Information and Privacy Commissioner, Ontario, Canada



Commissaire à l'information et à la protection de la vie privée, Ontario, Canada

# **ORDER PO-3347**

Appeal PA13-193

Health Sciences North

May 29, 2014

**Summary:** The hospital received a request under the *Act* for records related to the winning submission in response to a specified Request for Proposal (RFP). The hospital identified two records responsive to the request: the winning submission and a purchase order. Following notification to an affected party, the hospital advised the requester that it would grant partial access to the two records, denying access to the remainder under sections 17(1) (third party proprietary information) and 18(1)(c) (economic and other interests of Ontario) of the *Act*. The requester appealed the hospital's decision. This order finds that the portions of the records withheld from disclosure are not exempt under sections 17(1) and 18(1)(c). The hospital is ordered to disclose the records, in full, to the appellant.

**Statutes Considered:** *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F.31, as amended, sections 17(1) and 18(1)(c)

Orders and Investigation Reports Considered: MO-1706, MO-2093, PO-2435, PO-2453

## **OVERVIEW:**

[1] Health Sciences North (the hospital) received a request under the *Freedom of Information and Protection of Privacy Act* (the *Act*) for records regarding a specified submission made in response to a Request for Proposal for the provision of orthopaedic drills to the hospital. Specifically, the requester sought access to "a copy of the Winning Proposal, Contract and/or Agreement for the RFP".

[2] The hospital identified two records responsive to the request: the winning submission and a numbered purchase order. Following notification to an affected party pursuant to section 28(1) of the *Act*, the hospital issued a decision to the requester, granting partial access to the winning submission and denying access to the purchase order, in full. The hospital advised the requester that portions of the winning submission and the entire purchase order were withheld under sections 17(1) (third party proprietary information) and 18(1)(c) (economic and other interests of Ontario) of the *Act*.

[3] The requester, now the appellant, appealed the hospital's decision.

[4] During mediation, the affected party consented to the disclosure of additional portions of the records at issue to the appellant. As a result, the hospital issued a revised decision releasing additional information to the appellant. The appellant confirmed that it continues to seek access to the remaining withheld portions of the records. Mediation did not resolve this appeal, and it was transferred to the inquiry stage of the process, where an adjudicator conducts an inquiry under the *Act*.

[5] I began my inquiry by inviting the hospital and the affected party to make representations in response to a Notice of Inquiry. Both parties made submissions. I then invited the appellant to make submissions in response to the issues raised in the Notice of Inquiry and the non-confidential portions of the hospital and affected party's arguments, which were shared in accordance with section 7 of this office's *Code of Procedure* and *Practice Direction* number 7. The appellant also submitted representations. In its representations, the appellant raised the possible application of the public interest override in section 23 of the *Act*. I invited the hospital and the affected party to make submissions on the possible application of section 23 to the records at issue. Only the hospital submitted representations on that issue.

[6] In this order, I find that neither section 17 nor 18(1)(c) of the *Act* apply to exempt the information at issue. I order the hospital to disclose the records to the appellant, in their entirety.

## **RECORDS:**

[7] The records at issue consist of the withheld portions of the winning submission to the RFP, specifically, portions of page 7 and pages 34 to 42, in their entirety, and a numbered purchase order.

# **ISSUES:**

A. Does the mandatory exemption at section 17(1) apply to the records?

B. Does the discretionary exemption at section 18(1)(c) apply to the records?

## **DISCUSSION:**

#### A. Does the mandatory exemption at section 17(1) apply to the records?

[8] Section 17(1) of the *Act* states, in part:

A head shall refuse to disclose a record that reveals a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence implicitly or explicitly, where the disclosure could reasonably be expected to,

- (a) prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization;
- (b) result in similar information no longer being supplied to the institution where it is in the public interest that similar information continue to be so supplied;
- (c) result in undue loss or gain to any person, group, committee or financial institution or agency

