

Parliament Today – Daily Report September 2, 2022

Publisher's note: *Parliament Today* is off for the Labour Day holiday. We will be back in your inbox Wednesday at 6:30 a.m. (EDT)

Quotation of the day

"Simple is smart."

Tory leadership hopeful **Pierre Poilievre** <u>pitches</u> his Plain Language Act idea, pushing back on those who may suggest "simplicity equals stupidity."

The MP references **Abraham Lincoln** and **Albert Einstein**'s works to bolster his vision for a jargon-free public service.

Today on Parliament Hill

Written by Palak Mangat

On the schedule

The House is adjourned until September 19.

Prime minister watch

Prime Minister **Justin Trudeau** was in Winnipeg yesterday to meet with local university students and Manitoba Premier **Heather Stefanson**. He wrapped his day with a stop at a children's centre to talk about child care alongside local Grit **Kevin Lamoureux**.

Today, he will be in the Halton region to meet with parents and take part in a youth tree-planting event. Trudeau will also attend an early Labour Day barbecue.

Flooding costs reach \$2.9B a year, says federal analysis

Canada should move away from its cost-sharing disaster funding program, says a fresh report, because the status quo is disincentivizing municipalities, developers and homeowners from risky behaviours. That should lead to Ottawa moving quickly to adopt a national flood insurance regime.

Released this week by Emergency Preparedness Minister **Bill Blair**, the <u>report</u> draws on work from the government's task force on flood insurance and relocation, and recommends, among other things, that Ottawa create a mandatory public flood insurance system.

Blair is tasked with ushering in a "low-cost" flood insurance program to offer protection to uninsured homes in high-risk areas, with his mandate <u>letter</u> also calling for the creation of a portal on flood risks and suggestions on how to protect communities.

According to the report, flooding across Canadian homes costs \$2.9 billion a year, a figure expected to rise in the face of more frequent and expensive disasters.

It's not just homes on coastlines. The report notes Canada's major cities of Toronto, Montreal and Vancouver have "substantial exposure to flood risks," which is "compounded by the trend" of homes with finished basements.

Between 2013 and 2017 alone, disaster losses sat at \$16.4 billion. Before 2009, insured losses sat at an average of \$400 million per year, a number that's since jumped to \$1.4 billion.

To tackle the issue, Ottawa relies largely on its cost-sharing program, the Disaster Financial Assistance Arrangements (DFAA). Since its creation in 1970, the program has doled out \$6 billion to provinces and territories — with more than 60 per cent of that flowing in the last decade.

The DFAA reimburses premiers for eligible costs, and premiers design and administer the aid for people, small businesses and local governments.

The document rips into the current playing field, declaring that federal, provincial and territorial help for disasters creates a "moral hazard" for Canadians.

That's because homeowners have little incentive to curb flooding risk or buy insurance (less that 60 per cent of Canadian homeowners currently have flood insurance, the authors say), and cities approve land-use decisions that can contribute to new risks — while raking in money for new development. Still, all three levels of government bear most of the public costs to recover and rebuild after flooding.

Intersecting crises

This week's report comes as Canada braces for rising immigration levels, which experts have noted could exacerbate the housing crunch.

Jason Thistlethwaite, a professor at the University of Waterloo who studies ways to curb the economic impacts of extreme weather, said the layering of those crises on top of climate change means governments are under pressure to find "suitable locations for future development."

Setting up a national flood program would signal that municipalities and developers ought to "know better" when pursuing housing projects in areas at risk of flooding, he added.

The document endorses two flood insurance models for Blair to consider, ranking them the strongest among four approaches considered: the public insurer and public reinsurer.

Under the former, a Crown corp underwrites insurance from the industry as an "intermediary, with an automatic government backstop." That would allow it to make the purchase of insurance mandatory.

The corp charges a fee for private players to collect premiums, pay claims and develop policies on its behalf, and the model is "more likely to be standardized" for Canadians, the report adds.

The latter takes a more "layered" approach by letting homeowners first choose if they want to buy insurance from a private seller, which must cover up to \$25,000 of risk. Then, people are ordered to buy flood insurance above this limit up to a high of \$300,000 from the industry.

A Crown corp sells any extra loss to private insurers and reimburses them for losses covered under the second step. A government backstop kicks in, though the approach is less likely to be standardized, the report says.

