipalities right across this province, frankly, Hamilton, Windsor, Brantford, St Catharines, Niagara Falls, all over the place. So it is time for a change, and I think municipalities are going to really see a difference when they come here and ask for help.

This was not the bill that I think we all had in mind when we were running in this last election. I don't think this is the bill that we thought we'd be debating this early in the campaign. We're builders. The Liberal Party and my colleagues here today ran in this last election and have worked here for a long time, those who got re-elected, because we're builders. Unfortunately, we've been stuck with a situation where unless we fix the mess the Tories have left behind, that building is going to be extremely difficult.

We came here to rebuild our education system after years of neglect: classrooms that were overcrowded, students who—and many of you probably heard this—would go into the washroom and couldn't even find soap to wash their hands.

Interjection: Shame.

Mr Duguid: It was shameful. A lack of textbooks—no textbooks in some cases. We came here to rebuild the education system, but we can't. That's why we have to work on this bill here before us today.

We came here to rebuild a health care system that was deteriorating, almost getting to the point where it looked

like it was going to be beyond repair. I'm confident we can get that health care system rebuilt. I'm confident we're going to do it. But because of that mess that was left behind, it's going to be a lot tougher than we thought it was going to be. That's why we've got to show leadership on this bill and make sure this bill gets through, so we can get beyond this Tory deficit, and this bill's going to go a long way to helping us do that.

We came here to fix the auto insurance problem. We saw the rates skyrocketing under the previous government. It was a mess that they created in auto insurance, and they weren't willing to do anything about it. Well, we are, and it starts today. We're going to get that auto insurance system fixed up. We're going to get those rates down.

We came here as well to repair the relationship between the federal government and the government of Ontario and the relationship between the government of Ontario and the municipalities across this province, because we know that the only way we're going to accomplish our goals is if we can get everybody singing from the same hymnbook, everybody working together, and we're going to do that.

Hon Mr Bradley: We are family.

Mr Duguid: We are family. But we're here today to talk about energy. Look at the energy system that we've inherited.

Hon Mr Bradley: Michael Prue said, "Raise the rates."

Mr Duguid: Michael Prue wanted to raise the rates. Well, Michael Prue is an old colleague of mine and he said a lot of things on Toronto council that he's going to regret. But one of the things we have to do is try to rebuild this energy system. It has been left in a mess.

Interjection: Who messed it up?

Mr Duguid: We know who messed it up. It was the Tory government that messed it up. The previous government left us in a fiscal morass. Frankly, the previous government's fiscal credibility is in absolute tatters. We're talking about a Tory party here whose reputation was supposed to be that of the best fiscal managers around. That's what they talked about for years. It was all a sham. That's what we found out here today: it was all a sham.

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The other thing this bill does that is extremely important is that it speaks to conservation. Conservation is a very, very important approach that we have to take. Unfortunately, the previous government never spent one iota of time on conservation. They were too busy concentrating on privatization. They were running around trying to figure out how they could privatize the system instead of trying to figure out how they could fix the system. This system needed to be fixed. This energy system was lacking. They knew about it from day one. In fact, there were warnings nine years ago, if not before, that we didn't have enough sources of energy to drive our energy needs in this province. They ignored it. Did they go to Quebec and try to get a better deal? No. Did they go to

Manitoba, like we were going to do when we were in power between 1987 and 1990? The NDP walked away and cancelled it. That would have been help for us in the last little while. Did they do that? No, they didn't see the big picture. They were too busy concentrating on the privatization issue when they should have been looking for other alternatives. They should have been looking.

Did they look for things like cogeneration? Did they invest in cogeneration opportunities? Cities and countries around the world have recognized that cogeneration is a wonderful way to put energy back into the energy grid and to look after the energy needs of big energy users. Did they look into that like others who are advanced thinkers, bigger thinkers? No, they were too busy concentrating on privatization. Did they look into things like wind generation of energy? That's something we see all over the world. In Europe, it's been around for years, almost for centuries. It's been around for many, many years. Did they look into wind generation? Absolutely not.

Right now at the Toronto waterfront we have a wind turbine. The engineers get very upset when you call them windmills; it's a wind turbine that we have at the Toronto waterfront. We have one as well in Pickering. Are they there as a result of a commitment from this government to wind generation? Absolutely not. They're there because others have pressed to try to get pilot projects up and running. What they should have been doing was trying to find ways to encourage wind generation, try to encourage, whether it be municipalities, companies or whatever, to start investing in wind generation because there's lots of opportunities there. Other countries and jurisdictions around the world have been able to do that and to do it with great success. We should be doing that here in Ontario as well.

It's not going to happen overnight. It's going to take some time. We're going to have to put some systems in place to look into these issues and try to find ways that we can generate this green source of energy power. It's something that we're committed to do because we need to do it. For eight years they've been sitting on their hands and doing nothing.

Then we look at things like natural gas. Where are the other alternative sources for natural gas and the use of natural gas as energy sources?

Interjections.

The Acting Speaker: Order. Excuse me. I'm having difficulty hearing the words of the speaker. Could we have a bit of peace and order? Member for Scarborough Centre, please continue.

Mr Duguid: Thank you very much, Mr Speaker. I know my comments are so riveting that the members opposite are really enthused.

Another area we should be concentrating on is use of waste for energy provision. That's something we're looking at, whether it be use of landfills as a source of methane gas, whether it's other energy uses that some are for, some are against, but it's certainly something we should be looking at because other jurisdictions around

the world are utilizing it. We should be looking at anything that is environmentally sound, that's clean and green, that creates energy, that other jurisdictions around the world are doing. This province should be at the forefront of that movement instead of lagging behind like we are right now.

Members of the Legislature, it's disappointing for us when we hear members opposite say that they're shocked, as they did this morning. I think it's appalling that the members opposite would be getting up and trying to shift the blame for the deficit by playing with numbers. Instead of coming forward with our finance minister Mr Sorbara's numbers or the Premier's numbers or even Mr Phillips's numbers, instead of coming forward with numbers from a politician, we went to an independent source, a respected source, an auditor who's respected by all members of the House—at least he was by the members opposite previously. We went to a third-party source to get legitimate numbers that the people of this province could believe in.

They indicated that the size of the deficit was \$5.6 billion. That's not a small accounting error; that's a massive, massive amount of money by which we are in deficit right now. In fact, my understanding is that this Provincial Auditor—I could be wrong; correct me if I am—was appointed by the NDP when they were in power. So I know they respect this auditor's numbers. The previous government kept this auditor in place when they were there, so they respected him as well. These are legitimate, bona fide numbers, yet they're questioning the integrity of this auditor by suggesting that those numbers are not correct.

I mean, give me a break. That government is responsible for that deficit and they should be carrying the can on it. We're not going to carry the can on that deficit. They created the problem; we're going to fix it. We're going to fix that deficit. It's not going to be easy. It's going to require tough decisions. I would expect the members opposite to support us in trying to clean up their mess. But no, they're not supporting us; they're trying to oppose every step of the way—at least the members directly opposite, anyway. It's very disappointing to hear some of the questions we've been hearing in question period on these things. I find it very disappointing.

As to suggesting that we're not rolling up our shirt sleeves—that's what this bill is all about. This minister, probably the most competent energy minister we've had at least since 1990, rolled up his shirt sleeves the day we got elected to start working on these problems, as did this government. This rolling-up-the-shirt-sleeves thing—why were their shirt sleeves not rolled up when they were in government for eight years?

Hon Mr Bradley: They couldn't get their cufflinks off, the diamond-studded cufflinks.

Mr Duguid: The member indicated they couldn't get their cufflinks off, and that's probably true—the nice, pure gold cufflinks.

We have a difficult challenge in front of us, and in fact we're probably going to have much tougher legislation

coming forward than this bill. It's going to be difficult for us, but we're committed to doing the things we said we are going to do. We're committed to getting that education system fixed up. We have to do it; students across this province are counting on us to get that education system fixed up, students in classes of up to 40 kids. You cannot teach a kid, especially if a kid's got special needs—there's no way those special needs are going to be given any attention if they're in a class of over 40 kids. Without bills and without tough legislation like this, we're not going to be able to tackle those problems.

Look at the condition of our schools. I heard the member from Eglinton-Lawrence talking about the condition of the schools. Frankly, I've been in schools that—I don't want to call them Third World schools, but certainly their condition is embarrassing, totally inappropriate. These are our young people. They should have decent places in which to learn and to be taught, and the condition of some of our schools is just ridiculous. The sports fields that they have to play on—I know across my riding and probably across this province—aren't even close to the condition they used to be in. People are embarrassed by the grass that's growing in front of the schools, in the sports fields. They're making our communities look very downtrodden.

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All this is coming from the lack of funding, the lack of attention our education system had from the previous government, and we're not going to be able to tackle those problems until we get that deficit down. That's what's frustrating for us. As I said, we came here to build, but we're going to have to work on that \$5.6-billion Tory deficit, we're going to have to work it down, and we're darned determined to do that. We have no choice but to do that.

Hon Mr Bradley: I have someone for you to welcome.

Mr Duguid: I understand, Mr Speaker, that we have the chair of the regional municipality of Niagara, Debbie Zimmerman, in the members' gallery here with us today, and she's now the CEO of the Ontario Grape Growers' Marketing Board.

If anybody knows how important it is to turn this deficit around, if anybody knows how important it is to get this energy file back on track, it's the grape growers, because they need a sustainable source of energy. Like all reasonable people in Ontario, I think they're willing to pay a little more to ensure that they get a reasonable and reliable source of energy. They recognize that if they don't pay a little more through bills such as this, it's just going to be taken out of their pocket anyway, out of having to fund the deficit through general revenues. They're going to pay for it one way or another. If they're going to pay for it one way or another, they may as well pay for it in a way that's going to encourage people to conserve.

