



Ontario  
LEGISLATIVE ASSEMBLY

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**ERNIE HARDEMAN, M.P.P.**  
Oxford

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Dear Warden Eccles,

I understand the fiscal challenges that municipalities are facing and that your tax dollars have to be used effectively. That's one of the reasons I was so disappointed to learn that some social housing providers are being forced to pay more than they should for services.

As you know, provincial legislation makes it mandatory for affordable housing providers to purchase gas and insurance through the Housing Services Corporation (HSC). A number of municipalities have found that they are paying more for gas than if they were to purchase it through other sources. As well, many providers are paying HSC an opt out fee (2.5% of the premium) in order to be allowed to purchase less expensive insurance that provides equal or better coverage.

I believe that affordable housing providers should be allowed to purchase these items at the best possible price – whether it is directly, jointly with the municipality, through Local Authority Services, or through HSC. I also have concerns about recent spending at the HSC, including frequent international travel and money transferred to subsidiaries and other for-profit companies.

To save municipalities money and ensure affordable housing dollars are used effectively I recently introduced the *Housing Services Corporation Accountability Act*. If passed, this Act will:

- Save affordable housing providers money on natural gas and insurance by removing the mandatory requirement to purchase them through the Housing Service Corporation;
- Restore accountability by requiring HSC to report salaries over \$100,000 as municipalities and government agencies do; and
- Give the Provincial Auditor the authority to audit the HSC without requiring a Minister's request.

I ask for your support for this bill to ensure that affordable housing dollars can provide the maximum benefit to help those who need it most. In case it is helpful I have enclosed a sample resolution of support.

If you have any questions regarding the *Housing Services Corporation Accountability Act*, or if I can be of assistance on any other matter please contact me at [ernie.hardeman@pc.ola.org](mailto:ernie.hardeman@pc.ola.org) or 416-325-1239.

Sincerely,

Ernie Hardeman, MPP Oxford  
PC Critic for Municipal Affairs and Housing



## Housing Services Corporation Accountability Act, 2015

### EXPLANATORY NOTE

The Bill amends the *Housing Services Act, 2011* in the following ways:

1. Section 150 is amended to permit the Auditor General to audit the accounts of the Housing Services Corporation and of each of its subsidiaries.
2. Section 151 is amended so that members of the Housing Services Corporation such as service managers and local housing corporations are not required to participate in any of the Corporation's programs or activities.

The Bill also amends the *Public Sector Salary Disclosure Act, 1996* to specify that the Housing Services Corporation and each of its subsidiaries are employers for the purposes of the Act.

## **An Act to amend the Housing Services Act, 2011 and the Public Sector Salary Disclosure Act, 1996**

Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

### **HOUSING SERVICES ACT, 2011**

**1. (1) Section 150 of the *Housing Services Act, 2011* is amended by adding the following subsections:**

#### **Auditor General**

(2) The Auditor General appointed under the *Auditor General Act* may audit the accounts of the Corporation and of each of its subsidiaries.

#### **Access to records and information**

(3) When the Auditor General conducts an audit under subsection (2), the Corporation and its subsidiaries shall give the Auditor General and employees of the Auditor General access to all records and other information required to conduct the audit.

## Sample resolution for Municipal Council

WHEREAS social housing providers in Ontario are currently required to purchase natural gas and insurance through the Housing Services Corporation (HSC) or pay a fee to purchase elsewhere; and

WHEREAS social housing providers should have the right to obtain natural gas and insurance at the lowest cost to provide value to those in need of affordable housing and all taxpayers; and

WHEREAS the HSC should be subject the same level of accountability and oversight as government agencies;

THEREFORE BE IT resolved that the Council of (name of municipality) supports the *Housing Services Corporation Accountability Act* introduced by Oxford MPP Ernie Hardeman which would remove the mandatory requirement for social housing providers to purchase gas and insurance through the HSC, require HSC to report salaries over \$100,000, and give the Provincial Auditor General the authority to audit HSC.