[9] Section 17(1) is designed to protect the confidential "informational assets" of businesses or other organizations that provide information to government institutions.<sup>1</sup> Although one of the central purposes of the *Act* is to shed light on the operations of government, section 17(1) serves to limit disclosure of confidential information of third parties that could be exploited by a competitor in the marketplace.<sup>2</sup>

[10] For section 17(1) to apply, the institution and/or the third party must satisfy each part of the following three-part test:

- 1. the record must reveal information that is a trade secret or scientific, technical, commercial, financial or labour relations information; and
- 2. the information must have been supplied to the institution in confidence, either implicitly or explicitly; and

<sup>&</sup>lt;sup>1</sup> Boeing Co. v. Ontario (Ministry of Economic Development and Trade), [2005] O.J. NO. 2851 (Div. Ct.), leave to appeal dismissed, Doc. M32858 (C.A.).

<sup>&</sup>lt;sup>2</sup> Orders PO-1805, PO-2018, PO-2184 and MO-1706.

3. the prospect of disclosure must give rise to a reasonable expectation that one of the harms specified in paragraph (a), (b) and/or (c) of section 17(1) will occur.

[11] I will now review the information at issue and the representations of the hospital, affected party and appellant to determine if the three-part test under section 17(1) has been established.

#### Part 1: type of information

[12] The hospital submits that the information at issue contains the affected party's trade secrets, as well as its commercial and financial information. The hospital states that Record 1 is the winning proposal in a competitive procurement process to provide specialized surgical products and services to the hospital. The hospital submits that previous orders of the IPC, including Order PO-1932, have found that successful responses to RFPs meet the definition of "commercial information" simply by virtue of their relation to a contractual arrangement for the provision of services. The hospital submits that Record 1 relates to a proposed commercial enterprise to be entered into between itself and the successful proponent and contains information relating to the vendor's business affairs and commercial interests. The hospital also submits that Record 2 contains "commercial information" within the meaning of section 17(1) as it is a purchase order and, therefore, relates to the purchase of merchandise and services.

[13] In addition, the hospital submits that the records contain payment and pricing information, including itemized pricing with discounts and quotes for support services. The hospital submits that the information is clearly related to money and would not otherwise be publically available. The hospital also submits that the IPC has previously confirmed that "financial information" includes the type of pricing information provided in this and other responses to RFPs.

[14] The affected party submits that the proposal contains trade secret and scientific, technical, commercial and financial information.

[15] The appellant submits that, while it has not reviewed the records, some of the information contained in the records would likely contain either financial or commercial information and, therefore, the redactions likely meet the first part of the section 17(1) test. The appellant submits that the records do not contain "trade secret" information.

[16] Previous orders of this office have defined trade secret, scientific, technical, commercial and financial information as follows:

*Trade secret* means information including but not limited to a formula, pattern, compilation, programme, method, technique, or process or

information contained or embodied in a product, device or mechanism which

- (i) is, or may be used in a trade or business,
- (ii) is not generally known in that trade or business,
- (iii) has economic value from not being generally known, and
- (iv) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.<sup>3</sup>

*Scientific information* is information belonging to an organized field of knowledge in the natural, biological or social sciences, or mathematics. In addition, for information to be characterized as scientific, it must relate to the observation and testing of a specific hypothesis or conclusion and be undertaken by an expert in the field.<sup>4</sup>

*Technical information* is information belonging to an organized field of knowledge that would fall under the general categories of applied sciences or mechanical arts. Examples of these fields include architecture, engineering or electronics. While it is difficult to define technical information in a precise fashion, it will usually involve information prepared by a professional in the field and describe the construction, operation or maintenance of a structure, process, equipment or thing.<sup>5</sup>

*Commercial information* is information that relates solely to the buying, selling or exchange of merchandise or services. This term can apply to both profit-making enterprises and non-profit organizations, and has equal application to both large and small enterprises.<sup>6</sup> The fact that a record might have monetary value or potential monetary value does not necessarily mean that the record itself contains commercial information.<sup>7</sup>

*Financial information* refers to information relating to money and its use or distribution and must contain or refer to specific data. Examples of this type of information include cost accounting methods, pricing practices, profit and loss data, overhead and operating costs.<sup>8</sup>

<sup>&</sup>lt;sup>3</sup> Order PO-2010.