That's where I give the Minister of Energy a great deal of credit. He has had the vision to recognize that you should reward those who are conserving with lower

prices. I think that's a very important signal to send to all Ontarians, whether it be homeowners, apartment-dwellers, whether it be businesses—

Hon Mr Bradley: He's a visionary.

Mr Duguid: Absolutely. The minister is a visionary when it comes to the energy file, because he's recognizing that that's where we've got to go. We've got to ensure that people conserve energy. There are many, many ways they can conserve energy, whether it be making sure they shut off their lights at night or whether it be taking all the different energy measures that we're going to be encouraging them to do.

One of the problems we've had over the last number of years, the last eight years, to be exact, is that with this focus on privatization we've totally forgotten about energy awareness programs across this province. People have forgotten all about that. We all remember that for previous governments, the previous Liberal government and even the previous NDP government, conservation was a very important part of energy policy. That seems to have been lost on the Conservative government. It's time now to start concentrating on conservation, because that's where we can make a really big difference in terms of our future energy needs. The more we can conserve, the less we have to produce, and the less we have to produce, the more we have to spend on this energy file. So it makes sense, rational sense, to try to encourage the people of Ontario—as I said, not just homeowners but businesses as well—to try to conserve as much energy as they possibly can.

This is also going to be a partnership with the people of Ontario. We're going to be counting on the people of the province to join with us in this effort. They recognize what we're going through here on this side of the House. The people I talk to in my riding are not buying the Tory line of this being a non-deficit situation. They know that times are going to be tough for the province for the next little while. They also know that we're very, very committed to doing the things we said we are going to do, but they recognize that the reality is that we're here to serve the public interest, and the public interest is to make sure that we perform our duties responsibly, that we're a fiscally responsible government, that we can make sure that this province is sustainable into the future.

This is not just a one- or two-year experiment; this is something that we have to do. We've got to turn this province around fiscally, and the only way we're going to do that is if we make tough decisions like those in front of us today.

It's never easy to tell people that their rates are going to have to go up. That's never an easy thing to do. We're going to be going back to our ridings over the Christmas break and we're going to have to tell people, "Yes, your energy rates are going to have to go up." We don't have a choice. We're going to have to explain to them why those rates are going to have to go up. Well, the main reason is that we've been stuck with a \$5.6-billion Tory deficit that's preventing us from doing many of the things that our hearts are set on doing.

We talked about education, we talked about health care, we talked about an investment in municipalities—and we know that we need to invest in infrastructure in municipalities. We're there for them. We're committed to them. There are a lot of former members of council who were elected to this place in the last election. So we understand the needs of municipalities. The problem is that we've been stuck with this \$5.6-billion deficit and we're going to have to work like heck to try to find the money that's needed to try to start rebuilding the infrastructure in our municipalities.

We're going to have to count a lot on the federal government, that they'll be able to start investing with us as well. We know they're going to be there for us. We know we're going to have a better relationship with them than the previous government did. I can tell you one thing we're not going to do is play politics with things like the SARS issue. We're not going to be playing politics with SARS. We're not going to, just before an election, pretend that we don't want to receive federal dollars to help with SARS, trying to make a political issue out of it so that they can then hammer the provincial Liberals. We know exactly what was going on there, and it didn't work. The people didn't buy it. They don't want to see governments shooting arrows at each other; they want to see us all working together. And that's what they're going to get over the next number of years.

This is an important bill to ensure that we can carry on with our agenda. This is an important bill to ensure that the people of this province know that conservation is going to be critical to ensuring we have a sustainable source of energy into the future. People showed confidence in us in the last election because we know we're going to be able to produce those clean and green sources of energy. We know there's a better way of doing things than we've seen over the last eight years. They know our commitment is true. We know we're going to be looking at other jurisdictions. We're going to make Ontario a best practice when it comes to energy provisions.

I've got to tell you, this is a new experience for me. I'm used to being on a city council where you've got five minutes to speak, and you're lucky if you can get an extra 10 minutes, so you try to speak as quickly as you can. Here I find it totally different. In fact, there are times—and I'm not saying I was doing this today—when you kind of have to speak for a little longer than you might have wanted to speak. I know that doesn't happen too often, but it is going to be a bit of an adjustment to have to try to do that.

I am honoured that the people of Scarborough Centre have sent me to this place. I'm proud to be part of a government that's going to tackle these problems head-on, that's going to level with the people of Ontario, that's going to take some of the tough political decisions that we're going to have to take to get this Tory deficit dealt with. We're going to do it and we're going to come back and come out with those commitments that we made during the provincial election. We're going to deliver on

them, and four years from now, the people of Ontario will have seen a real big change in this province.

Mr Michael A. Brown (Algoma-Manitoulin): On a point of order, Mr Speaker: I would like to bring the attention of the House to Peter Gravelle, who is in the gallery here. He is the brother of the fine member for Thunder Bay-Superior North. Peter works at the George Jeffrey Children's Treatment Centre in Thunder Bay as the clinical manager of programs. Welcome, Peter.

The Acting Speaker: The House welcomes you. The floor is open for comment.

Mr John Yakabuski (Renfrew-Nipissing-Pembroke): I would like to congratulate the member from Scarborough Centre on his maiden voyage here tonight.

Interjection.

Mr Yakabuski: Absolutely.

I'd also like to welcome Mr Gravelle. From that vantage point there, you cannot become a member of Dalton McGuinty's promise-breakers club. You cannot become one from there. You can only become one from inside this House. I see that the Minister of Energy has taken his seat, and I want to welcome him and congratulate him on becoming the charter member of Dalton McGuinty's promise-breakers club.

Interjection: I sense a theme here.

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Mr Yakabuski: There is a theme. What we want to talk about is the hydro promise broken. Then Leader of the Opposition, Dalton McGuinty, campaigning to be Premier of Ontario, said that 4.3 cents per kilowatt hour would be in place until 2006. Shortly after the swearing-in we found out that that promise would be broken. They say we can't afford it, under the guise of a bogus deficit number arrived at with the compliance of hired hand Erik Peters, former auditor general, who railed against the government of this House for the last eight years and was constantly questioning their spending habits. So what better person to come up with a \$5.6-billion figure for a deficit?

So here we have the Minister of Energy telling the people of Ontario that you are going to pay more for hydro. It's just another example of the hand going in the pocket. The pockets will soon be empty and I don't think the people of the province can suffer this government much longer.

Ms Shelley Martel (Nickel Belt): Let me begin with the comments by the member for Scarborough Centre. He said, "I didn't think we'd be here so early dealing with this bill." Brother, I didn't think you'd be here dealing with this bill at all, because you were the party during the election campaign and before the election that promised that the rate caps were going to stay in place until 2006. I'm sure that there were a number of people who voted for you based on that commitment.

Let me remind you what was in your election document. Here it is: "We will keep the price cap in place until 2006. We do not believe that you"—the taxpayer—"should pay the price for the government's mistakes." That's from Hydro You Can Trust, The Ontario Liberal

Plan for a Modern, Public Hydro. We wouldn't be here at all dealing with the removal of price caps if you guys weren't, yet again, breaking another promise.

With respect to the member for Sault Ste Marie, who tried to blame the NDP for the supply mess, he referenced the Manitoba contract. Someone forgot to tell the member for Sault Ste Marie what his own leader had to say. I think Dalton McGuinty forgot what he had said about Manitoba as well. Before the campaign started Mr McGuinty was trying to say that the NDP should have gone forward with this deal, but here's what Dalton had to say on April 30, 1992, when he was the environment critic: "Does the minister continue to support the Manitoba purchase?" and "We ... know it's cheaper to produce this electricity in the province than it is to buy it from Manitoba.... We know that if we cancel the deal today, it's going to cost us \$82 million, but if we wait until the end of the environmental assessment hearing, it's going to cost us over \$200 million." He went on in the supplementary to encourage the Minister of Energy to cancel the Manitoba transmission deal. That's what Mr McGuinty's position is. I guess someone forgot to tell the member from Sault Ste Marie before he started his remarks this evening.

Mr John Wilkinson (Perth-Middlesex): I find it passing strange in this House to realize that there are those who forget their previous positions. For example, there is a leader in this House of a certain party, Howard Hampton, who on page 18 of *Public Power* says, "I am not ideologically opposed to private power any more than I am opposed to private restaurants, clothing stores or car dealerships." I'm sure the car dealers and the store owners are happy at that.

When I was speaking last year and had the former wonderful member from Renfrew-Nipissing-Pembroke, who was a grand member and has now been followed by another member, he said there are two immutable laws of physics that one must know about hydro. The first law is this: You cannot store megawatts. Oh, you can store the power in a little Eveready bunny rabbit battery but you cannot store megawatts. That's a law of physics. The second law of physics that we always have to remember—and I know the minister knows this—is that whenever demand exceeds supply, everything goes black in this province. That's what happened.

Can you believe that in the strongest province in the Dominion, on every hot or cold day we are reliant on the American grid? Of course, we all know how reliable the American grid is. We've learned our lesson. This government is committed to fixing the problem that we have inherited, not the problem that we created. That's why I'm very proud to support the minister in this bill, doing the tough work that has to be done.

The Acting Speaker: The minister has two minutes to respond.

Hon Mr Duncan: I want to congratulate my colleague from Sault Ste Marie and my colleague from Scarborough Centre for outstanding first speeches in the House.

Let me say to my friends in the NDP that you voted against the cap. You said it was the wrong thing to do. Here's what Howard Hampton says in his book on page 219: "Reducing energy consumption always makes environmental sense, whatever the current cost of power," and you're voting against the biggest conservation effort in the history of Ontario. Two different policies, two different days—same gang.

