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of Debates
(Hansard)**

**Journal
des débats
(Hansard)**

Wednesday 20 June 2001

Mercredi 20 juin 2001

Speaker
Honourable Gary Carr

Président
L'honorable Gary Carr

Clerk
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**LEGISLATIVE ASSEMBLY
OF ONTARIO**

Wednesday 20 June 2001

**ASSEMBLÉE LÉGISLATIVE
DE L'ONTARIO**

Mercredi 20 juin 2001

The House met at 1845.

ORDERS OF THE DAY

MPP COMPENSATION REFORM ACT
(ARM'S LENGTH PROCESS), 2001

LOI DE 2001 PORTANT RÉFORME
DE LA RÉTRIBUTION DES DÉPUTÉS
(PROCESSUS SANS LIEN
DE DÉPENDANCE)

Resuming the debate adjourned on June 19, 2001, on the motion for second reading of Bill 82, An Act to amend the Legislative Assembly Act to provide an arm's length process to determine members' compensation / Projet de loi 82, Loi modifiant la Loi sur l'Assemblée législative pour établir un processus sans lien de dépendance permettant de fixer la rétribution des députés.

The Acting Speaker (Mr David Christopherson): The floor is open for further debate.

Mr Rosario Marchese (Trinity-Spadina): We're discussing tonight MPP compensation, Bill 82. I've got to say to the good citizens of Ontario that this is obviously not an easy debate, not a very clear debate. Quite clearly, you have heard many speakers on this topic—not as many as you probably would have liked, but you have heard enough diversity on this issue, maybe—and you get a clear sense that people have different opinions on this, and for good reason, because while we agree on many things, we all feel differently and we think differently. God bless that that is the case. Imagine if we had homogeneity of thought, if we were all singing the same song in this place. We don't all sing the same song. In fact, most people don't know how to sing.

You can't have a harmonized point of view. It cannot be generalized enough that we all think and speak the same way. Imagine how difficult and boring it would be if you had 103 people speaking the same language, not being able to speak a second language, saying the same things on the issues. My God, you would tune off. You would say, "Turn off the television. They have nothing new to say." That's the blessing of life, that we have so much intellectual diversity on most issues that it makes it fun for you, good citizens who are watching us, watching this political forum. It's 10 to 7 and it's Wednesday night.

Mr Gilles Bisson (Timmins-James Bay): Live from Queen's Park.

Mr Marchese: And we are live at Queen's Park.

The issue of salaries, the issue of capitalism, the issue of how we share in the economy—all these are questions that sometimes get debated in this place and sometimes do not. A majority of you, I know, good citizens and taxpayers, say that we should all be sharing in the wealth, especially when the economy's good. But I know many of you are not sharing in that wealth.

Mr Wayne Wettlaufer (Kitchener Centre): We agree: everybody should be rich.

Mr Marchese: Wettlaufer agrees that everybody should be rich. I say to you, Wettlaufer, that if you agree that everybody should be rich, not everyone is sharing in the wealth of this economy, and you know that. You know that a whole lot of people in this economy have done very, very poorly in the last six years, and yet we've seen billions and billions of dollars come into the provincial economy, billions and billions of dollars come into the federal economy. It's mostly due to the cuts that both levels of government are making, but in your case, we have so much money that we give it away for tax cuts to individuals who don't really need it, and we give it away to the corporate sector—yes, that rapacious group, very much closely connected to your skin and your body, very much so. That's where my money and the money of most taxpayers is going: it's going back to people who don't need the money, really. They're not sharing in the wealth, so a whole lot of people are quite concerned about debates around salaries, quite clearly.

I don't know about welfare recipients and whether or not they watch this parliamentary channel, but if they were watching it, I'm sure that they wouldn't like the discussion on this issue. I suspect they wouldn't. And why wouldn't they? Because they saw a 22% cut under your government. They wouldn't be happy to have this discussion of salaries being talked about, or not talked about very much, tonight.

People who earn barely \$6.85 on minimum wage wouldn't be happy to listen to this debate tonight, because we have frozen those wages to those who've earned that minimum wage of \$6.85 for years. John, why would you do that? If Wettlaufer says we should all be rich, why is it that some people are very well off and a whole lot of people are not? We talk about those who are at the very low end of the economic ladder. John Snobelen, you're not at the bottom of that ladder; you're at the top. Some of you come rich and/or richer than some others.