Still, it can incentivize homeowners to take stronger mitigation measures, or consider moving or self-insuring from the get-go, especially those living in high-risk areas prone to flooding.

Keep an eye on equity, say experts

Slobodan Simonovic, an engineering professor at the University of Western Ontario studying flooding and risk reduction, said insurance should not be seen as an "isolated" measure in dealing with disasters.

Generally, Canada takes a "reactive" and "bottom-up" approach in responding to weather-related incidents, though the last several years have shown why the "building back better" mantra is direly needed by governments and individuals. The existing approach is not "efficient" as it requires multiple layers of sign-off, leading to a web of bureaucracy during a time of emergency.

The document also sends a signal to politicians they need to consider a "strategic retreat" from building structures in already concentrated areas, which will only increase future costs and damage, he warned.

Commending the report's findings, Thistlethwaite cautioned that flood insurance is not a tool "designed to deal with inequities," rather a "risk-transfer mechanism."

That means leaders should recognize the limitations of the tool, and the need to layer it with other measures — be it social or income support, the need for more resilient infrastructure, better risk maps, or developers and cities re-evaluating where they build new homes.

Thistlethwaite said the government should fold in equity considerations into whichever model it chooses, as that is the "missing piece of the puzzle in a comprehensive risk analysis in Canada."

The government needs better research on the "vulnerability" of certain populations, especially people who can't "absorb" climate risks.

A public model of flood insurance would be "better suited toward managing some of the equity considerations," said Thistlethwaite, as it will let officials use tax or mortgage data to tailor their approach..

The report references a 2007 study the department commissioned from the Canadian Red Cross that found seniors, Indigenous people, lower-income Canadians, children and immigrants are among the most at risk of experiencing loss because of disasters.

Reading between the lines, Thistlethwaite said the fact Ottawa published its analysis shows officials could lean toward certain "preferences" outlined in the public insurer and public reinsurer models. "We now have the research and data. It's time to enter into the machinations of the political side," he added.

Emily Harris, director of The Policy Shop, a consultancy firm that helps municipalities with policy and revenue development, wondered which cities were consulted to draft the report.

Provinces are "in no way ... appropriate [spokespeople] for locally elected government," or communities hit by floods, she said in a note to *Parliament Today*.

While the document acknowledges municipalities are on the front lines of flood risk management in the country, it notes that under the federal framework, they are "highly dependent" on other governments for funding in such cases. Though the report says it consulted with municipalities, a detailed annex only lists federal, provincial, territorial and industry stakeholders. (Harris was once a financial analyst in the City of Toronto's budget division.)

In a statement issued this week, Blair said the report is a "first step" toward stronger flood risk reduction, and Ottawa is reviewing the findings. He noted it comes as Environment Minister **Steven Guilbeault** looks to launch the country's inaugural national adaptation strategy by the end of this year, which is expected to also focus on resilience to flooding.

The Insurance Bureau of Canada's **Craig Stewart**, vice-president of climate change and federal issues, said claims from extreme severe weather have quadrupled in the last 15 years. He added Ottawa has shown "essential leadership" in naming the task force and insurers are "eager" to implement a national insurance program "delivered through public-private partnership."

Today's events (EDT)

September 2 at 8 a.m. — Lismore, N.S.

Immigration Minister **Sean Fraser** will announce support for fisheries. Nova Scotia Fisheries Minister **Steve Craig** will join him.

September 2 at 10 a.m. — Fonthill, Ont.

Grit MP Vance Badawey will announce infrastructure support.

September 2 at 11 a.m. — Greenwood, Ont.

Liberal MP **Jennifer O'Connell** will announce infrastructure support. Pickering Mayor **David Ryan** will also take part.

September 2 at noon — *Vancouver, B.C.*

Environment Minister Steven Guilbeault will announce conservation funding.

Topics of conversation

- Economists <u>expect</u> Bank of Canada Governor **Tiff Macklem** will raise the bank's base interest rate again next Wednesday, this time by 0.75 basis points to 3.25 per cent.
- Conservative Party of Canada president Rob Batherson announced Peter MacKay will be a special guest speaker at the party's leadership announcement on September 10.
 - Tickets to take in the event with MacKay, a former leadership contender himself, are \$150.
- Tory front-runner Pierre Poilievre, meanwhile, <u>vowed</u> to usher in the "Plain Language
 Act" if elected captain and PM, in a bid to force government documents to be simpler
 and easier to understand.
 - While he'd allow the use of technical or specialized terms, Canadians would be able to report "bureaucratese" on a special web page.