To my new colleague from Renfrew-Nipissing-Pembroke: It is time for your party to get its head out of the sand on this issue and start dealing with reality. Your constituents are paying for your mistakes through their taxes. That's wrong. We're fixing it. By fixing it, what we're going to do is ensure that people pay a fair and stable price, something you didn't do. Your party left them on the spot market. Their bills went like that; the poor, the rich—it didn't matter who.

You know what? You flip-flopped. You changed your position. They changed their position on energy 11 times from 1998 to this year. You're over there because you did that. We don't need a lecture from you about how to manage the power sector. For 13 years now that government and the NDP cancelled all conservation programs. You threw the thing apart to the point that it's going to take years to fix. But we're not going to shrink from that challenge; we're going to meet it. We're going to ensure that the future energy supply of this province is safe, clean, affordable and stable. That's something that has been lacking. This bill begins to do that.

There's more to come. The members on this side of the House and our colleagues there understand that. We're going to fight for it. We're going to make this province a better place and fix what you left.

Mr Dunlop: Mr Speaker, I have the understanding that we have unanimous consent to stand down our lead-off speaker and go into a 20-minute rotation of our speakers. Our leadoff speaker couldn't be available tonight. Is that agreed?

The Acting Speaker: Is there unanimous agreement? Do I hear any nays? Go ahead.

Mr Dunlop: I'm pleased to be able to rise this evening to speak to Bill 4. I find this a very interesting piece of legislation. I want to congratulate all the members who have spoken on it so far, and congratulate the new members, and the member from Shakespeare, Mr Duncan, for his theatrics. It's very interesting to listen these things.

I've got a lot of different points I'd like to raise this evening. First of all I'd like to point out that we call this the hydro rate-hike bill, or as the Liberals call it, the Ontario Energy Board Amendment Act, 2003—the 9% to 27% increase in hydro costs for young and old.

I'd just like to take a moment, because I think we're going to have a lot of debate on this piece of legislation, to say first of all that I've had a long career in municipal politics, beginning at the very early stages, in 1980, of our hydro commissions in our small villages and townships. Mr Speaker, you've probably had the same type of background. It's amazing how things have changed.

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I knew back in 1980 that we were accumulating a huge debt with the reactors, Ontario Hydro etc. But in the little village of Coldwater that I represented—I'm telling you, there were a lot of small utilities in the area—somehow we survived. We tended to have a non-paid board of directors operate the municipal electric commission. We turned to Ontario Hydro for advice. I'm sure everyone has been through that stage back in those years between 1980 and 1990. I think we did a fairly good job, although at all times Ontario Hydro dictated the increases in price that we could actually send through. Then, of course, that had to be approved by the Ontario Energy Board.

I think we always were aware that in Ontario we were slowly accumulating a fairly large debt with Ontario Hydro. We knew that somewhere down the road it was going to cause a lot of problems for—I didn't realize at that time—the provincial government. Certainly the buck stops here and it's our responsibility.

I actually learned a lot in those days about the hydro system. I'm not trying to brag about my knowledge of it but I learned about the oils in the transformers, the ones that can contaminate the soil and that sort of thing. We learned about transmission lines, the purchasing of hydro and the purchasing of transmission lines from Ontario Hydro. For me, that was fairly good training. I was able to work over the next 18 to 20 years with Ontario Hydro representatives and our local power commissions. We had a series of operators and employees with our small utility. I think it gave me, in my opinion, fairly good insight into the operation of a small utility in Ontario. Of course today, as a provincial representative and a member of the opposition, and a past member of the government, it's given me the opportunity to have a lot of insight into what's actually happened here in Ontario.

It's very disappointing for any member of this House to actually lay the blame for any hydro problems on any particular government. I think every political party can bear some of the blame at different times for the different problems. I listened to the theatrics of Mr Duncan, the new Minister of Energy—and I do congratulate him for that portfolio. I know he has a huge job ahead of him and I'm so glad that already this evening so much has been put on Hansard. When people start receiving their hydro bills—I'm thinking of the ones that arrive sometime in July, August and September—it will be very interesting to see the response at that time. We'll be able to refer to all the comments made here this evening by people who have talked about this bill tonight and badmouthed our government at the time.

I did want to read into Hansard, because I think there are a couple of things that are really important that we read in. I haven't seen this particular piece. It's the conclusion to the report. We call it the bogus review of creative accounting by the independent consultant. You guys call it the review. You'd think it was an audit. It's actually about four pages long.

I would like to read in the conclusion statement that Mr Peters actually said:

“Since the 2003-04 fiscal outlook updated as of October 24, 2003, and the projected deficit contained in that outlook are based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material. In this regard, table VI lists a number of additional risks not included in the projected deficit amount, while table VII lists uncertainties with positive potential. Also, government decisions after the date of this review (for example, whether to set aside funds against contingencies for the rest of the year, as noted under Observations) will have an impact on the projected deficit. I consider the projected deficit, before the impact of risks and uncertainties, future government decisions and unforeseen events, of \$5.6 billion to be based on assumptions that are reasonable at this time. For the reasons I have outlined above, I express no opinion as to what the actual deficit for the year ending March 31, 2004 will be.”

I noticed also—and I want to put this on the record as well because obviously the government is trying to blame us for as many things as they can—and want to mention that in all of Mr Peters's comments I have seen nothing about the horrific types of things we've seen in 2003. I'm going to point out things like West Nile, like the blackout, which of course the province of Ontario could not be blamed for, like the SARS epidemic and mad cow disease.

I think it's very important, Mr Speaker—and it's good to see a new Speaker in the chair also, just moved in there—that we point out that when we had the terrorism attack on New York City in 2001, which had a dramatic impact on the province, the government of Ontario under Mike Harris at the time, and then Premier Eves, got to work and actually balanced the budget. The same sort of thing can be done today. We've seen in the last few days a government that has no intentions of even making any attempt whatsoever to balance our budget. As a result, it's disappointing, because as Mr Peters says in his bogus review, there are certainly the opportunities to do so, but we don't have the will from the folks here to actually make that happen.

I'd also like to read into Hansard, because I think we'd like to come back to this over the next few days, a few comments from different people across the province on this particular piece of legislation. I have to read comments out of the platform of the Ontario Liberal Party previous to the election. I would like to read it very quickly.

“No more coal: We will shut down Ontario's coal-burning power plants by 2007 and replace them with cleaner sources of energy.

“It is hard to believe, but at the beginning of the 21st century we still burn coal, the dirtiest way to generate electricity. Our five coal-burning plants are the worst polluters in Ontario. They create smog and threaten our health.”

We clearly heard in the platform the date of 2007. Unfortunately, we didn't hear that in the throne speech. It's very disappointing. With the coal-burning generators I feel already that, as our party said, 2015 was a more realistic date. As a result of that, I think we're going to see another broken promise right there alone.

Let's hope they're right. I'd love to see the coal generators all shut down by 2007, but I don't think it's a possibility or will actually be a reality from this new government.

"We will bring clean, renewable energy to Ontario." This again is part of the Liberal platform. "We will require that Ontario electricity suppliers obtain at least 5% of their electricity from new, clean, renewable sources by 2007 and 10% by 2010." That's a promise under the Liberal platform.

"We will expand power generation at Niagara Falls, creating enough new, clean electricity to power every home in a city the size of Brampton."

That's why I want it in Hansard, ladies and gentlemen and Mr Speaker, because I think it's important that this is actually on the record and in our Hansard as we go along, so that as we approach the next election, which of course will roll around very quickly, this sort of information can be brought forward to the citizens of our province.

"The days of burning coal will soon be behind us. We will move to clean alternatives like natural gas and exciting renewable sources like hydro," which we've already had, "wind and landfill methane. This will increase supply, open up new markets and create thousands of new clean energy jobs." I notice that the Minister of Environment is here tonight and I'm going to be very excited to see landfill methane projects actually incorporated into our waste management systems across our province, allowing the municipalities of Ontario to actually use landfill methane and have quick approval from the ministry. We have some huge problems up in our part of the province with landfills being very, very close to aquifers, and some new applications and new approvals that have seen landfills close to aquifers. I'm very excited that the minister and the Liberal platform actually call for this type of promise.

2010

Reducing electricity costs is another part of the Liberal platform: "We will help Ontario homes and businesses reduce their costs and cut their electricity consumption at least 5% by 2007." Did you hear that? That was in the platform: 5% by the year 2007. What did the price increase today, with the introduction of this bill, that we'll see in March? It's 9% to 27%. So it will be really exciting for the citizens of Ontario to see a 5% reduction in their consumption by 2007.

"We will introduce effective programs to encourage residents to reduce their home energy consumption. At the same time, we will work with commercial and institutional customers, especially hospitals, schools, colleges and universities, to lower their electricity use." That's another one.

"Within industry—"

Hon Leona Dombrowsky (Minister of the Environment): Good idea to conserve energy.

Mr Dunlop: They're all lower costs, and you went up 27% with the introduction of this bill today.

Interjection.

Mr Dunlop: I'm going to tell you right now, to the Minister of the Environment, who is heckling me over there, you're looking at a minimum of 200,000 jobs lost in Ontario as a result of this bill today.

Now I'd like to take some information off the Web site: "We will keep the price cap in place until 2006." Isn't this 2003 today? I thought it was around November 26, 2003.

Interjection.

Mr Dunlop: I hear the Minister of the Environment heckling me again over there and, of course, she still thinks she got a good audit from the independent consultant they hired to produce that bogus review. The fact of the matter is they—

Interjection.