<sup>&</sup>lt;sup>4</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> *Ibid*.

<sup>&</sup>lt;sup>6</sup> Ibid.

<sup>&</sup>lt;sup>7</sup> Order P-1621.

<sup>&</sup>lt;sup>8</sup> Order PO-2010.

[17] On my review of the records, I am satisfied that the information at issue constitutes commercial information for the purposes of section 17(1) of the *Act*. The records, as the successful RFP submission and purchase order, contain some of the elements of a proposed commercial services arrangement between the hospital and the affected party. Accordingly, I find that the records contain commercial information for the purpose of part 1 of section 17(1).

[18] In addition, I am satisfied that the records contain financial information. As the hospital identified in its representations, the records include itemized pricing with discounts and quotes for support services.

[19] However, based on the definition of trade secret set out above, I am not satisfied that the record contains such information for the purpose of section 17(1). None of the parties have provided evidence to demonstrate how the information at issue meets the definition of trade secret. In the absence of specific references to the records and how the information contained in them could constitute a "trade secret", based on the representations and my review of the records, it is my view that the records do not contain information that is a formula, pattern, compilation, programme, method, technique or process or information contained in a product, device or mechanism. The information at issue consists mainly of generic descriptions of products and their names and information relating to service or warranties and pricing. Furthermore, I have not been provided with sufficient information to convince me that this information is "not generally known".<sup>9</sup>

[20] I am also not satisfied that the record contains technical or scientific information for the purpose of section 17(1). The affected party does not provide any evidence with regard to whether the information at issue contains technical or scientific information, beyond asserting that it does. Based on my review of the definitions of these terms set out above, I find that the information relating to product pricing, descriptions of the affected party's products, services and warranties are not "technical" or "scientific" information under section 17(1). Reviewing the record, I find that it does not involve information prepared by a professional in a technical field and does not describe the construction, operation or maintenance of a structure, process, equipment or thing. Further, I find that the record does not involve information belonging to an organized field of knowledge in the natural, biological or social sciences, or mathematics.

<sup>&</sup>lt;sup>9</sup> Order PO-2156.

#### Part 2: supplied in confidence

[21] The requirement that it be shown that the information was "supplied" to the institution reflects the purpose in section 17(1) of protecting the informational assets of third parties.<sup>10</sup>

[22] Information may qualify as "supplied" if it was directly supplied to an institution by a third party, or where its disclosure would reveal or permit the drawing of accurate inferences with respect to information supplied by a third party.<sup>11</sup>

[23] In order to satisfy the "in confidence" component of part two, the parties resisting disclosure must establish that the supplier had a reasonable expectation of confidentiality, implicit or explicit, at the time the information was provided. This expectation must have an objective basis.<sup>12</sup>

[24] In determining whether an expectation of confidentiality is based on reasonable and objective grounds, it is necessary to consider all the circumstances of the case, including whether the information was

- communicated to the institution on the basis that it was confidential and that it was to be kept confidential
- treated consistently in a manner that indicates a concern for its protection from disclosure by the affected person prior to being communicated to the government organization
- not otherwise disclosed or available from sources to which the public has access
- prepared for a purpose that would not entail disclosure.<sup>13</sup>

[25] Based on my review of the records, I am satisfied that the proposal was provided by the affected party to the hospital in response to the hospital's RFP. As a result, I find that the proposal was supplied to the hospital by the affected party within the meaning of section 17(1) of the *Act*. However, I am not satisfied that the purchase order was supplied to the hospital by the affected party within the meaning of section 17(1) of the *Act*. In its representations, the hospital states that the purchase order was issued by the hospital. As the purchase order was issued by the hospital, I find that the affected party did not supply it to the hospital within the meaning of section 17(1). Accordingly, the exemption in section 17(1) of the *Act* cannot apply to it.

