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Liberal budget offloads services in Ontario to private sector

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From Thursday's Globe and Mail

Concerns raised as Liberal budget bill spells out P3 initiatives as well as offloading programs under administrative authorities

The Ontario government, under fire for its stewardship of the province's air ambulance system, plans to outsource major services to the private sector, including the delivery of birth certificates and driver's licences.

The desire to shift additional services from bureaucrats to private, not-for-profit entities is spelled out in the government's 351-page omnibus budget bill containing amendments to 69 separate pieces of legislation.

Finance Minister Dwight Duncan floated the idea of a public-private partnership model for ServiceOntario when he tabled the budget in March, saying it would lower the cost of delivering birth, marriage and death certificates as well as driver's licences. But the budget bill itself reveals that the government intends to go further, a move that is raising concerns among opposition members and a provincial watchdog.

In addition to outsourcing services, the budget bill would allow the government to pass a regulation delegating oversight for such things as motor-vehicle inspection stations, the mandatory vehicle emissions inspection program known as Drive Clean, and private career colleges to an administrative authority.

A number of administrative authorities already exist, including the Ontario Film Review Board and the Travel Industry Council of Ontario.

Ontario Ombudsman André Marin took to Twitter this week to warn that the budget bill would further erode the oversight role of his office if these authorities assume greater responsibility for inspections and handling consumer complaints.

Mr. Marin cited Tarion Warranty Corp., a private entity created by the government in 1976 to regulate new home builders, as one example of an administrative authority that his office cannot oversee. "Bill 55 will create more Tarion's and less accountability. Not sure that's in the public interest," he tweeted.

This is not the first time the governing Liberals have introduced an omnibus bill that goes well beyond the fiscal measures contained in the actual budget. During the Liberals first eight years in power, they routinely used their majority to pass time-allocation motions and limit debate on the annual omnibus budget bill.

The government plans to introduce a time-allocation motion next week on Bill 55, now in second reading, to ensure that the budget bill passes before the legislature adjourns on June 7. But with a minority in the legislature, it faces an uphill battle.

The New Democratic Party is concerned that the government is "pushing the envelope" on public-private partnerships, according to insiders. NDP House Leader Gilles Bisson told reporters on Wednesday that his party is happy to help the

government fast-track its fiscal measures through the legislature, including a new surtax on the rich and a freeze on corporate tax cuts.

But he said his party needs more time to scrutinize the government's plans for greater private-sector involvement in delivering services. The government wants to privatize services using the same model as Ornge, the province's scandal-ridden air ambulance service, Mr. Bisson said. But this is not something the public is "clamouring" for, he added.

Mr. Duncan accused the NDP at a news conference on Wednesday of renegeing on an agreement to support the Liberals' budget bill, saying it is at risk of becoming stranded in the legislature. Mr. Bisson countered that their accord was just on the budget motion, not the omnibus bill.

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