Mr Dunlop: OK, let me continue on with their Web site: "But the cap cannot last forever. You deserve a government that will plan ahead, so that when the price cap is lifted in 2006"—I think it's still 2003—"you will have the ability to control your costs." That was good. I'm really glad that the new Minister of Energy and our brilliant new Premier are keeping a promise to the citizens of Ontario to keep the cap until 2006, because today I thought it was 2003. But maybe I'm out of touch. Maybe we're three years ahead and it's really 2006. Ladies and gentlemen, this is one more broken promise by this group of people that consider themselves the government of Ontario, and it's very, very disappointing.

I heard Mr Duncan, our Minister of Energy, talking about all these comments he had from people across the province. I've got a couple of minutes to read a few comments as well:

"Ontario's new Liberal government has broken a key campaign promise, and introduced legislation to raise retail electricity rates. Is that a fair move? Has the government gone too far—or not far enough?"

"I was not surprised by the shortcomings of promises from the Liberals. They are all politicians and it doesn't matter what party they represent they are all liars." That comes from someone named—

Interjections.

Mr Dunlop: This is a comment, Mr Speaker. I hope that's not a—

The Speaker (Hon Alvin Curling): It is, and would you withdraw it?

Mr Dunlop: OK, I will withdraw the statement by Robert Reeson. That is a statement off the Toronto Star Web site.

Mr John O'Toole (Durham): No excuses. Withdraw it.

Mr Dunlop: I've withdrawn it.

Interjection.

Mr Dunlop: I'm sorry, but I've got to read these. Duncan stood and read them for 10 minutes.

"I am on the verge of never voting again because every member of every party makes campaign promises that they always break, although the speed that McGuinty is breaking his is truly astonishing and unprecedented." That's from Gary Allen of Pickering, Ontario. He probably knows a lot about nuclear reactors.

"This new government broke a promise, and now I have doubts that it can be trusted." This is from Artur Halota from Mississauga, and this is just today.

"I agree the price cap is unsustainable. We all pay for this indirectly in the form of tax and I'm glad this promise was broken. But it should never have been made." Once again, they made the promise.

"The Mike Harris government inherited the largest deficit in Ontario history from the Liberals and then NDP in 1995, but they kept all of their election promises." That was the Mike Harris the people were attacking today, the guy who created one million new jobs in Ontario.

Interjection: Are they all working for Mike Harris now?

Mr Dunlop: No, but they are paying their taxes to the federal government in Ottawa, and the guy who's going to be the new Prime Minister, I believe, is the guy who has his flag, his ships, from different islands.

"The Liberals need to be held accountable for"—well, I can't read this one, but for the ladies and gentlemen out there who want to read the Star Web site, it's from Andrew Buchan from Cambridge, Ontario, November 26. It's not very flattering to the Ontario Liberal Party.

"The attitude of this government is typical of the disappointing governments in the developing world—promise anything to win the elections, and once elected, blame everything on the previous government." That's from a gentleman named Mr Gill from Toronto, on November 25.

"Higher hydro prices will lead to less consumer spending, less business activity, fewer jobs and decreased tax revenue. Subsidizing hydro would be cheaper. On a different note, I am anxiously waiting for the ... Liberal promise to be kept." Gabor Takacs from Toronto, November 25.

I can go on and on. There's pages of these. Mr Duncan, of course, spent his whole speech grandstanding. I saw his theatrics, and for a while I thought he was out of a Shakespeare play. Quite frankly, he spent his whole speech reading comments about our government and about the NDP, and how wonderful they were over there. The fact of the matter is, we know there's been a major, major promise broken here with the introduction of this bill. It will have a negative impact on the families and the businesses of the province, particularly when you follow it with the largest tax increase in the history of Ontario, which was introduced on Tuesday of this week.

Our government was proud of the million jobs that were created in the eight years we were here. We're proud of the 600,000 people who left the welfare rolls. I wonder, as we roll down the road in another two or three years, if this government will be proud of the hundreds of

thousands of people who will lose their jobs, of the hundreds of thousands of people who will increase Ontario's welfare rates. I look forward to their accomplishments and how they can actually spin that. I look forward to all the 231 promises that we have on this particular sheet, but unfortunately—

The Speaker: Thank you. The member for Kenora-Rainy River.

Mr Howard Hampton (Kenora-Rainy River): I want to note that the member for Simcoe North has correctly pointed out that it was these members of the Liberal Party who said everywhere across Ontario, before the election campaign, during the election campaign—they said it in speeches, they said it in their campaign document, it was quoted on radio talk line shows—over and over again that a Liberal government would extend the Hydro rate cap to the year 2006. People who voted in the election were led to believe that was the policy of the government.

I know the Liberals are now somehow trying to revise history. They're saying, "Gee, that rate cap cost \$800 million." Well, we knew in May, in June, in July that the rate cap cost \$800 million. What changed?

Then they say, "Oh, well, there's a deficit." The then Liberal finance critic, Mr Phillips, on June 3 in estimates committee added up the cost of SARS, added up the lost tax revenue due to lower performance of the economy. He added up no \$2.2 billion in sales, no \$700-million in-year savings. Then he added up possible failure of the federal government to turn over the \$700 million in OHIP funding. He added up all the numbers and said that the previous government had a \$5-billion-plus deficit risk. That's what he said.

All of these things were known when you made the promise. I simply ask, what changed?

2020

Mr Dominic Agostino (Hamilton East): First of all, hearing a lecture from the leader of the NDP about broken promises is as much as anybody in this House can bear. I mean, the kings of broken promises sit to the far right of where I am right now and certainly have no right to lecture anybody with their history.

But I want to talk about the price cap. The member from Simcoe North went on with this rant. The reality was that Ernie Eves, in one of the 12 positions he took on hydro when he was Premier of Ontario and running for leadership, said this would be revenue-neutral. The Tories said, "It's not going to cost the taxpayers a cent." That is as accurate as when Ernie Eves and Janet Ecker said, "There's no deficit," that there was a balanced budget. Remember that? Now we find out it's costing \$800 million a year. It would be absolutely irresponsible for this government to continue down the path that had been set by the Tory government in those past eight years, a Tory government that told taxpayers, "Don't worry about it. Be happy. Your rates are going to be low. There's going to be a cap and it's not going to cost you a cent"—\$800 million per year. That would be grossly irresponsible to continue.

I think the plan we've outlined is a solid plan. It's a gradual increase. It promotes, for the first time in the history of this province, conservation, which should have been your aim. People who consume less will pay a lower rate. Yes, this is going to be a hardship on some people. I agree that some of the things we have to do are going to be difficult in the short term for the people of Ontario, but understand we've got to clean up your mess. Understand that you've been in power for eight years and you left this province in a mess. The only party who ran a greater deficit than you was the NDP. You're second in the history of this province. You left a mess in this province and now it's going to be our job. It's the responsible job of government to clean up the mess and not hide our head in the sand and pretend everything's wonderful. We're going to fix it, we're going to do it responsibly, and we're going to do it in the best interests of the people of Ontario, who elected us to—

The Speaker: Thank you.

Mr O'Toole: I was very impressed, and that's why I came back into the House: to show respect to the member from Simcoe North, who actually tried to dwell on the substantive difference between this government and the previous government—that is, our government—and how we stuck through the difficult but necessary decision on freezing the rates. We had a four-year plan, and in fact the Liberals voted for that plan. Then they ran in the election on that plan and then immediately broke it. As the member from Simcoe North very admirably pointed out, that's just one more broken promise.

I actually want to respond a bit to the member from Hamilton East. Respectfully, congratulations on your re-election. I just want to say I'm somewhat disappointed that you weren't in cabinet. You worked as hard as or harder than any member, and you sat just about here, roughly. I'm not happy to have the seat you used to have, but nonetheless, keep up the good work.

As long as you're in the backbench, don't be afraid to hold the front bench accountable. We came close to it tonight, because Dwight Duncan, as the Minister of Energy, knows full well that by any other name this is not just a broken promise, it's a tax increase. It's a tax increase on seniors on fixed income, on new home buyers. This is just the first wave of tax increases under the codified name of your energy bill, and it isn't 4.3 to 4.7; it's all the other accumulated charges, the transportation, the distribution charge, and the ever forlorn Liberal GST tax which is added on at the end.

I'm appalled that Dwight is trying to call this bill the right thing to do. In fact, it's doing the very worst thing. It's a tax increase that they promised they wouldn't do. Garfield did a great job.

Ms Martel: I want to follow up on the points that were made by the member from Simcoe North, because he has it right when he reminds the Liberals that we are dealing here with a broken promise tonight.

I find it really difficult to hear some of the Liberal members saying, "This scheme wasn't revenue-neutral, and we didn't know that it wasn't revenue-neutral. We

only found that out after Erik Peters took a look at the books." It was public knowledge during the summer, even before the blackout, that the rate cap was costing us over \$700 million and that taxpayers were picking that up on their tax bill; not through the hydro bill but through the tax bill. It was common knowledge and it didn't stop the Liberals from going out during the election and continuing to make the promise that the rate cap would stay in place until 2006.

Second, the Liberals cannot now say that they didn't know about the deficit and therefore have to break yet another promise—this promise on hydro rate caps tonight is the one we're dealing with—that they didn't know about the deficit. For goodness' sake, their Liberal finance critic, who has been a member in this assembly for a long time, who is a well-respected member of this assembly and a well-respected finance critic, was down in estimates publicly talking about a \$5-billion deficit in June. I assume that his leader, Mr McGuinty, knew he was down in estimates doing that. I assume his Liberal colleagues knew he was doing that. He wasn't the only one who talked about a \$5-billion deficit. So did Mr Kwinter, later on in August, to Canadian Press. So it wasn't a surprise, and you can't use the deficit now as an excuse for what you're doing tonight.

