## **The Empire Club Presents**

# GREG SORBARA CHANCELLOR, YORK UNIVERSITY; CHAIR, THE SORBARA GROUP ADVISORY BOARD:

# REFLECTIONS ON TWO VERY DIFFERENT GOVERNMENTS WITHIN THE BATTLEFIELD OF ONTARIO POLITICS

November 5, 2014

#### HEAD TABLE:

#### **Distinguished Guest Speaker:**

Mr. Greg Sorbara, Chancellor, York University; Chair, The Sorbara Group Advisory Board

#### Guests:

Captain Rev. Eleanor Clitheroe, Former Deputy Minister of Finance & Former CEO, Hydro One Ms. Diane Flanagan, Vice President, Corporate Communications, Scotiabank

Mr. Paul Fogolin, Director, Government & Stakeholders Relations, Ontario Retirement Communities Association

Mr. Ivan Kovac, Business Representative, CDC, Local 675

The Hon. Dalton McGuinty, Former Premier of Ontario

The Hon. David R. Peterson, Former Premier of Ontario; Chairman, Cassels Brock & Blackwell LLP; Chair of the Toronto 2015 Pan American and Parapan American Games Organizing Committee

Mr. James Scongack, Vice President, Corporate Affairs, Bruce Power Ms. Andrea Wood, Senior Vice President, Legal Services, TELUS; President, Empire Club of Canada Mr. Mike Yorke, President, Carpenters Union Local 27

# Welcome Address by Andrea Wood, President, Empire Club of Canada

It is now my honour to introduce our speaker today. Greg Sorbara enjoyed, as many of you in the room know, a very successful and lengthy career in provincial politics until his retirement in 2012. First elected in 1985 as an MLA representing the riding of Vaughan, he served in Premier Dave Peterson's cabinet. That government was the first Liberal government in 42 years. He was appointed Minister of Finance by Premier Dalton McGuinty in 2003, and served in that capacity until 2007. In addition, he served as campaign chair for the Liberals' three consecutive election victories—the first time that has happened in more than a century.

Through his quarter century in public life in Ontario, Mr. Sorbara had an enviable record of introducing new policies to help Ontarians. He reinvigorated the healthcare system. And the Ontario Child Benefit and a subway to York University all have Mr. Sorbara's fingerprints on them.

As chairman of the Liberals' three consecutive election wins, Sorbara had a front-row seat on some of the most significant changes in Ontario history. In 2014, he was appointed Chancellor of York University, and he continues to serve in that capacity. Mr. Sorbara has graciously agreed to come to speak with us today to share his unique perspective on what it is like to be a combatant on the battlefield of provincial politics.

Thank you.

### **Greg Sorbara**

Oh, my goodness. Andrea, thank you very much. By the way, I worked with all these folks out here, so they know all of the sins that have been committed, and I am not going to speak about any of those, Premier.

I want to begin by just saying what a pleasure it is to be here at the Empire Club. The tradition of this organization is long and rich, and I think both Dwight and I have been here before when we were presenting budgets. But it is nice to be back and, particularly, with this group.

I want to begin by thanking those who helped make today happen: The sponsors, including Bruce Power. Here is James Scongack—right there. Worked with James for a number of years. The Carpenters Union and Mike Yorke, who has that organization and the trade unions in our province commit so much time and energy to the civil life in this society. I am just thrilled that you agreed to do this, and, of course, Scotiabank, as represented by my former chief of staff and director of communications, Diane Flanagan, who was on the airwaves last night explaining a few changes at the bank and doing it brilliantly. It is just so wonderful to see you all here. I was surprised Ramon who sat in a cabinet with David Peterson and our colleagues from 1987. I am touched that you have taken time out from your schedules to be here.

Why a book at this time? What is up with this? The answer is really quite simple: After I left politics, I had this unquenchable urge to document that fragment of Ontario's political history, obviously, from a very personal perspective. My sense has been for a long time that too few historians have commissions from publishers to add to what is on the library shelf about Ontario politics. And too few players, actors on the battlefield, have written memoirs once they have completed their work. Certainly, Ian Scott did, the late Ian Scott—a brilliant piece. And Bob Rae comes out with a new book about once every four months, and we are scheduled for another one pretty soon. My predecessor at York University, Roy McMurtry, has just come out with a magnificent and lengthy autobiography.