<sup>&</sup>lt;sup>10</sup> See Oder MO-2164.

<sup>&</sup>lt;sup>11</sup> Order MO-1706.

<sup>&</sup>lt;sup>12</sup> Order PO-2020.

<sup>&</sup>lt;sup>13</sup> Order PO-2043.

[26] The hospital and the affected party take the position that the records were supplied to the hospital in confidence. The hospital submits that the affected party supplied the proposal to the hospital in response to an RFP for orthopaedic drills. The hospital advises that the terms of the proposal were not modified after it was accepted and they were never subject to further negotiation. The hospital submits that the information at issue was supplied by the affected party on the basis that it was confidential and would be treated as such. The hospital submits that it is normal commercial practice to treat competitive proposals as proprietary and confidential. The hospital also states that it is required, under the Broader Public Sector Accountability Act (Ontario), to protect the confidentiality of commercially sensitive information collected through the competitive procurement process and to ensure that processes are in place to safeguard that information. In addition, the hospital states that the affected party is concerned for the protection of its confidential information. The hospital also submits that the information at issue is not available from sources to which the public has access. Finally, the hospital submits that the information in the records was created for the express purpose of responding to the RFP and was drafted and submitted with an expectation of confidentiality.

[27] The affected party submits that the proposal consists mainly of information relating to the submission it made to the hospital for review and consideration prior to making an award. Despite the fact that some of the documents were negotiated in part and generated by the hospital, the affected party submits that some of the information contained in the records was derived entirely from information that was contained within the documents supplied by the affected party to the hospital in its proposal. The affected party also submits that it supplied all of the information in the proposal with both the express and implied expectation that it would be treated confidentially. The affected party states that its proposal contained an explicit notice that sets out this expectation of confidentiality. Finally, the affected party submits that the commercial and financial information, prices and terms are clearly proprietary and confidential in nature and whose value lies largely in it remaining confidential.

[28] The appellant submits that the IPC has found that the contents of a contract involving an institution and a third party will not normally qualify as having been supplied, but are viewed as mutually generated. In the circumstances of this appeal, the appellant submits that the formal contract was entered between the hospital and the affected party and that contract is outlined within the RFP. The appellant also submits that the contract between the parties holds that the records at issue are the operative contract between the hospital and the affected party. The appellant refers to the records which were disclosed to it and notes that certain clauses therein state that the Proposal and RFP along with the purchase order and the Standard Term Contract are to be read together and form the entire contract between the parties.

[29] In its reply representations, the hospital states as follows:

The form of RFP used by [the hospital] did not require the negotiation of a separate contract document. Rather, pursuant to section 4.8.1 of the RFP, the RFP, the proposal received from the successful proponent, the standard terms and conditions set out in Appendix 1 to the RFP and the purchase order issued by [the hospital] were deemed to be the "contract". If any issues had arisen regarding performance by the successful proponent, the parties would be governed by the terms and conditions set out therein.

[30] Previous orders of this office have found that the contents of a contract involving an institution and a third party will not normally qualify as having been "supplied" for the purpose of section 17(1). In Order MO-1706, Adjudicator Bernard Morrow found that:

... the fact that a contract is precluded by little negotiation, or that the contract substantially reflects terms proposed by a third party, does not lead to a conclusion that the information in the contract was "supplied" within the meaning of section 10(1) [the municipal equivalent to section 17(1) of the *Act*]. The terms of a contract have been found not to meet the criterion of having been supplied by a third party, even where they were proposed by the third party and agreed to with little discussion (see Order P-1545).<sup>14</sup>