I said back when we were dealing with the rate caps and I'll say it now: We should be dealing with a bill that brings back public power; power at cost. That's the fairest thing to do for hydro ratepayers.

The Speaker: Response?

Mr Dunlop: I'd like to thank the member from Kenora-Rainy River, the leader of the NDP; the member from Hamilton East; the member from Durham, my colleague John O'Toole; and the member from Nickel Belt for their comments.

Quite frankly, I have to agree with a number of the comments that were made. The member from Hamilton East talked about the mess that he inherited. I suppose a million new jobs is a mess. I suppose nine years of economic growth is a mess in some people's minds. I suppose that the government that in the last nine years has created about 48% of all the jobs in the province of Ontario—I think that's a mess.

Hon Steve Peters (Minister of Agriculture and Food): Talk about Enron accounting, Garfield.

Mr Dunlop: I listen to the minister over there heckling away again like a chipmunk. I thought it was Smitherman at first but it's actually the Minister of the Environment, and I thought he knew better.

But the fact of the matter is, they didn't inherit a mess. They inherited a province in its ninth year of economic growth.

Did they know whether there would actually be a cost to the hydro ratepayers because of the capping? Of course you did. You knew it by January 2002. You knew it exactly.

You knew that would happen. To sit there today and be arrogant and say you didn't know, you're either com-

pletely ignorant or you're stupid; it's as simple as that. Everyone knew in the province of Ontario.

Mr Dave Levac (Brant): On a point of order, Speaker: I do believe that that's a little bit over the line. I'm sure the member would want to withdraw that.

Mr Dunlop: Mr Speaker, I will withdraw the word "stupid."

Hon Mr Peters: How about "ignorant"?

Mr Dunlop: It's "arrogance" I used.

The Speaker: Member from Simcoe North, just say "withdraw."

Mr Dunlop: I will withdraw that, and I thank you for the opportunity to say a few words tonight, Mr Speaker.

The Speaker: Further debate?

2030

Mr Brown: I am pleased this evening to take part in this debate. This debate is essentially about providing Ontarians with safe, affordable, reliable electricity.

I may have been here for too long. I've been here for 16 years, and I remember some of the debates and some the occurrences that have taken place over those 16 years. As a matter of fact, I sat on the select committee on energy. I was the vice-chair of the select committee on energy back in the late 1980s. We had a plan before the Legislature committee. We had a plan before the people of Ontario. We had a plan that was called the Ontario Hydro demand-supply plan that was put out by Hydro. It was undergoing environmental assessment and it was put before the members of the Legislature and studied by the select committee. I have a copy of that right here.

It called for a number of things: conservation measures, diversifying our supply of electricity by going to other jurisdictions like Manitoba and Quebec, finding new ways of generating electricity, encouraging small private hydro electricity development, encouraging biomass, and many things.

Do you know what happened to this plan? In the early 1990s, the Rae government decided that public power was a bad thing. They decided that NUG, non-utility generation, was the thing to do. When they finished building the nuclear generation station at Darlington—

Ms Martel: No, they finished it under you, Mike; come on.

Mr Brown: That is not true.

Since they finished building the nuclear generation station at Darlington in the early 1990s, there has been no significant new generation built in the province of Ontario. We have experienced significant power shortages—we all know that—through last summer and the summer before. We have been importing from states like Michigan, Pennsylvania, Ohio and other American jurisdictions, where the majority of their electricity is generated by coal. The majority of those emissions come to Ontario, because that's the way the prevailing winds are. That is the situation we have been in.

We've been relying on those American states to provide us with the electricity that we need in this province to supply our own industry and residential customers. We have done that because we have not had a regime in the

province that has promoted building enough supply and/or encouraged conservation to make that possible.

So we've come to this point after at least 10 years of neglect of hydroelectricity policy in the province, of a situation where we've had to pay outrageous prices to other jurisdictions to burn fossil fuels that provide pollution to the province, at incredible cost to the people of Ontario. That's where we're at.

We stand here today, and would be totally irresponsible not to move on these issues. What has been put before us here in the legislature is a bill that is being sponsored by the Minister of Energy, the Honourable Dwight Duncan, Bill 4, An Act to amend the Ontario Energy Board Act.

What does it do? It increases the price of electricity by 0.4 cents for people who use electricity responsibly in the province of Ontario on a residential basis. So, if you are using less than 750 kilowatt hours, your price is going to be 4.7 cents—

Mr Michael Gravelle (Thunder Bay-Superior North): That's 60% of households.

Mr Brown: Well, actually, it's 45% of households, but 60% of Ontarians use less than 1,000 kilowatt hours, and that means that they will be paying, I think, \$5 or \$6 more a month for their electricity.

But what does that do? It helps us with this little problem we have. The little problem is, we have borrowed \$800 million that somebody's going to have to pay for. When you borrow money, you have to pay. At least, that's how it works in our household. They always seem to want to lend you the money, but they always seem to want you to pay it back, and they always want you to pay interest on it. You would know that the hydro debt in the province is somewhere around \$40 billion, and we are paying interest on that \$40 billion; maybe we aren't getting tremendous value on the interest portion that we're paying. Maybe we have to be responsible, or maybe we believe our children or grandchildren should pay for the electricity we use today.

I don't think the people of Ontario believe that. I think the people of Ontario believe that you have to pay the going price for electricity today. You cannot borrow from your children or grandchildren to have that happen. It's totally irresponsible.

When we generate electricity in this province, we generate roughly a third of the electricity from fossil fuels. We in the Liberal Party believe that to be wrong. But we also know that in the short term the price of fossil fuels—the price of natural gas, the price of oil and the price of coal—has risen significantly in the marketplace in the last few years. We still have to use that natural gas, we still have to use that coal and we still have to use oil to provide the electricity. How we are supposed to do that and hold to a price freeze is a mystery to me.

I think what Mr Duncan has done, in introducing this bill today, is to ensure our electrical energy future. It cannot be done with smoke and mirrors. It has to be done with reasonable decisions. We have done that in Bill 4.

First, I should say the bill's provisions do not go into effect until April 1. The gives Ontarians a chance, an opportunity, to inventory their own personal household or business needs, see where conservation can be effected within their homes and businesses and find ways they can maybe even reduce the actual cost of energy they use by more than the price increase. I think Ontarians will be looking for those savings. There are numerous opportunities within anyone's household just by turning off some lights when you're not in the room, just be doing all kinds of relatively small things that will in effect save electricity and save your bill. It is foolish for us to have a policy which says you should have artificially low prices, and encourage use. We want to be a society that responsibly uses our energy and responsibly makes sure that our future generations aren't going to pay for our folly.

The first point is that this does not happen until April 1. The second point is that if you are using what we deem to be a reasonable amount of electricity, a modest amount of electricity to run your household—that would be less than 750 kilowatt hours—you will be paying a very modest increase on the price of the energy. That would be 0.4 cents more, so very little difference to you. For most people, who we're told use roughly around 1,000 kilowatt hours—that's 60% of households—although it will be a little bit more money, it should not be significant. You should be able to save that just through wise use of electricity. But we need to bring to Ontario families the encouragement to do the right thing, which is to use energy wisely.

One of the interesting things I want to speak a little bit about is how this policy deals with apartment buildings. There is a commitment in apartment buildings, when there are a number of units that are not individually metered, that the ministry will have a look at that and will divide it out. For most of those people, the apartment owner will still pay the lower rate because it will be less than 750 kilowatt hours. I mention that because my good friends the Dereskis in Wawa would like to know that finally they are going to get some kind of a break on operating a multi-unit residential building in northern Ontario, something that has been a major cause of concern not just for the Dereskis but for many, many folks in my constituency of Algoma-Manitoulin.

2040

This bill will also mean that we will encourage generation and we will encourage new opportunities. We will encourage people to go forward with their own projects for wind generation, for example, and I know of at least three, and probably more, groups that are actively seeking to provide wind power generation within the constituency of Algoma-Manitoulin, to provide opportunities for them to go forward with doing the environmentally correct thing, I know you would want to encourage that, of having renewable electricity that will be produced closer to home so we need less transmission, less distribution, less of everything and so provide very good opportunities for those folks to not only provide the

electricity but build their own community around energy opportunities. I also know that in my constituency, where we have a great number of the province's rivers and streams, there are opportunities for small hydro generation that should be encouraged, and that many entrepreneurs will look at these new kinds of opportunities that are provided by a market that is now capable of paying increased prices for their electricity and many of those projects can go forward. That will provide opportunities for First Nations, for smaller communities, for some PUCs, for just a great number of people.

The north is a net importer of electricity. Most people would think that the north, with its great and grand geography, which is over 90% of the province of Ontario, would be an exporter of electricity. Unfortunately, that isn't true. One of our opportunities now will be to get into the generating business in a way that would provide electricity as a kind of economic opportunity now.

Many folks in my riding will find this a very exciting opportunity. We will find the cogenerating possibilities in the sawmills and mills and mines and the other industries within the constituency and the entire northern part of the province. I know Mr Gravelle, from Thunder Bay-Superior North, would find the same kind of excitement within his constituency of providing opportunities to provide these new sources of electricity to the more local of the communities, save distribution and transmission costs and provide greater reliability to places for example like Geraldton, which always have some difficulty, as Hornepayne and some of the other northern communities have, providing reliable electricity because of the length of the transmission lines. With the great opportunities and the great resources that we have in northern Ontario, it's about time that we have those kinds of opportunities.