But I just thought that I have the time and the luxury to leave something for the record about what happened during, for me, almost three decades on the political battlefield. Have to tell you that, like politics, writing a book is a collaborative affair, and I received so much help from so many people, and a few of them are mentioned in the acknowledgements. Because he is here today somewhere in this room, I want to say a special word about Colin Andersen. First of all, those of you who know Colin, know that he was one of the truly great deputies in the history of the government of Ontario and as my deputy. Look, I came into finance, and I did not know what the heck was going on, and soon Colin arrived there as the deputy, and he just served me so well through some pretty hard times that my premier is going to write about in his upcoming work.

So fast forward to that I have left, and I am deciding to write a book, and Colin was one of the many people who gave of his time to take the cobwebs from my memory and help me get it straight exactly what happened over the course of that period, particularly, when I was in Finance and the events that took place afterwards. So through Colin to all of those who helped me construct this, I want to express my very sincere gratitude.

So today, cannot take too long—you have all got busy afternoons. But I thought what I would do having served in two administrations of the Peterson era and the McGuinty era is just offer some highlights, some reflections on those two very different governments and these themes kind of run through the battlefield of Ontario politics.

Let me start with the era under Premier David Peterson. That government was driven primarily by issues relating to the rights of citizens as appropriate to the time. I think of the work that we launched with the Human Rights Code. I think of the work that we did making sure that the French language became the other language of this province. For the first time, the records of Parliament were noted in both languages. I think, particularly, of the work, led by the then premier, that we did on women's rights: The battle to ensure that we passed and implemented pay equity. That was quite some time ago, but think about a province where it was okay to pay women less for their work because they were women. That is a very bizarre concept, but it is only thirty years old, and those rights, the changing of those rights, were part of our administration.

I think of the political rights that were part of the agenda. Our very first bill introduced by the late Ian Scott, attorney general, was the Freedom of Information Act. It seems kind of old now, but before that time, the press, ably represented here today, and the public had no right or access to government information, and the notion of putting television in the legislature so that citizens could watch their politicians do their work was something that we initiated.

I think of workers' rights. I spent two years as minister of labour and was the author of Bill 208, by which, for the first time set in law, a worker has the right to refuse unsafe work. And the changes that we made during that time have improved the quality and the safety of workplace over the course of the succeeding three decades.

I think of patient rights and our battle to ensure that the residents of Ontario could not be billed extra from doctors who are extra billing. Some of you will remember. Howard, you probably remember doctors demonstrating on the front lawns. Our priority was the rights of citizens to get healthcare under the regime of Medicare that was established right across Canada.

I think of environmental rights and the work that Jim Bradley did—things like the "Spills Bill," the Blue Box, the right to have a cleaner environment and, in particular, I think of the work that the then-premier did to try and heal some of the wounds in this country and work towards a constitutional resolution. Meech Lake, ultimately, did not pass, but the mission was to speak to the people of Ontario and the people of Canada about the necessity of having one single nation. So that is not to say that there were not all sorts of other things on the agenda, but, as I look back, it was about serving the people of Ontario and understanding what rights needed to be guaranteed as a matter of provincial law.

Fast forward then from 1990 to 2003 and the McGuinty administration. A very different time. The thing that characterized McGuinty's period in office was, of course, our determination to improve the quality of public services. "We are hard-working parliamentarians," we said, Dalton, "dedicated to the notion of making sure that Ontarians have the highest quality of public services." And that certainly began with healthcare.

I just want to take you back for a little bit back to that era of 2001–2002 when the discussion in the province was all about the fact that public health could not serve us, and we needed to start to improve and fund private healthcare.

After ten years of the work that we did, we have a much, much better healthcare system, one that is responsive to the needs of 13 million Ontarians.