[31] Therefore, agreed-upon essential terms of a contract or agreement are generally considered to be the product of a negotiation process and not "supplied", even if the "negotiation" amounts to acceptance of the terms proposed by the third party.<sup>15</sup>

[32] In Order PO-2435, Assistant Commissioner Brian Beamish considered the Ministry of Health and Long-Term Care's argument that proposals submitted by potential vendors in response to government requests for proposals, including per diem rates, are not negotiated because the government either accepts or rejects the proposal in its entirety. Upon consideration of the records at issue and the parties' representations, Assistant Commission Beamish rejected that argument and concluded that the government's option of accepting or rejecting a consultant's bid is a form of negotiation.

[33] Similarly, in Order PO-2453, Adjudicator Catherine Corban found that terms outlined by the successful bidder in a request for quotation process formed the basis of a contract between it and the institution, and were not "supplied" within the meaning of the second part of the test under section 17(1). By choosing to accept the affected

<sup>&</sup>lt;sup>14</sup> Order MO-1706.

<sup>&</sup>lt;sup>15</sup> Orders PO-2384 and PO-2497.

party's bid, it was found that the information contained in that bid became "negotiated" information to which the ministry agreed. Accordingly, the terms of the bid quotation submitted by the affected party became the essential terms of a negotiated contract for services.

[34] In Order MO-2093, Adjudicator Steve Faughnan considered the application of section 10(1) of the municipal *Act*, which is equivalent to section 17(1) in the *Act*, to a successful bid document that was produced by affected party "A" in response to an RFP issued by the City of Hamilton. In that decision, Adjudicator Faughnan found that:

The bid document governing the bid process for [specified tender/RFP], in which A was the successful bidder, provides that if the successful bidder has not complied with its terms, the City may cancel the agreement. Although the City advises that there was no subsequent formal written agreement entered into with A, there was no evidence provided to refute an assumption that A is conducting business with the City in accordance with the terms of the bid.

This indicates to me that, except for the information that I have found to be "immutable", the remaining information consists of the basic bid terms and conditions for A's bid (including the value added warranty service add-ons that A provided in the bid).... These terms and conditions were accepted by the City when the tender was successful and an agreement was formed based upon those terms and conditions. This agreement was not, however, reduced to writing.

Based on the authorities reproduced above, and my review of the representations and the records, I conclude that this information was mutually generated through the process of negotiation. As a result, I find that it was not "supplied" for the purpose of part 2 of the section 10(1) test.

[35] The circumstances of this appeal are similar to those considered in Order MO-2093 and I adopt these findings for the purposes of this analysis. As with Order MO-2093, the parties in this appeal did not create a formal contract after the hospital accepted the affected party's proposal. Rather, the parties deemed the records at issue, that is, the winning submission and the purchase order, to be the contract. Consistent with the findings and reasoning described above, I find that the information provided by the affected party to the hospital to be the "contract", was not "supplied by the affected party to the hospital to be the "contract", was not "supplied by the affected party to the hospital within the meaning of section 17(1). Instead, the information at issue is contained in the final negotiated agreement between the affected party and the hospital and it does not, therefore, meet the "supplied" requirement of part two of the section 17(1) test.

[36] I note that neither the hospital nor the affected party have raised the possible application of either exception to part 2 of the section 17(1) test. I have reviewed the records and representations and find that neither the immutability nor the inferred disclosure exceptions apply. Accordingly, I find that the parties have not met part 2 of the test for the application of section 17(1) of the *Act*. This is sufficient to conclude that the information at issue is not exempt under section 17(1). I will now consider whether section 18(1) of the *Act* applies to exempt the information at issue.

#### B. Does the discretionary exemption at section 18(1)(c) apply to the records?

[37] The hospital applies section 18(1)(c) to withhold the information at issues from disclosure. This section states:

A head may refuse to disclose a record that contains,

information where the disclosure could reasonably be expected to prejudice the economic interests of an institution or the competitive position of an institution.