- The pitch draws inspiration from the U.S., which adopted the Plain Language Act in 2010 and orders agencies to use "clear government communications that the public can understand and use." While there are similar directives to Canadian communication heads, Poilievre says that is not often the reality.
- ICYMI: Mental Health and Addictions Minister Carolyn Bennett <u>says</u> she will consider B.C.'s plan to decriminalize small amounts of hard drugs a success if it curbs stigma linked to drug use, prevents overdoses and limits crime.
 - That folds in emergency department visits and ambulance use, she added.
 - The province will become the first to remove criminal penalties for those possessing small amounts of cocaine, MDMA, opioids and methamphetamine on January 31, 2023. Ottawa has repeatedly said it could be a model emulated in other regions.
- Labour Minister **Seamus O'Regan**, meanwhile, <u>told</u> attendees at this year's offshore northern seas conference that the feds need to get buy-in from working class Canadians if the country wants to hit its environmental targets.
- In an open <u>letter</u> to Prime Minister **Justin Trudeau**, Tory leadership contenders, federal party leaders and several cabinet ministers, a host of media organizations urged Ottawa to tackle the recent rise of online hate against reporters.
 - They want to see police regularly update complainants on the progress of their cases and investigations, with workplaces given a "formal role in filing complaints on behalf of or with journalists" targeted. It's signed by groups like Canadaland, the Toronto Star, World Press Freedom Canada and the National Ethnic Press and Media Council of Canada.

News briefs

Welcoming updated Moderna jabs

- Health Minister Jean-Yves Duclos says a shipment of 780,000 doses of Moderna's freshly approved Covid vaccine targeting Omicron will arrive in the country today.
 - An extra 10.5 million doses will be delivered by the end of this month. The feds will begin deliveries to provinces and territories next week.
 - Health Canada's approval of the updated shot made it the first vaccine to target Omicron, as well as original strains of the virus.

Appointments and employments

Grit staffer off to Paris

- Reem Al-Ameri has <u>left</u> Women and Gender Equality Minister Marci len's office, where she served as an Ontario advisor.
 - She will now pursue a master's degree in human rights from Paris.

O'Bonsawin in

- Michelle O'Bonsawin was officially sworn in as a judge of the Supreme Court of Canada yesterday.
 - It took place at a "small private ceremony" at the Ottawa court.

Mock chairs think tank

- The Pearson Centre's new chair is **Karen Mock**, a human rights expert and one of its founding members. She replaces **Herb Breau**.
 - Mock's first task is to welcome attendees at the think tank's annual awards gala, which takes place September 13 in Toronto.

Lobbyist registrations

Consultants who registered, renewed or amended registrations from August 26 to September 1, 2022

- Tyler Bjornson, T. Bjornson & Associates Consulting Inc.
 - Client: Global Ag Risk Solutions Corp., Boortmalt Biggar Prairie Malt ULC,
 Malteurop Canada Ltd., Alliance Grain Terminal Ltd., BNSF Railway Company,
 JBS Food Canada Inc.
- Raphael Brass, Bluesky Strategy Group
 - Client: Tenacity Rural Ventures Inc.
- Andrea Beltran, Global Public Affairs
 - o Client: Michelin North America, Inc.
- Curtis O'Nyon, Global Public Affairs
 - Client: Affirm Inc.
- Philip Cartwright, Global Public Affairs
 - Client: Patriot Forge Co.
- Daniel Bernier and Don Stickney, Earnscliffe Strategy Group
 - Client: Nikola Corp.
- Julie Garner, Earnscliffe Strategy Group
 - Client: CognisantMD
- Andre Albinati and Mary Anne Carter, Earnscliffe Strategy Group
 - Client: Eli Lilly Canada Inc.