The cost to this is one that is modest. It's a cost that will be taken out of the hands of the politicians at the earliest possible moment. The bill provides for the Ontario Energy Board to set the price. It provides for the Ontario Energy Board down the road, once it's constituted and the regulations are presented to them, at the earliest possible moment to take over providing power at cost to the people of Ontario and to set that price outside of the political realm at an arm's-length agency of the province. I think that's what Ontarians want. They want a stable price. They don't want the kinds of wild and crazy fluctuations we saw with the insane opening of a market that did not have enough supply in it that happened over a year ago now and that led to the price cap at the 4.3-cent level which bore no relationship to the actual cost of electricity in the province. I'm told the cost of electricity in Ontario during the period was actually 6.2 cents per kilowatt hour. So it's no wonder that you rack up an \$800-million cost of electricity to the people of Ontario.

Now, we have a corporation in Ontario that has accumulated another \$800 million in debt paying for a price cap that bore no relationship to the actual cost of delivering electricity to the province. We have a situation where no new generation of any significant fashion has been built in the province of Ontario for the last 10 years.

We have a situation in the province of Ontario that has not encouraged industrial practices that optimize the use of energy. We have a situation in the province of Ontario where conservation has not been encouraged by the government of Ontario in our households. We have a situation, in short, that was untenable, could not be maintained and will not be maintained.

It is with pride that I support this bill, which accelerates our opportunities in this field and which will provide opportunities for all Ontarians to save, to find new opportunities and to find new conservation and be more environmentally responsible.

With that, I will end my brief remarks this evening and suggest to the House that before one gets too carried away, remember that this is a responsible bill that does the right thing at the right time for the people of Ontario.

The Speaker: Questions and comments?

Mr Yakabuski: I want to congratulate the member from Algoma-Manitoulin for the 16 years of his constituents placing their confidence in him.

I want to speak to Bill 4, An Act to amend the Ontario Energy Board Act. When this price cap was instituted last year, of course the government, which was then the opposition of the day, voted in favour of that price cap. Now they're telling the people of the province of Ontario that we can no longer sustain that price cap, even though they promised in the election of 2003 that they would maintain that price cap to 2006. They're using as justification the guise of this bogus deficit number they've come up with, because they don't want to take the necessary steps and do the necessary work to deal with that deficit prior to March 31, 2004.

What I would ask them about this deficit is that at the time of the election on October 2, we had almost six months, almost half of the fiscal year left. We still have well in excess of four months left. If you've ever watched the Daytona 500 or the Indianapolis 500, the race is never called after 250 miles to declare the winner. You've got to forge on and you've got to keep going. Many times, in fact most times, the person who's leading at the halfway mark doesn't win the race, because the other guy works harder. This government doesn't seem to want to do what is necessary to tame that deficit they claim they've inherited. I would say it is inflated and invented. They call it inherited; I'll go with inflated and invented.

Ms Martel: The member spoke about the market opening and the insane price fluctuations which resulted when the market opened, and that as a result it's no wonder we racked up at least \$800 million on the taxpayer bill that we have to pay. That just goes to show that the open market did not work; it did not lead to lower hydro rates. It begs the question why both the Conservatives and your party ever supported market opening in the first place. The Liberal Party has been a strong defender of the Conservative move to open the market. In fact, it was your leader, Mr McGuinty, in a fundraising letter to energy corporations on Bay Street in October 2001, who said really clearly that, "Dalton and the

Liberal Party have been consistent supporters of hydro privatization and deregulation."

2050

We should be here tonight with a bill that brings back public power, power at cost, because what is clear is that private power doesn't work. When you take the price caps off, the public is not going to be paying the real cost of power; we're going to be paying the price of private power. You said yourself in your remarks that that price was higher than power at cost. On average, it has been higher than what power at cost was.

I appreciate that you're here tonight trying to defend what your government is doing, which is to clearly break an election promise that you made. The fact remains, what we should be doing is not trying to continue to prop up private electricity in Ontario. We should recognize that electricity is an essential service and we should be providing that electricity at cost. We should get all the fee-takers, commission-takers and everyone else who is picking our pockets out of it and return it to a non-profit corporation.

Mr Tony C. Wong (Markham): As I rise for the first time to speak in this House I would like to thank the people of Markham for electing me as their representative. I also want to congratulate you, Speaker, for your election to this esteemed office.

I will begin by saying that Bill 4, like Bill 2, is absolutely essential for our government to put our financial house in order as we proceed to implement the policies that we spoke about during our election campaign.

My friend the member for Scarborough Centre talked about education needs, textbooks and the capping of class sizes. He's absolutely right, but I want to talk about what is important in Markham. The Markham Stouffville Hospital has been planning for an expansion for a long time, and it is essential and very important to our residents that this proceed. What does that mean? It means investment in health services. I'm sure that many communities in this province have the same need.

I certainly agree with the member for Algoma-Manitoulin that we've got to be able to do better than use up our fossil fuels. But it's much more than that; we have to take extremely important measures. There's no question in my mind that conservation is of the essence. This bill does exactly that because we put in place the necessary incentives for the residents of Ontario to conserve. Consumption is in the mindset of people, so we need to produce and provide necessary and strong incentives for them to start thinking about conservation. That is why this bill is not just about fiscal responsibility; it's also about conservation of our energy resources and protection of the environment.

Mr Dunlop: I'd like to congratulate, Mr Brown, the member from Thunder Bay—

Interjection.

Mr Dunlop: Algoma-Manitoulin; I'm sorry. It's so difficult to remember all the names as the new people come into the Legislature it's difficult.

Mr Brown: I'm not a new name.

Mr Dunlop: I know you're not new, but it's difficult to remember all the names. I really support you, Speaker, in trying to keep everybody straight, especially for these first two weeks when there's so many new members. Again, I congratulate Mr Brown for his comments and his re-election to this Legislature. His points are well taken.

However, I think as we work through this process of debating this very, very important bill in the history of Ontario, it's important that we all get as many comments as possible on Hansard to see exactly what everybody's feelings are. Looking down the road a year, 18 months or two years, we may see a lot of changes. We've heard comments this evening from so many folks about people flip-flopping or changes in their opinions on a certain topic. But let's face it, in the last four decades in Ontario this has been one of the most highly sensitive issues that we faced.

As we look toward a growing economy and a growing population, we do need a fantastic energy supply. I agree, we don't need to use all of our fossil fuels, including natural gas, which was mentioned here earlier, but obviously you want to switch everything over to natural gas immediately as part of the platform. I hope we have the natural gas supply, and I hope we have the ability to continue on with reactors etc and the nuclear power program.

It's a huge issue, and I'm glad people are having this debate tonight on the fact that just because we want it on Hansard to look back in a couple of years' time.

Mr Brown: I want to thank, first, the member for Renfrew-Nipissing-Pembroke, the member for Nickel Belt, the member from Markham and the member for Simcoe North for the questions and comments. Certainly I appreciate those very much.

The member from Nickel Belt talked about public power. Well, it is public power. Hydro One is owned by the people of Ontario. Ontario Power Generation, which owns 85% of the generation in the province of Ontario, is owned by the people of Ontario. There is roughly the same amount of private generation in Ontario as there was 15 years ago, and there is no intention on this side to change that. It's just to provide opportunity. As the NDP said on their Web site, if you wanted to have a look, they would encourage—and Mr Hampton, the leader of the NDP, when he was in Windsor, talked about allowing private power to sell power into the grid. That's a reasonable thing, and I think that was a reasonable statement by the NDP.

I think that's kind of a red herring. What we need in Ontario is safe, reliable electricity at affordable prices. That would make a total opportunity for Ontarians to generate electricity, to make sure that we do it in an environmental way, to make sure that we are not buying coal-fire-generated electricity from US jurisdictions at unbelievably high prices. That is just unacceptable from both an environmental and an economic point of view. If we don't take the steps in Ontario to make sure we have the generation and we have the conservation, we will not

succeed as either an economy or as a province. We need to do that, and we need this bill in order to move forward.

This is a forward-looking piece of legislation, and I commend the Minister of Energy for bringing it forward.

The Speaker: Further debate? The member for Cambridge.

Mr Gerry Martiniuk (Cambridge): Thank you, Mr Speaker. I congratulate you on your ascension to the throne. It's well deserved.

I have the pleasure this evening of addressing the Ontario Energy Board Amendment Act, 2003. There's a lot of confusion surrounding this particular Bill 4. I noted from the papers on November 26, which I believe is today, that, for instance, the Toronto Star indicated this bill would have the effect of increasing hydro bills by \$5 to \$9. I assume that's a month. The Toronto Sun, on the other hand, felt that the same bill would increase hydro by \$3 to \$15 a month. I guess that just goes to show you, you have to look behind the newspapers on occasion to find out the true facts.

What is this all about? I remember—and all the members who were members in the spring and fall of 2002 will remember—the price of electricity was permitted to float in the spring of 2002 and there wasn't a great reaction at that time. One of the problems at that time was that two plants, a number of the generating turbines at the Pickering plant and the Bruce plant, were both down and the price of electricity per kilowatt hour jumped rather dramatically. There was no real effect on the public until the fall, starting in September, when everyone started receiving their hydro bills and the calls started. I don't think I was the only one who received calls from the public. In fact, I know I wasn't. But I can honestly say that in the eight years of having the honour to sit in this House and represent the great riding of Cambridge, I have never had an issue about which I have received more calls at my const office. They did not stop.

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Everybody realized that because of the shortage of generation in Ontario at that particular time, this was a situation that could not continue without something being done. Something was done in November. An act was proposed which in effect froze residential rates at 4.3 cents a kilowatt hour, and that bill passed in this House. It was supported by the loyal opposition, as it then was, the Liberals, and it was opposed by what formerly was the third party and now is independent, the NDP. That seemed to solve the problem at that time, and the calls obviously did not continue. At the same time, certain safeguards were brought in to safeguard small businesses from the drastic price gyrations of electricity at that time.