[38] The purpose of section 18 is to protect certain economic interests of institutions. The report titled *Public Government for Private People: The Report of the Commission on Freedom of Information and Individual Privacy 1980*, vol.2<sup>16</sup> explains the rationale for including a "valuable government information" exemption in the *Act*:

In our view, the commercially valuable information of institutions such as this should be exempt from the general rule of public access to the same extent that similar information of non-governmental organizations is protected under the statute.... Government sponsored research is sometimes undertaken with the intention of developing expertise or scientific innovations which can be exploited.

[39] For section 18(1)(c) to apply, the hospital must demonstrate that disclosure of the record could "reasonably be expected to" lead to the specified result. To meet this test, the hospital must provide "detailed and convincing" evidence to establish a "reasonable expectation of harm". Evidence amounting to speculation of possible harm is not sufficient.<sup>17</sup>

[40] The need for public accountability in the expenditure of public funds is an important reason behind the need for "detailed and convincing" evidence to support the harms outlined in section 18.<sup>18</sup>

<sup>18</sup> Orders MO-1947 and MO-2363.

<sup>&</sup>lt;sup>16</sup> Toronto: Queen's Printer, 1980. ("Williams Commission Report")

<sup>&</sup>lt;sup>17</sup> Ontario (Workers' Compensation Board) v. Ontario (Assistant Information and Privacy Commissioner) (1998), 41 O.R. (3d) 464 (C.A.).

[41] Parties should not assume that harms under section 18 are self-evident or can be substantiated by submissions that repeat the words of the Act.<sup>19</sup> Further, previous orders of this office have found that the fact that individuals or corporations doing business with an institution may be subject to a more competitive bidding processes as a result of the disclosure of their contractual arrangements does not prejudice the institution's economic interests, competitive position or financial interests.<sup>20</sup>

[42] The purpose of the section 18(1)(c) exemption is to protect the ability of institutions to earn money in the marketplace. This exemption recognizes that institutions sometimes have economic interests and compete for business with other public or private sector entities, and it provides discretion to refuse disclosure of information on the basis of a reasonable expectation of prejudice to these economic interests or competitive positions.<sup>21</sup>

[43] In its representations, the hospital submits that the release of the information in the records could reasonably be expected to prejudice its economic interests and competitive position. The hospital submits that the disclosure of the information that remains at issue would reveal confidential payment discounts, product information, itemized pricing, volumes, discounts, rebates, warranties and services and mapping of product offerings and availability relating to its procurement of orthopaedic drills. The hospital states that, as a public institution, it regularly engages in competitive procurement processes for a wide range of products and services and is accountable to its funders and the public to ensure "value for money" in its procurement processe.

[44] The hospital submits that the release of the vendor's confidential information could reasonably be expected to prejudice its economic interests because there is an expectation that this type of proprietary and confidential information will be protected. The hospital submits that the disclosure of the records would undermine the integrity of the competitive procurement process and the trust that the hospital has developed with its vendors. The hospital submits that it is in its best interest to be able to effectively negotiate with a wide variety of vendors, to try to achieve the best balance of pricing, quality and service. Without this trust, the hospital submits that its ability to negotiate with its vendors would be severely hampered, to its detriment.

[45] The hospital also submits that its competitive position would be compromised since it is reasonable to expect that vendors will be reluctant to negotiate innovative pricing terms and strategies for fear of this information being used by other vendors in both Ontario and other markets. The hospital submits that its ability to attract vendors and innovative products and services would also be compromised if this information was disclosed, particularly for vendors who can focus on other commercial markets.

<sup>&</sup>lt;sup>19</sup> Order MO-2363.

<sup>&</sup>lt;sup>20</sup> See Orders MO-2363 and PO-2758.

<sup>&</sup>lt;sup>21</sup> Orders P-1190 and MO-2233.