1850

When I look at all of the various needs of society, I say, we're not sharing in that wealth. And do I not, as a

social democrat, believe in redistributing the wealth that is generated by the work of all who work in this society? Yes, we need to redistribute that wealth, but it's not being redistributed in any way that is equal, or in any way that might make some people say, "I'm getting my fair share too." Why is it that you people can't simply say, "Yes, a whole lot of you have been waiting for a long time and we want to make a contribution as a government, as part of our social responsibility, to help you because we know how tough it is for many of you in society. We know that many of you are making less than \$30,000; in fact 50% of the labour force is making less than \$30,000"?

We know how tough it can be for people. We know there are a lot of people who are waiting for decent and affordable housing: there are over 100,000 people in Ontario waiting for a decent place. We know that. They could all be sharing in the economic wealth that has been generated in the last six years, we argue because of the good American economy that we've had that's helped you and you argue because of your tax cuts. However you argue it, however you come to the conclusion that you've created this great economy, for whatever reason, share the wealth. Give it back to some of those folks who are deserving. No matter who they are, they are deserving. Give some back. We argue as New Democrats that that's what you ought to be doing. That is the role of government.

But we're not redistributing wealth, and does this issue of compensation solve it one way or another? It's not going to solve it; I know that. Whether we keep our salaries at this rate, whether you keep them at this rate or whether they're increased by whatever measure is not going to help one iota the people I've mentioned who desperately your help. I know it's not going to help. I'm not convinced that simply by keeping our salaries where they're at we're going to make it any better. I have no doubt about that. And I know that the Minister of Social Services is not going to care one way or the other whether his salary is at that rate or whether it increases. He's still not going to change the life of that person on welfare.

Good God, John, the Minister of Social Services, stands up every day and says, "We are giving a people a hand up every day. We are here to make sure that those welfare recipients are getting a hand from the government to stand up on their own two feet so they" blah, blah, blah. Good citizens, that's all you hear.

Hon John R. Baird (Minister of Community and Social Services, minister responsible for children, minister responsible for francophone affairs): Where do you stand on the bill? I need to know.

Mr Marchese: I'm coming to that.

Hon Mr Baird: You're 10 minutes in.

Mr Marchese: But I've got a lot to say, Speaker, through you always. I want you to listen to me in the totality of things. When we're dealing with the issue of compensation, it's a difficult question, John Baird, Minister of Social Services. It is a tough question, no doubt,

for everyone in this place, because what is fair compensation for MPPs isn't something that we all agree on. We all disagree in this place about what that fair amount is for MPPs. I mean, you people were the ones who said, "We don't need a pension," when you came in. You recall, Wettlaufer and the others who are chuckling away smugly about this issue, you were the people who came in and said, "We don't need a pension."

Mr Wettlaufer: That's right.

Mr Marchese: And don't you regret having done that? Oh, Wettlaufer, honest to God. If we could only be a little bit honest.

Interjections.

The Acting Speaker: Order.

Mr Marchese: I'm not saying be honest a lot; I'm just saying be a little bit honest, that's all I'm asking you.

You were the people who came in here and said, "Those pensions, oh my God, those gold-plated pensions," and you got rid of them. All of a sudden now you're arguing that our salaries are not gold-plated and that they ought to be, because presumably that's what the—

Hon Mr Baird: What do you think—

Mr Marchese: Oh, John, be fair, be honest; be honest to the taxpayers of Ontario, please. I'm coming to it, John Baird, Minister of Social Services. I've got 20 minutes.

Interjection: No, you've got nine.

Mr Marchese: I've got 20 minutes, less what I've spoken. I've got a whole lot of time to say what I need to say. Here is when I—

Interjection.

The Acting Speaker: Minister of Community and Social Services, come to order, please.

Mr Marchese: So, what's fair? I don't know what these people from the Tory caucus earn. Some people probably have a lot of money and some people not so much money. I don't know. A whole lot of businessmen say, "I don't have a lot," I'm assuming, right? Yeah. I know most of you have more than I do, I know that. But I know it's not enough for some of you guys, because you've got a lifestyle, right? Oh, we've all have lifestyle. But if you are richer than some of us, your lifestyle is probably more difficult to feed than the rest of us. I understand. It's tough, it's really tough.