By the way, I should mention that the problem affecting my particular constituents, and I can only speak for the personal calls I received, did not merely affect residential, but small businesses. Many were affected in a very dramatic manner, to the extent that I spoke to two small businesses, among the scores I spoke to, where it could affect them, unless they received some cap, so

adversely that they might have to close. One of the things that all members of this House would like to see is more people, not fewer, working in Ontario. I think we agree universally on that.

So a freeze was presented, and it has now been altered. Under Bill 4, as I understand it, the price of 4.3 cents is to be eliminated as of April 2004 and there's an interim plan under which the first 750 kilowatt hours consumed in any month would be priced at 4.7 cents per kilowatt hour and consumption above that level would be priced at the higher rate of 5.5 cents per kilowatt hour. Of course, that would apply to residences. So there is still a price cap effective in April, but there will be substantial increases to residences, depending on the calculation.

In addition, of course, commercial users, 50,000 kilowatts up to 250,000 kilowatts a year, would see an increase in their monthly electricity of between 15% and 18%, and for large businesses, and I would assume anything over 150,000 kilowatts, this translates into approximately \$180 a month for that business.

So we are removing the freeze, and starting in April or May of next year we will see a considerable increase on residences and commercial. And in addition to that, the matter will be put into the hands of the Ontario Energy Board, and they will come forth with recommendations as soon as possible and no later than May 1, 2005. I would assume that that could mean further increases unless some generation capacity has wondrously appeared in this province that would solve the problem we have now, that we do not create the energy we use.

That's pretty cold, but those are the facts, and that's what we've been discussing. But how does it affect people? I remember talking to one individual, a widow, in my riding, who was a tenant, not a homeowner, and who lived on basically the old age security, with a supplement, which was important, in a very, very modest rental property. This was in September or October 2002. She was going to find great difficulty at that time—it was before the freeze—in finding room for this additional expenditure that she did not choose to make but in fact was forced to make because we need electricity. It's easy to say "conserve," but you just can't tell someone to turn the lights out and that's the way they're going to conserve. Especially when they're using modest amounts of electricity to start with, the business of conservation becomes extremely difficult.

So when we deal with someone in that situation, unfortunately—or fortunately; I happen to think it's fortunate—we do have in Cambridge a very large senior population. Many have moved from other cities to Cambridge because we are considered a prosperous and safe city. Many of them are in that boat.

Compounding that, the government has decided to abandon the seniors' tax credit. As a government, we felt that a seniors' tax credit was appropriate, simply because so many of the seniors living in this province were feeling a great deal of anxiety over increasing expenditures. It's not just hydro, of course. If they drove a car, we had a problem of increasing automobile insurance. The gas

was increasing rapidly. Food was relatively stable. The second-largest number of calls I've had from seniors now, not from the general public, was in regard to the tax credit for seniors, which means if they were over 65, either an owner or a tenant—the lady I keep thinking of who put forth such a plaintive case was over 65—they would have received a rebate of educational taxes attributable to their unit. Even though they were a tenant and did not pay it directly, they obviously paid it through their rent.

These individuals were looking forward to receiving additional monies around Christmastime this year, or actually earlier, which would have assisted them in meeting the everyday, ordinary expenses that you and I think little of, but to them every penny counts, due to their fixed income. That's unfortunate, but we cannot ignore it. There is a segment of our society that needs our help, and unfortunately it will not be forthcoming, either by the tax credit or by the freeze on the hydro rates. So what are they going to do? I don't know. I will receive calls, I'm sure, and I'm sure everyone in this chamber will receive calls. It would seem that if this bill is passed, we can only commiserate with them; unfortunately, we cannot really assist them, as I know all in this chamber would like to.

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The Speaker: Questions and comments?

Ms Martel: I didn't hear everything the member had to say, but I'm sure that somewhere in his remarks he would have made the point that what we're dealing with here tonight is yet another in what looks like will be an ongoing string of broken promises. I continue to point out that I don't know why the government made the promise it did during the election campaign if it didn't have any intention of keeping it. It was really clear, after the market opened and when rates went through the roof and members of the Conservative Party and the Liberal Party were scurrying for cover because they were getting irate calls from homeowners about their hydro bills, that the cap as it went into effect was clearly going to cover the real price of private power. No one in this House was under any illusion that anything else was going to happen. That was what the rate cap was all about: to try and hide the real cost of private power.

Of course when you did that, someone was going to have to pay for that cost of private power, and consumers began to pay that cost right after the rate cap went into effect November 11, 2002. It was no surprise to anyone that the taxpayers of this province were going to foot a huge bill, as it was very public—very public, right across this province—that the magnitude of that bill, that whack to taxpayers in this province, was well over \$700 million even before the blackout occurred.

But that didn't stop the Liberal Party from going out and campaigning on an election promise that they would keep the rate cap in place until 2006. You knew taxpayers were paying a huge amount. It wasn't a surprise. The real question is, why did you make the promise you did if you didn't intend to keep it?

Mr Jeff Leal (Peterborough): I listened with great interest to the speech from the member from Cambridge. It would be pretty interesting around this House if we finally got a frank admission that Bill Farlinger was the author of the electricity disaster here in Ontario. Now it's up to our government to bail out the situation, to put our electricity system on an even keel so that indeed, at the end of the day, homeowners, businesses, people in the ag business will have a reliable source of power in this province. This plan that we've introduced will do it.

Let me tell you, Mr Bob Lake, the former president of the Municipal Electric Association of Ontario and president of the Peterborough Utilities Services, was on the radio this morning, on the CBC morning program, saying that this government, this bill, is on the right track to bring back electricity stability to the province of Ontario, and we should be proud of that.

Mr Dunlop: I congratulate my colleague the member from Cambridge for his comments this evening. I believe he's serving his third term here. He works extremely hard in his riding. Hey, we 24 members of the Progressive Conservative caucus—it was disappointing on October 2 to see that 10% shift in the vote that saw the Liberals pick up about 45% or 46% of the vote in the province and us reduced to 35%. We received a lot of seats.

You have a lot of challenges ahead of you as members of the Liberal caucus; there's no question. You've had a good example tonight of the debate that takes place here. We've got three long weeks ahead of us after tomorrow night to finish this session, and then we're going to go into the spring session and we'll go on for four or five years, whenever we determine that the next election will be. But we 24 members who are left here feel extremely proud of the fact that we worked so hard in our ridings and were able to maintain our seats in spite of the shift that we've seen and the change in the province. I think people like Mr Martiniuk, the member from Cambridge, deserve a lot of credit. He brings some good points out here and he brought some good examples about what the feelings are from his constituents. He continually refers to his constituents because he represents them so well.

But I think the concern we all have here is how this will impact. We knew the 2006 cap was temporary. Our government wanted to leave that in place because we felt it would give a really safe time and a fair time for the generation to come on stream and to maintain the growth in the economy at the same time. That was our perspective. You folks have a different view of that now on the government side, and I understand that will be the challenge you face. I'm quite concerned about the job creation opportunities in Ontario as a result of this, but let's have a full debate and we'll see what happens as a result of it.

Ms Kathleen O. Wynne (Don Valley West): It's a great pleasure to be here. Congratulations, Mr Speaker, on your election. To the people of Don Valley West, thank you for your faith in me.

Having been so recently on the outside of this chamber, I have to say that one of the most difficult

things for people is to understand and sort through the rhetoric they hear. I just want to say to the people who are listening tonight that they have to consider the source of the comments they're hearing.

The most outrageous invective is coming from the members of the Tory party that created the social, fiscal and infrastructure decline in this province, the likes of which we've actually never seen. Successive Ontario governments, in my opinion, and I believe all of them, whatever their stripe, have actually tried to build this province. They've actually tried to build on the values of compassionate, responsible government that created the foundation that this province was built on. But Premier Mike Harris changed all that; he changed the rules. We're now the government that's having to clean up that mess. We're the government that's having to rebuild and repair the damage that was done.

Last night I went to a ratepayers' meeting, 200 people, in Leaside in Don Valley West, which is the home of some of my most critical and thoughtful constituents. I thought, "I'm in trouble. I'm going to be raked over the coals for the announcement that was made today about electricity." In fact, people there understood exactly what we're doing. They knew this was bad Tory policy. They know we have to get our fiscal house in order in order to do the things we've promised to do. They're looking to us, we're going to deliver, and I am proud to support the bill that Mr Duncan has brought forward.

The Speaker: The member for Cambridge.

Mr Gerry Martiniuk (Cambridge): Once again, I'd like to thank the members from Nickel Belt, Peterborough, Simcoe and Don Valley West for their comments.

It's easy to sit here and talk about what's right. Maybe what we should be talking about is what's human. I belonged to a political party and a government and I think we did imbue in the public a new word: "Promises made, promises kept." I was pleased to be a part of the party of that government.

The Speaker: Further debate?

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Mr Hampton: I noted with interest the fanfare with which the minister introduced the bill tonight. First of all, he made some derogatory remarks about the Conservative 4.3-cent-a-kilowatt hour rate cap. Then he said this is going to lead to new supply in Ontario. Then he said that this is going to lead to conservation in Ontario, and that somehow it's going to lead to more stable prices.

I want to do just a bit of a review of the four things the minister talked about. I just want to point out again that you're right: I said from the beginning that the rate cap was phoney. In fact, you hold up my book and I invite you to turn to the page where I said that if either the Conservatives or the Liberals won a majority government, the rate cap which they both promoted, which they both promised to keep until 2006, would be gone within two months.