And the second largest expense line was, of course, education. Again, go back to 2001–2002. What was on the agenda? Well, our public education system was failing us so, it is high time that the government started to provide public funds to private schools, and schools were constantly disrupted with strikes and lock-outs and work-to-rules, and our mission right in our first budget was to say, "We need to fix public education." Ten years later, Ontario's public education system is noted around the world for being one of the very best. That was our mission: Higher quality public services.

And in terms of public services: Infrastructure. Our first budget contained dramatically increased revenues to municipalities to deal with public transit, and we continued on that line in every budget. Infrastructure as well in terms of the building of new hospitals—the most extensive program in hospital and related healthcare construction in the history of the 148-year-old province.

Public services also in the area of post-secondary education. Our second budget was dedicated almost exclusively to improving post-secondary education. Now, I get a former premier is no longer chancellor of the University of Toronto. He tried to get York. I just want to tell you. It is a very private matter. He did not get it, so he went to Toronto, but, you know, he and I both know as former chancellors and chancellors that they still talk about what a transformation the Dalton McGuinty government made in 2004 by dedicating billions of dollars of new resources to post-secondary education. The people in this audience know for sure that there is nothing more important that we could do in this province and in this nation than to do a good job of educating our fellow citizens and, particularly, our young people.

We also were determined to improve the quality of public services for Ontario's most vulnerable populations, and that was reflected in every throne speech and every budget. We inherited an hydro system that was a mess, and we realized that if we did not get it to work very quickly, we would fail to deliver the power that people needed to live their lives and run their businesses in the province. So we ensured that there was a massive investment in new hydro construction, refurbishment of nuclear plants, refurbishment of the transmission system and, most important of all, a commitment to stop burning the coal that was poisoning us in our cities and towns and move to renewable energy.

And, of course, the reforms in our system of taxation. I will never forget the day that Dalton McGuinty called me into his office, and he said, "It's high time that the province stop collecting corporate income tax," and, "Let one level of government, the federal government, do that and collect our taxes and remit them back to us." It sounds so simple

but, you know, it saved businesses in this province billions of dollars over the years in fees that they no longer had to pay to file two completely different tax returns.

And, of course, you know, talking about reforms to the tax system and higher quality services that you have to pay for, the man to my left took on courageous work by bringing in the HST. I will tell you the story that I told last night. I nearly quit because I was chair of the campaign for 2011, and I thought, "My God, no government in Canada has ever been re-elected after they brought in an HST," and I whispered to my staff: "Why are we committing political suicide at such a young age?" But this man as finance minister and that man, as premier, knew what I soon learned: It was the single, most important initiative that we took to help Ontario recover from a debilitating great recession that had infected, not only Ontario, but Canada and the whole world. So, two very different administrations. What they share in common is that they responded to the issues of the day and, of course, that is what really government is all aboutindividuals elected by citizens to respond to the issues of the day. Which one was better? Well, I am not going to be dragged into that, Premier. But I will say that each of them had a shortcoming. The life of the Peterson government ended too quickly, and the shortcoming of the McGuinty government is that it ended with the most offensive of the most unjustified attack on a premier that had served so well that I have ever seen in the history of this province, and I

have read some of the history.

Just in that regard, Bruce Power has given you a free copy of the book. That is good. They paid for it, and I do not get any royalties on those. If you do not read anything else, I ask you to read the chapter called, "The Truth about Gas Plants."

Now, suddenly, I am an author. I am not really an author. I am a guy who wrote a book about my life in politics, but they say that authors are supposed to read a snippet from their work, so, okay, bear with me. Most of this book is about the past, but I thought, "You know what? I'm writing a book. I need to set out some of the issues that I think are going to challenge us in the future. The final chapter is called, "What's Ahead?" And I will just go through about a page. I say as part of the introduction to this that I am with Barack Obama: The most important issue of our day is the growing inequality and wage gap and the separation of those that have and those that do not have in societies right across the world. The International Monetary Fund is now taking up that view:

We have not had a significant re-examination of our system of taxation and wealth distribution since the Carter Commission established by the Diefenbaker administration over fifty years ago. Since then, the Canadian economy has been totally transformed. Surely it is time now for a comprehensive re-examination of the tools that regulate the creation of wealth and its distribution and the capacity to fund public enterprise, from income support to infrastructure development.