How do you assess fairness? A baseball player makes \$9,000 for hitting a ball—\$9 million, \$5 million, \$6 million for hitting a couple of balls out over the field there. Is \$9 million fair? It's obscene sometimes. Some of those hockey players, I don't know how many millions of bucks these people make for just skating around and scoring a couple of goals, defending a couple of goals, one way or the other, millions of dollars. Is that fair? I don't know. How do you assess that?

Then you've got a whole lot of people at the other extreme, not making a whole lot of money, saying, "Holy cow, I work hard. I don't make much." What's fair? It's a tough one. Good citizens of Ontario, I know this is a tough issue for you, as it is for us.

Governments could have the courage to do several things. They could increase the salary modestly, 2% or 3%, which I think people would have accepted. I said to the Tories that that would have been the best way to have done it. I did say that.

Hon Mr Baird: What else did you say?

Mr Marchese: I did say that to you, John. Here's what I said to you, John Baird, Minister of Social Services: I said that if you're going to do this and refer it off—by the way, before I get to my other argument, sending it off to an independent party is, in my view, not a bad idea. While some of my colleagues argue that the independent commissioner is not the right person to do it, I think the independent commissioner is probably the right person to be doing it, because he's the guy who keeps an eye on your money, on my money—I've got nothing, by the way, so he's got nothing to worry about with me. He's the guy who keeps an eye on what we make. As to what others have advanced, good arguments, like my buddy here, Peter Kormos from Niagara Centre; they're good arguments, all of them.

I advance with you that sending it to the Integrity Commissioner as the third party, he's probably the right person, because he is the guy who checks up on the good and bad of what we do, whether we're hiding something or not hiding, whether we're making some mistakes about this and that with respect to what we own, what we've got. That's probably the right person to be taking a look at this particular issue.

Sending it to a third party, good citizens, whether you agree or not, is probably the fairer thing to do, because when politicians set their own rates, no matter what you do, even if it's 2% or 3%, you're still going to get whacked. I know that, because there's a whole lot of people out there who revile politicians, and anything connected to salaries is always going to be a bad thing. You're going to get whacked no matter what. I know that. Whether it's 2%, 1%, 0%, no increase, it doesn't matter, you still get whacked, because there's a whole lot of people out there who, even if you don't get a raise, say you got one. I know that.

So the idea of setting your own salaries is a difficult thing. I'm saying to you, whether you set it at zero, less than that or more than that, the majority of people still think we're going to be paid as much as the federal MPs, no matter what. Whether we do something or not, people probably believe we're going to get the same salary or we're getting the same salary as the federal MPs. It doesn't matter what we argue here. Politicians setting their own salaries is a tough one; it's really tough because it doesn't matter what you do, you're going to get whacked. However, if you decided as a government to take responsibility and say, "We're worth 10% more, 15% more, 20% more," they'd have no problem with that, but we take it out to the electorate.

1900

Some people don't like that either, John Baird, Minister of Social Services. If you had decided to go the other route where you say, "We're worth 20%"—got the

courage, fortitude, muscular—if you'd done that, I would have said to you, take it out to the public and enact that salary increase that you might have proposed if you had the courage to do so for the next group of politicians. It would have allowed the next group of politicians to decide one way or the other whether they would have stuck with that, whether they wouldn't, whether you would defend at the door, "Yes, it was a good increase," or not. You could have taken that approach and had the courage to do so and not take the salary that same day or that same month. You could have argued that. I would have supported that. You would have given the public the opportunity to be heard. A lot of people wouldn't like it, there's no doubt about it, but at least they would respect that; they would respect that we had taken a position on it. They would have respected the fact that we had the courage to take a position and defend it one way or the other.

OK. You haven't done that. You didn't have the fortitude—muscular—to do it. I understand that. Referring it to the Integrity Commissioner is a good thing, as a third party looking at this particular issue. I know another colleague would argue differently, that it should be somebody else, not the Integrity Commissioner, and there should be different criteria. I don't argue that, but I respect that view as well. My point in this is to say, send it to the Integrity Commissioner but, as another colleague may have said, delay it and implement it or put it into effect for the next election. That's what I think you should do. Send it off to the Integrity Commissioner, yes—I believe he's an appropriate person—but don't do it now.

You can make an amendment or a change that says, "We will have his answer to this or whatever he proposes come into effect after the following election." I would support that. There's still time for you to come back with that change to get me as an individual to support such a move. You would be giving the public an opportunity to respond to your initiative. I think one way or the other you need to give the public that opportunity. I think they deserve it.