Lo and behold, election October 2, and here we are at the end of November and the rate cap that you promoted everywhere across the province, that you said you'd keep

until 2006, is gone—gone. I think I was right on this one again. Your support for the rate cap was only there to keep the high cost of privatized, deregulated electricity off the radar screen until an election was held. That's what it was all about. And now that the election is over, "Hey, we can kill the rate cap." That's what it was all about. Some would say that was very insincere, some would say it was deceptive and some might say it was dishonest. We'll let people decide as they experience Liberal energy policy over the next few months and years.

The other thing I find interesting here is that the minister wants to pretend that somehow this is a new energy policy, that it's a different energy policy. The private market is still operating. This is still the same agenda that you and the Conservatives supported: an agenda of privatizing and deregulating Ontario's hydro system.

I just want to take you back four years because you and the Conservatives were saying that privatization and deregulation of our hydro electricity system would lead to stable prices, if not lower prices; you said it would lead to clean air; you said it would lead to new supply.

Four years later, where are we? Prices have gone up. In fact, if you compare prices pre-deregulation with prices now and look at the bottom figure on the hydro bill, most people will find that their hydro bill has doubled.

So what has it done in terms of price? People are paying twice as much now for the same hydroelectricity.

What has it done for clean air? Air is dirtier than ever.

What has it done for new supply? You and the Conservatives said that privatizing and deregulating would lead the private sector to build new supply. No new supply—none.

You know what else? We're at risk of the lights going out. That is the reality now of privatization and deregulation four years in. Are you changing that? Are you going to close the privatized, deregulated market? No. You're going to continue with the same policy. In fact, you're going to continue with the rate cap. There was the Conservative rate cap; now there's going to be the Liberal rate cap. But do you know what? Fundamentally, privatization and deregulation of hydroelectricity isn't working anywhere. It didn't work in California, it hasn't worked in Alberta, it was a fiasco in Montana, it hasn't worked in Pennsylvania, they're having to bail it out in Great Britain, and blackouts in New Zealand. Yet what is the Liberal electricity policy once you get through the temporary, I guess, fluctuating rate cap? The same as the Conservative policy. You continue to go down the road of privatization and deregulation.

I heard the minister on CBC. He said that allowing the price to go higher would lead private electricity companies to build more supply. You know what? That's what the Conservatives used to say. That's what Jim Wilson used to say, Norm Sterling used to say, Chris Stockwell used to say, John Baird used to say. And now the Liberal Minister of Energy is saying the same thing that the Conservative ministers said.

So I ask, what's changed? The private market is still going to operate, I agree, under the rate cap. The minister still says that letting the price go higher is going to entice private companies to build. Just like the Conservatives, you say that enticing the private sector is going to result in cleaner air. I don't see any difference. Do you see any difference? It seems to me the same policy—

Mr David Zimmer (Willowdale): The lights will stay on.

Mr Hampton: Somebody back here says the lights will stay on. Conservatives used to say that too. Conservatives used to say it all the time. Mike Harris used to say to me, "Howie, you're praying for a blackout." I didn't have to pray for a blackout; it was all very, very predictable. In fact, Ontario has been running the risk of a blackout not for a couple of months, not for six months, but for at least the last two years. And we're going to continue to run that risk, because your energy policy of privatization and deregulation is not going to take us anywhere better or anywhere different than their policy of hydro privatization and deregulation.

The minister says that people are going to pay the true cost of electricity. Well, I've got to take the minister on in this. You know what people are paying? People are paying for private speculation. People are paying so that companies like Brascan can take money out of their pockets.

Let's just take those four hydro plants on the Missisquoi River that were sold, and you're obviously not going to do anything about that. Do you know what it costs to produce electricity in those four hydro dams? It costs a little more than half a cent per kilowatt hour. But those people in Sault Ste Marie and up to Wawa and over to Sudbury who in effect consume that electricity, do you know what they're paying in the private market, even when you throw in the Liberal rate cap now to try to smooth it out? They're paying, all in, at least 10 times more than the half cent per kilowatt hour, at least 10 times more. Is that money going to pay down the debt? No. Is that money being reinvested in new, green sources of electricity and supply? Is that money going to maintain the grid? No. It's going into Brascan's pockets. It's called profiteering. It's called jacking up the hydro rate—an essential service, something that people need every day—in order that Brascan can boast about their corporate profits. That was Conservative electricity policy, and that continues to be Liberal electricity policy.

You said that this is going to lead to conservation. I read your bill. There's no conservation provision in your bill—none. There's no electricity efficiency provision in your bill. Your policy is the same as the Conservatives'. The Conservatives said, "If you jack up the price of electricity, some people won't be able to afford it. And because they won't be able to afford it, they won't be able to use it." Your conservation policy is the same as the Conservative conservation policy. It's the free market policy.

I read Mark Mullins. He says that if you jack up the price of auto insurance high enough, you'll have fewer

accidents. People won't be able to afford it. They might not drive. Yes. If you jack up the price of electricity enough, you will kill steel industry jobs, you will kill pulp and paper jobs, you will kill mining jobs and smelting jobs, you will close some of those auto assembly plants, and poor people—seniors living on fixed incomes, people who have low incomes—won't be able to pay the electricity bill.

But do you really think that's a wise strategy? The reality for most people in this province is that electricity and the electricity bill are not a big financial concern. But I have to tell the minister that for electricity-intensive industries it is a very big concern. And for poor people who can't afford to turn the heat on or can't afford to pay the electricity bill on an ongoing basis it's a life-and-death concern.

Why do you think the Conservatives brought in those rate caps—you know, the people who believe in the free market as if it's religion? I'll tell you why they brought it in. Because in the fall of last year there was a real risk that people on low incomes, people on fixed incomes, wouldn't be able to pay the hydro bill; that they'd start doing something dramatic like not using the lights, using candles instead, a big safety hazard; that people would start turning down the thermostat very low, you know, put on five sweaters, hoping to make it through a cold winter night, and somebody would die. I don't need to

tell you how disastrous that would have been for a government headed into an election campaign in terms of public relations. But that's the reality.

For most people, electricity is not a big financial concern, but for people on fixed incomes and people on low incomes, if your only conservation strategy is jacking up the price, it creates a real hardship.

I looked for something in the bill that said you were going to provide a low-interest loan so that people on lower incomes could take that old refrigerator that uses too much electricity and use the low-interest loan to buy a new one and substantially lower their use of electricity, because a new one is so much more efficient in terms of its use of electricity. Is there a provision like that? None.

Your strategy for conservation is the same as their strategy for conservation: Drive up the price so that some people can't afford it.

The Speaker: Thank you.

Mr Hampton: That's not a strategy. That's hardship for people—

The Speaker: Order.

Interjection.

The Speaker: Thank you very much, member for Kenora-Rainy River. It being 9:30 of the clock, the House stands adjourned until 1:30 tomorrow.

The House adjourned at 2132.

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Sarnia-Lambton	Di Cocco, Caroline (L)	Waterloo-Wellington	Arnott, Ted (PC)
Sault Ste Marie	Oraziotti, David (L)	Whitby-Ajax	Flaherty, Jim (PC)
Scarborough Centre / -Centre	Duguid, Brad (L)	Willowdale	Zimmer, David (L)
Scarborough East / -Est	Chambers, Hon / L'hon Mary Anne V. (L) Minister of Training, Colleges and Universities / ministre de la Formation et des Collèges et Universités	Windsor West / -Ouest	Pupatello, Hon / L'hon Sandra (L) Minister of Community and Social Services, minister responsible for women's issues / ministre des Services sociaux et communautaires, ministre déléguée à la Condition féminine
Scarborough Southwest / -Sud-Ouest	Berardinetti, Lorenzo (L)	Windsor-St Clair	Duncan, Hon / L'hon Dwight (L) Minister of Energy, Chair of Cabinet, Government House Leader / ministre de l'Énergie, président du Conseil des ministres, leader parlementaire du gouvernement
Scarborough-Agincourt	Phillips, Hon / L'hon Gerry (L) Chair of the Management Board of Cabinet / président du Conseil de gestion du gouvernement	York Centre / -Centre	Kwinter, Hon / L'hon Monte (L) Minister of Community Safety and Correctional Services / ministre de la Sécurité communautaire et des Services correctionnels
Scarborough-Rouge River	Curling, Hon / L'hon Alvin (L) Speaker / Président	York North / -Nord	Munro, Julia (PC)
Simcoe North / -Nord	Dunlop, Garfield (PC)	York South-Weston / York-Sud-Weston	Cordiano, Hon / L'hon Joseph (L) Minister of Economic Development and Trade / ministre du Développement économique et du Commerce
Simcoe-Grey	Wilson, Jim (PC)	York West / -Ouest	Sergio, Mario (L)
St Catharines	Bradley, Hon / L'hon James J. (L) Minister of Tourism and Recreation / ministre du Tourisme et des Loisirs		
St Paul's	Bryant, Hon / L'hon Michael (L) Attorney General, minister responsible for native affairs, minister responsible for democratic renewal / procureur général, ministre délégué aux Affaires autochtones, ministre responsable du Renouveau démocratique		
Stoney Creek	Mossop, Jennifer F. (L)		
Stormont-Dundas-Charlottenburgh	Brownell, Jim (L)		
Sudbury	Bartolucci, Hon / L'hon Rick (L) Minister of Northern Development and Mines / ministre du Développement du Nord et des Mines		

A list arranged by members' surnames and including all responsibilities of each member appears in the first and last issues of each session and on the first Monday of each month.

Une liste alphabétique des noms des députés, comprenant toutes les responsabilités de chaque député, figure dans les premier et dernier numéros de chaque session et le premier lundi de chaque mois.

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