In my view, the best evidence that this work is long overdue is the state of finances of every Canadian government. Instead of designing revenue policies that match the need for public financing, governments simply increase the burden of deficits that future generations will have to contend with. The notion of income support for those in need has been deeply ingrained in Canadian society for decades. That commitment has resulted in a cornucopia of programs at all levels of government. The list is long. Employment Insurance, Canada Pension Plan, Old Age Security, Guaranteed Income Supplement, Disability Pensions, Workers' Compensation, provincial and municipal welfare programs, federal and provincial child benefit programs, property tax rebates, rent supplements, tuition assistance. The list goes on until all else fails-and then there are food banks.

All of these programs share a single common objective, to provide income support for those who, for one reason or another, no longer have the capacity to make it on their own. The reality is that administering so many different programs carries a very high cost for public administration. Tens of thousands of bureaucrats working tirelessly at all levels of government designing, administering and adjudicating these programs to support those in need.

Surely there is a better way and one that is more efficient.

My notion of a better way and more efficient system would be a comprehensive, Canadian Income Security System, or CISS, as I call it, administered by the national government in Ottawa.

Municipalities have no business being in the welfare business, and the capacity of provinces to provide adequate levels of support varies across the country. Only the federal government has the capacity to generate the revenues and administer the system right across the country to respond to the needs in every region in a fair and substantive way.

So, let us have a debate about that in the upcoming election. People have said to me, "Do you miss politics? Do you miss the battlefield?" The answer is, "No, I don't." It was three decades of my life, and I feel comfortable with the closure, but there is a caveat—most of you in this room know this: The strength and power of the relationships that are formed on the political battlefield are like nothing that the human heart experiences anywhere else, at least in my experience. Relationships that are so very a part of one's spirit as one is waging one political battle and for all of us, for two premiers in particular, spread all across the province, and they are very deep.

What I miss is the quality of that affection and commitment and the kind of camaraderie that inevitably comes from battling on the battlefield of Ontario politics.

Thank you all for coming today. Merci beaucoup.

### **Questions & Answers**

- Q: You have talked about the importance of relationships, and yet you wrote a book. Were you at all concerned about the difficulty of writing a candid book and maintaining personal relationships?
- GS: Yes, indeed, I was; however, the first thing that my publisher at Dundurn said is, "If you want to write a puff piece about how everything was just roses and honey and sweet and everyone was on their very best behaviour, we are not interested." Now, that is their mission. On the other hand, I want to be truthful with you: There are a lot of stories that I just—I am going to keep to myself, so I have reached a very happy, liberal, mushy middle in that regard.

### Q: Is Martina going to be releasing a new album?

GS: Well, you know, I am not sure. She is working like crazy right now writing materials, but she has gone off the tour circuit a little bit, and I am not allowed to disclose anything about her career without her signoff, so I will leave it at that.

## Q: Did you quit smoking?

- GS: No. Do you have a cigar because—Steve, I will meet you out there.
- Q: You talked in the opening of the book how the most difficult day was the day the RCMP came to visit you. It was probably one of the most challenging

things in life to have that interrupt your life. You survived, came through it. What is your lesson to us? What did you take from that of how you maintain your sanity when such a difficult situation affected you, your family, your party, your province?

GS: Howard, I appreciate that question because that day is seared so powerfully in my memory, and, truth be told, on that day I thought, "That's it," because I had read political history. I know what happens to politicians who have to resign when the RCMP is investigating them on a matter that is essentially ethical. So it was a body blow. I thought, "That's it. I got to be finance minister for two years and will not be a candidate next time around. I better find something else to do."