I know there's disagreement, but that's the point. That's the point of our views, that it's nice to be able to advance certain ideas and certain views, knowing full well that there are a whole lot of people who might agree and a whole lot of people who don't agree. But I'm convinced a whole lot of people agree with the position that I'm advancing, which is: you put something into effect for the next election. A whole lot of people out there would like that, would be given an opportunity to respond one way or the other. You might have some people saying, "You've got courage," "You did that," "We don't like what you're doing," "It's too much," "Not enough," whatever. We'd take our lumps as politicians, and we would take our lumps on the basis that we knock on those doors and we'd give them an opportunity to respond to this issue. I think that too takes courage, but I think it's consistent. I think it would be consistent to argue this, and I think some of you would be respected for taking such a stand.

I advance this position to some of you. I don't know, maybe you'll listen to that, maybe you won't, or maybe you'll come up with something different or you'll simply continue taking this position on the basis that you're doing the right thing. But I suggest to you that the right thing is to submit this or any proposal to the public and have their judgment on it. In doing so, we will have their ultimate judgment rather than our own. With that, I conclude my remarks and am happy to have had the opportunity to speak to this issue—

Mr Peter Kormos (Niagara Centre): Thank your colleagues.

Mr Marchese: I thank Peter Kormos—because he says I've got 20 more seconds—for his speech. I thank my friend from Timmins-James Bay for having spoken and given his views; my friend Tony Martin, Sault Ste Marie—

Interjection.

Mr Marchese: —Shelley, who sat for me in Sudbury the other day on education. Thank you, Shelley.

The Acting Speaker: It is now time for questions and comments.

Mr Wettlaufer: It is always interesting to listen to my friend from Trinity-Spadina. On the one hand, I saw him speaking in support of the bill; in fact, in the first half or two thirds of the speech, I definitely read into it that he was supporting it. He even said twice that referring the question of salaries for MPPs to the Integrity Commissioner is a good thing. But then he turned around and said we should take it out to the electorate. Well, you can't go both sides of the fence. The NDP often say to me they are so principled. If you're so principled, take a position.

I've talked to the people in my riding and I haven't had one person say that it's a bad idea to refer this to the Integrity Commissioner. I'll say this much: we could take the position that the feds did. We could take that position, which I feel is unethical, definitely a conflict of interest.

As far as gold-plated pensions are concerned, there is no way that we should have gold-plated pensions of the ilk that the feds have. How can you justify, for instance, that a federal MP, after about 10 years, will qualify for a \$95,000-a-year pension?

I do want to say that the people in my riding support what we're doing. They like the principle of this bill.

Mr Dwight Duncan (Windsor-St Clair): I'm pleased to have the opportunity to respond to my colleague. I will be voting in favour of this legislation. I believe it is appropriate that the Integrity Commissioner be brought in to make an independent decision without any influence from this Legislature. The members of the third party have consistently said that we should either set limits or set some kind of parameters. Then you're engaging in the debate. I don't know what the commissioner will do. I'll accept his decision when it comes and I'll take whatever he does at that time. I want to put that on the record.

I say to members who feel strongly about this, you have an option: you don't have to take the raise, if one is offered, or the cut. The hypocrisy that is emanating from the third party is astounding.

The Acting Speaker: I think the member knows well that that's unparliamentary. I would ask him to withdraw.

Mr Duncan: I withdraw the remark "hypocrisy."

The point of view expressed here in the House is inconsistent with taking any increase that may or may not come along, but that kind of inconsistency is attendant with what their federal brethren did. They voted en masse against the federal pay raise and, lo and behold, most of them took it.

I respect your position. You've put compelling arguments. Just don't take it if there's a raise. That's all you have to do: just say no. I will take what the commissioner gives. It's an independent process. As I said, I will be pleased to take it at that time if that happens. I believe it should be an independent review, and it ought to remain independent and not have members trying to influence it.

1910

Mr Bisson: I always listen with interest to the comments made by the member for Trinity-Spadina. I just want to comment on a few things. First of all, one thing we need to understand is that there are diverse views when it comes to the opposition to this bill, for different reasons. But one thing that's got to be clear is that we're united as New Democrats opposed to this on a number of levels; one, because it doesn't treat all members of society the same way. It says that anybody who is on minimum wage, anybody who is a unionized worker, anybody who is a public sector worker, anybody who is a constituency office employee, anybody who does whatever, gets one set of rules when it comes to their pay increases and there is yet another set of rules for members. That's the first point.