- Abigail Tait, Andre Albinati and Melissa Bruno, Earnscliffe Strategy Group
 - Client: Diabetes Canada
- Julie Garner and Elly Alboim, Earnscliffe Strategy Group
 - o Client: Pacific Life Re International Ltd.
- Abigail Tait, Earnscliffe Strategies
 - Client: Auxico Resources Canada Inc.
- Deborah Elson, Patrick Kennedy and Bailey Stafford, Earnscliffe Strategy Group Inc.
 - o Client: Saskatchewan Canola Development Commission
- Caroline Charest, Stephane Tremblay, Mohammad Omar Raza, Hyunchul (Henry)
 Chung and Begona Bernardez Padilla, KPMG LLP
 - Client: EcoPro Global
- Pierre Cyr, Edelman Global Advisory
 - o Client: Canadian Apprenticeship Forum, Boating Ontario Association
- Marc Desmarais, NATIONAL Public Relations
 - Client: Association des collèges privés non subventionnés, Association des services de réhabilitation sociale du Québec
- Carole Boucher, Carole Boucher Services-Conseils
 - Client: Stormax Group Inc.
- Ben Parsons, Counsel Public Affairs Inc.
 - Client: Toyota Canada Inc.
- Ben Parsons and Sheamus Murphy, Counsel Public Affairs Inc.
 - o Client: The Pokémon Company International, Inc.
- Roberto Chávez, Sussex Strategy Group
 - Client: Running Tide Technologies Inc.
- Ingrid Ravary-Konopka, Sussex Strategy Group
 - Client: Hydro One Ltd.
- **Grégoire Jodouin**, PACE Public Affairs & Community Engagement
 - Client: Canadian Research and Insights Council
- Sébastien Bonneau, Perspectives Government Strategies
 - Client: Montréal Museums Society

- Ron Soreanu, Clear Strategy
 - Client: Canadian Beverage Association
- Stefano Gardiman and David Angus, Capital Hill Group
 - o Client: B2F Media Inc., Westincor Ltd.
- Jonathan Ballingall, The Capital Hill Group
 - o Client: Canadian Ski Council, Cryologistics Refrigeration Technologies Ltd.
- Joseph Cascun, The Capital Hill Group
 - o Client: NetApp
- David Angus, The Capital Hill Group Inc.
 - o Client: Illumio, Lorica Cybersecurity Inc., UiPath Inc.
- Yan Plante, TACT
 - o Client: Previan
- Alik Angaladian, Maple Leaf Strategies
 - o Client: Canadian Marketing Association
- Christian von Donat, Impact Public Affairs
 - Client: Mortgage Professionals Canada
- William Greene, Impact Public Affairs
 - Client: Mood Disorders Society of Canada
- Don Moors, Temple Scott Associates Inc.
 - Client: Juvenile Diabetes Research Foundation
- **Duncan Rayner**, Temple Scott Associates Inc.
 - Client: Raven Indigenous Capital Partners
- Damian Chiu and Joshua Matthewman, Temple Scott Associates Inc.
 - Client: City Wide Communications Inc.
- Hugo de Grandpré, PAA Public Affairs Advisors Inc.
 - o Client: Diageo Canada
- Amélie Gadient, Hill+Knowlton Strategies
 - o Client: Ovarian Cancer Canada
- Don Boudria, Hill+Knowlton Strategies

- Client: TMX Group Ltd.
- Laura Grosman, Hill+Knowlton Strategies
 - Client: Avenue Living Asset Management
- Matt Boudreau, Hill+Knowlton Strategies
 - o Client: Segirus Canada
- Jake Enwright, Syntax Strategic Inc.
 - Client: Microbix Biosystems Inc.
- Will Adams, 11871722 Canada Inc.
 - Client: Advanced Interactive Canada Inc.
- Alex Bernst and Andrew Steele, StrategyCorp Inc.
 - Client: Loblaw Companies Ltd.
- Andrew Steele, Garry Keller and Frédérik Larouche, StrategyCorp Inc.
 - Client: Hotel Association of Canada
- Katlyn Harrison, Summa Strategies Canada Inc.
 - o Client: Colt Canada Corp.
- Daniel Perry, Summa Strategies Canada Incorporated
 - o Client: PayTechs of Canada, Memorial University of Newfoundland
- Shifrah Gadamsetti, Summa Strategies Canada Inc.
 - Client: The Centre for Sexuality
- Jennica Klassen, Kit Public Relations Inc.
 - Client: Connected Canadians
- Kristina Martin, Kit Public Relations Inc.
 - Client: PLATO Testing
- John Turnbull, CFN Consultants
 - Client: Accenture Canada Holdings Ltd.
- Gavin Scott, CFN Consultants
 - Client: Magellan Aerospace Corp.
- Tara Mazurk, PAA Advisory | Conseils
 - Client: Confederation Centre of the Arts