[46] Finally, the hospital submits that, as a teaching hospital and the largest hospital in Northeastern Ontario, it is often viewed as a strategic account for vendors. The hospital states that it benefits from its ability to negotiate favourable terms because of this strategic relationship, which indirectly benefits the public as it results in lower costs for products and services. The hospital submits that release of the records would seriously weaken its bargaining position and drive the market price higher. The hospital does not provide any further evidence to demonstrate how these harms would reasonably be expected to result from the disclosure of the records.

[47] In its representations, the affected party submits that, should this disclosure be granted and it and other vendors decide that the risk of exposure of its confidential business information is too great to permit future bids, the hospital would be adversely impacted. The affected party notes that the hospital is both the largest health care centre in Northern Ontario and is a teaching hospital. The affected party submits that if vendors such as itself do not participate in RFPs for fear of its confidential information being released, the hospital may not have access to the innovative products offered by market leaders. The affected party submits that this would negatively impact the ability of the hospital to attract key talent for its institution and may impact its future economic viability.

[48] The appellant states that the onus lies with the hospital to demonstrate on "detailed and convincing" grounds that the disclosure of the information at issue would adversely impact its economic interests and submits that the hospital has failed to do so. The appellant submits that, contrary to the hospital and affected party's submissions, the disclosure of the information may lead to a more competitive and responsive RFP process and be of benefit to the hospital. Similarly, the disclosure of the information would encourage public accountability for the RFP process, especially where there are noted variances from best practices. The appellant also submits that the affected party or similar vendors will cease to provide proposals if the information is disclosed. The appellant submits that this argument does not meet the detailed and convincing requirement for evidence and cannot be inferred from the records.

[49] The hospital's main submission remains that if the information at issue is disclosed, third parties would be reluctant to negotiate innovative pricing terms and strategies with the hospital. As a result, the hospital submits that it will be unable to negotiate favourable terms with these third parties, which would prejudice its economic interests and competitive position.

[50] As stated above, the hospital must provide detailed and convincing evidence that disclosure of the information that remains at issue could reasonably be expected to prejudice the economic interest or competitive position of the hospital. I find that the hospital has not provided me with such evidence. The hospital's arguments are very general and do not provide the kind of specificity required with regard to the harms that

may result if the specific information at issue is disclosed. The hospital submits that its bargaining position will be seriously weakened if the records are disclosed, but does not provide evidence explaining how the disclosure of the specific information at issue would result in this harm. I note that there is a small amount of information that remains at issue. However, even though there is a small amount of information at issue, I must conclude that the hospital did not provide me with sufficiently detailed and convincing evidence to demonstrate how the disclosure of the types of payment discount, pricing information and information relating to produce, services and warranties would result in the harms in section 18(1)(c) of the Act. I have also reviewed the affected party's representations on this issue and find that its arguments are speculative at best and I can find no basis for its position that the harms in section 18(1)(c) could reasonably be expected to result from the disclosure of the information that remains at issue. Moreover, in light of the hospital's position as both a teaching hospital and the largest hospital in Northeastern Ontario, I agree with the appellant's arguments that disclosure of the information at issue may result in potential competitors attempting to offer more favourable contract terms to the hospital, and this could, in fact, improve the hospital's competitive position.<sup>22</sup>

[51] Accordingly, I find that section 18(1)(c) of the *Act* does not apply to the information at issue. As the hospital has not claimed the application of any other discretionary exemption of the *Act* and I find that no other mandatory exemption applies, I order the hospital to disclose the information that remains at issue to the appellant.

# **ORDER:**

- 1. I order the hospital to provide the appellant with a complete copy of the records by **July 4, 2014** but not before **June 27, 2014**.
- 2. In order to verify compliance with this order, I reserve the right to require the hospital to provide me with a copy of the record disclosed to the appellant pursuant to Order Provision 1.

Original Signed By: Justine Wai Adjudicator May 29, 2014

<sup>&</sup>lt;sup>22</sup> Order MO-1915.