I disagree, however, with the member for Trinity-Spadina on the issue that we should refer this out to the commissioner of conflict of interest, because the argument he makes is that we do that because at the end of the day it will be arm's length—I understand that argument—that he will make a recommendation, but the important point he made was that at the end of the day the voter has a chance to pronounce himself or herself on the issue on the basis of it, if it's put into the next election.

I disagree with that. If members feel they are deserving of a 20% raise or a 15% raise, whatever it might be, I have no problem referring it out for recommendation, but I think we should have the courage of our conviction to come back into this Legislature and stand up and say "yea" or "nay" on the percentage. If we see fit to cut welfare recipients by 22%—and we've done that in this Legislature; not New Democrats, but the Tories did—we're always dealing with money issues when it comes to votes, and we should have the conviction of ourselves standing up and saying, "We will vote."

The last point: one of the reasons this whole issue is coming, the Tories know a big increase is coming and they're trying to compensate themselves for having got rid of what they call gold-plated pensions. I'll tell you, it's kind of hard to take, when you listen to the other side when it comes to this issue, because we know what this is all about.

Hon Mr Baird: I certainly listened with great interest to my friend from Trinity-Spadina. It was, as usual, a very good speech. It took him a while, though, to get to the issue at hand. He set the stage, as he normally does, but I found the speech most interesting.

I want to echo—

Ms Frances Lankin (Beaches-East York): Is your mom watching us tonight?

Hon Mr Baird: My mother is probably watching, I say to the member for Beaches-East York.

Ms Lankin: She likes me.

Hon Mr Baird: My mother likes the member. My mother, Marianne Anderson, likes the member for Beaches-East York and the member for Trinity-Spadina.

But on the substance of this issue, the best way to go is to have people, elected officials, not be put in charge of setting their own remuneration. I think that would be best. The best way to go would be to have someone who's independent and at arm's length, someone with integrity, like Judge Evans, make this determination so that we are not put in this position of doing it ourselves; it's best made at an independent level.

I listened with great interest to the member for Trinity-Spadina and he talked about a test. He talked about a proposal that he had. He said he thought they should "subject the proposal to the public for their judgment." So I have a question, in these questions and comments, to the member for Trinity-Spadina: could he tell us about his plan to subject the proposal that Judge Evans were to come back with, or whoever might hold that office of Integrity Commissioner, how he intends to subject that proposal to the judgment of the people of Trinity-Spadina? Is he going to hold off receiving the increase and hold a town hall meeting and ask? Is he going to wait until the next election, as he says we all should do? Could he tell us about his leadership in this regard?

The Acting Speaker: The time for questions and comments has ended. The member for Trinity-Spadina has up to two minutes to respond.

Mr Marchese: Thanks to my friends, and sometimes my foes as well.

Look, I don't know whether the member for Windsor-St Clair was paying attention to what I said, because he talked about putting parameters or limits. I didn't talk about parameters or limits. Perhaps another colleague did in the previous debate, which he may have listened to, but I didn't talk about parameters and limits. So I'm not quite sure where he got that view from.

Yes, there's diversity. I spoke to the fact that there is a great deal of diversity of opinion in this House. In fact, if more people spoke we probably would hear it too. I'm not sure.

Mr Kormos: You didn't hear from them.

Mr Marchese: We didn't hear from a whole lot of people.

Hon Mr Baird: Except me.

Mr Marchese: It was good for you to ask some questions in the time that you had to respond to me. I'm not sure. It would be good, from time to time, to hear

from more people on complicated and difficult issues, because we don't get enough of it.

There is diversity of opinion, there is no doubt, but we are, as the member for Niagara Centre said, united in our opposition in this regard. What I said was that I supported the idea of sending it out to an independent party and I agreed with the idea of the Integrity Commissioner.

Mr Wettlaufer: Then go for it.

Mr Marchese: But I said something else, Monsieur Wettlaufer from Kitchener Centre. I did say, however, that we should put whatever is recommended by the Integrity Commissioner into effect for the next election. That's what I said.

Mr Bisson: What difference does it make?