- Dan Pfeffer, PAA Advisory | Conseils
 - Client: World Energy GH2
- Rachel McLaughlin, PAA Advisory | Conseils
 - o Client: Electronic Transactions Association
- Naresh Raghubeer, Sandstone Group
 - Client: Dow Chemical Canada ULC
- Kevin Bosch and Matthew Trapp, Sandstone Group
 - Client: Northstar Earth & Space Inc., AMPD Ventures Inc.
- Matthew Trapp, Sandstone Group
 - Client: Grieg Seafood, Canadian Air Traffic Control Association
- Rémi Courcelles, Solstice Public Affairs
 - Client: KortoJura Inc.
- Kirsten Krose, SWON Public Affairs
 - o Client: KGK Science, Defeat Duchenne Canada
- Brian Gilbertson, Prairie Sky Strategy
 - Client: Heritage Park Society
- **Douglas Richardson**, Prairie Sky Strategy
 - o Client: Intervac International Vaccine Centre, SaskPower Corp.
- Ashley Csanady, McMillan Vantage Policy Group
 - o Client: Vector Institute for Artificial Intelligence
- Brenda Gonzales, Kermode Consulting Inc.
 - Client: Iyon Kechika Contracting Ltd.
- Hugues Mousseau, Heyco Advisory Services Inc.
 - Client: Demers, Ambulance manufacturer Inc., Association des bannières et des chaînes de pharmacies du Québec
- Norman Jaehrling, Possibilities Group
 - Client: Missanabie Cree First Nation
- Andrew House, Fasken Martineau DuMoulin LLP
 - Client: Switch Health Holdings Inc.
- Tom Potter, Blackbird Strategies, Ltd.

- Client: Arctic Research Foundation
- Jean Lambert, Parabellum Communication Inc.
 - Client: Bell Helicopter Textron Canada Ltd.
- Tony Versteeg
 - Client: Dairy Farmers of Nova Scotia
- Ken Mumby
 - Client: Foothills Creamery Ltd.
- Jean-Joseph Conde and Kathleen Ross
 - o Client: Canadian Medical Association
- Peggy Brekveld
 - o Client: Ontario Federation of Agriculture
- John Maldwyn Thomas
 - Client: Port Edward Harbour Authority
- Catherine Orlando
 - Client: Citizens' Climate Lobby Canada
- Amardeep Khosla
 - Client: Industry Coordinating Group for CEPA
- Michel Côté
 - Client: Canadian Dental Research Institute

Organizations that registered in-house lobbyists from August 26 to September 1, 2022

- Universities Canada
- Alberta's Industrial Heartland Association
- Global Centre for Pluralism
- 9795855 Canada Incorporated
- North Saskatoon Business Association
- Chamber of Shipping of British Columbia
- Ethelo
- Teva Canada Limited
- Western Marine Community Coalition
- Canadian Coalition for Good Governance
- News Media Canada
- Canadian Association of Police Governance

- MasterCard Canada, Unlimited Liability Corporation
- The D&B Companies of Canada Unlimited Liability Corporation
- Teva Canada Limited
- Community Living Toronto
- The Navy League of Canada
- Toyota Canada Incorporated
- Ultra Electronics TCS Incorporated
- Oceana Canada
- CAPREIT Limited Partnership
- BC Dental Association
- Saskatchewan Telecommunications
- Ultra Electronics TCS Incorporated
- CSA Group Testing & Certification Incorporated
- Chevron Canada Limited
- General Fusion Incorporated
- Edmonton Regional Airports Authority
- Simon Fraser University
- Canadian Standards Association
- Amazon Canada Fulfilment Services, Unlimited Liability Corporation
- Janssen Incorporated
- Canadian Association of Geophysical Contractors
- WaterPower Canada
- Pholoho Biotechnology Group Incorporated
- Cycle Capital Management Incorporated
- The Salvation Army Canada and Bermuda Territory
- Insurance Bureau of Canada
- Premier Tech Itée

Parliament Today is written by Palak Mangat, reporting from the Parliamentary Press Gallery in Ottawa.

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