But the support, Howard, that cocooned around me immediately, obviously, from my family but others who said, "You know what? There's nothing there, Greg. You've got to fight this thing." And then something else happened which is a lesson that not every politician gets to understand, and that is that there is life after politics. And I started to enjoy the fact that I did not have to be at the Frost Building, 7th floor, every day at 8 o'clock. I had much more time with my wife and my kids. I started to really enjoy them. Okay, I can live without this, and if this thing never goes away I always thought that, you know, if anyone ever wrote about me, the second paragraph would be about "and he had to leave politics under a cloud of an RCMP investigation."

But Dalton has always said, "Sorbara, you're the guy that's always pushing, and I'm the guy that's always trying to slow you down." So the matter was resolved on the Thursday before the Victoria Day weekend in 2006. Yes, 2006.

So the premier called me and said, "Okay, Sorbara, get down here. We want to swear you back in as Minister of Finance," and I will never forget the conversation. I said, "Premier, it's the Thursday before the Victoria Day holiday. If we do this, there are forty bureaucrats in Finance who are going to hate both of us because they are going to have to spend all weekend long bringing me up to speed as to what the issues are and reintroducing themselves and getting me ready to be back in the legislature as the Finance Minister." So I said, "Why don't we all have a great Victoria Day weekend, and I'll see you Tuesday?" And he said-I am quoting him now-"Jesus Christ, you're always the guy who is saying let's get it done real quick, and now you want to hold off." And that reminded me that politics is a very important mission, but the quality of one's life comes from a whole bunch of other even more important things.

# Note of Appreciation by the Honourable Dalton McGuinty, Former Premier of Ontario

Good afternoon, everybody. Thank you so much for taking the time to join us here today, and, on your behalf, I want to thank Greg on a number of counts. First, Greg, thanks for yet again bringing us together. You have been a powerful, magnetic force over many years. You have this magnificent capacity to bring us together and to fill us with enthusiasm and a sense of the possible, and he has done that yet again. Thanks for your thoughtful remarks. It has been said of those of us alive today that we are drowning in information and thirsting for wisdom, and it seems to me that a prerequisite for wisdom is reflection. So I am grateful that there is somebody of Greg Sorbara's experience and abilities who has taken the time to cast his mind back to try to better understand what it is that he lived through and that we all lived through together and to put that to paper.

I have been following in Greg's footsteps as a purported author. We share the same publishing company. The only deal that I made was I said I want mine to come out after, so I can correct Sorbara's record.

I want to thank Greg for being a Liberal in the classical sense. He is a Laurier Liberal and if I could somewhat paraphrase the Laurier, Greg has been condemned by his very nature to relentlessly pursue progress for others, to unfailingly work in the most important business of all, the people's business. For some 23 years, Greg has been to me a good friend, a trusted advisor, a fearless champion and, on occasion, a royal pain-HST being but one example of his obstinacy. But whether as president of our party, as a guy who laid the foundation for, in fact, four successive wins, whether as a Minister of Finance, who did so many good things for the people of Ontario, including introducing the Ontario Child Benefit that today is benefiting over 1 million Ontario children growing up in low-income families, most of all we owe Greg for his commitment to public service. I remember calling Greg-I think it was about 15 years agoand trying to recruit him back into active political service. Now, it is one thing to come into politics if you have never been there before and do not know any better, but when I asked Greg, notwithstanding his earlier experience, he never flinched, and, at the end of the day, it became apparent to me he was not so much listening to my entreaties as he was listening to his own heart and his yearning to perform yet more public service.

So, Greg, on behalf of all us here and all of those throughout the province and, indeed, the country whose lives you have touched and improved, we say, "Thank you very much." Thank you.

### **Concluding Remarks by Andrea Wood**

Thank you very much. I would like to take a moment before you all leave to thank our generous sponsors today. The Carpenters Union, Bruce Power and Scotiabank, thank you. I would also like to thank the National Post as our print media sponsor. This meeting will be broadcast on Rogers TV.

You can follow us on Twitter at @Empire\_Club and visit us online at www.empireclub.org.

Thank you very much for coming. We hope to see you again soon at one of the events that is advertised in the brochures on your table. Thank you very much for coming. This meeting is adjourned.