Mr Marchese: For some people it may not make a difference. I'm arguing, this is my view. I think you put it into effect for the next election—

Mr Bisson: I think we should vote on it. Then the people will know how to vote.

M. Marchese: Mon ami Gilles Bisson, c'est mon opinion. C'est ça que je dis. Tu as la tienne, moi j'ai la mienne.

The point is, if you do that, you have my support. If you don't do that, I'm in opposition, like the other New Democrats, for different reasons.

The Acting Speaker: Further debate? Further debate? Third and final call for further debate? Hearing none, I'll put the question to the House.

Mr Tsubouchi has moved second reading of Bill 82. Is it the pleasure of the House that the bill carry?

All those in favour, please indicate by saying "aye."

All those opposed, please indicate by saying "nay."

In my opinion, the nays have it. Call in the members. This will be a 30-minute bell.

Under standing order 28(h), I have now been notified that the Honourable Frank Klees, the chief government whip, requests that the vote be deferred until tomorrow. That is so ordered.

ONTARIO STUDENT LOAN HARMONIZATION ACT, 2001

LOI DE 2001 SUR L'HARMONISATION DES PRÊTS D'ÉTUDES DE L'ONTARIO

Resuming the debate adjourned on May 9, 2001, on the motion for second reading of Bill 19, An Act to amend the Ministry of Training, Colleges and Universities Act / Projet de loi 19, Loi modifiant la Loi sur le ministère de la Formation et des Collèges et Universités.

The Acting Speaker (Mr David Christopherson): Mr Caplan, the member for Don Valley East, has the floor.

Mr David Caplan (Don Valley East): Right off the top, let me say that I will be supporting Bill 19. I think it's a piece of legislation that is very much needed. You see, what's happening in Ontario is that the banks are getting out of the business of providing for student loans, so this bill is very much needed in order to allow students

to have access to the Ontario student assistance program and to work in concert with the federal student loan program as well.

In the context of this bill being needed because of the actions of the banks withdrawing from lending to students, I think there's an overall, larger picture that needs to be brought out. That is, frankly, what has happened to the whole area of post-secondary education in the province of Ontario. If I could very quickly review, I would point out to all members of this chamber that upon being elected in 1995, at the presentation of their first budget, the Harris government cut \$400 million from post-secondary education. To this date, those monies have not been returned to the post-secondary colleges and universities, to our training institutions. That's a significant problem. It has to do with the competitiveness—

The Acting Speaker: Would the member take his seat, please. It's also a significant problem that there are at least three other conversations going on in this place. I would ask members to please show the respect due to the member from Don Valley East, who has the floor.

Mr Caplan: It's a significant problem because it harms our competitiveness as a province. You see, what has happened in every other jurisdiction across North America, even in most of the world, has been an increased investment in knowledge and knowledge-based institutions. Our competitors understand, and understand very clearly, that in order to have the most dynamic economy, in order to have the most livable communities, in order to have the most skilled and trained population and workforce, you have to invest in education and in post-secondary education. So it's ironic that in Ontario we've taken completely the opposite approach. We have cut considerable funds, \$400 million, out of post-secondary education.

I would say that of the 60 jurisdictions in North America, Ontario ranks 59th out of 60 in support for post-secondary education. I think that's a real shame, and I think it shows the misguided priorities of the Harris government and the actions they have taken when it has come to post-secondary education. In fact, it was the government's own Ontario Jobs and Investment Board, headed by the Premier's adviser Mr Lindsay, which said that that action was misguided; in fact, the government should be acting in exactly the opposite way, in providing more support, in providing more access to assistance.

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Bill 19, is one of the ways in which there will be more assistance. However, the assistance that is going to go to students will be in the form of loans. So the students will now have the opportunity to be able to access pools of money, dollars, through lending institutions to take on more debt. That is a great problem in Ontario. The debt levels that students are carrying are unprecedented. I think the average for a graduating undergraduate student in the province of Ontario is \$25,000 of debt; \$25,000 of debt upon graduation just from an undergraduate program. If I don't remember incorrectly, Western medical

school did a survey of graduating students from medical school which showed that doctors graduating from that institution were having, on average, about \$75,000 worth of debt upon graduation.

These kinds of crushing debt loads have taken their toll. You've seen this in the incoming classes in not only undergraduate but in second-entry and professional colleges, where it is becoming the more affluent who are accessing college and university opportunities in those kinds of educational institutions, and that's a real danger to our society. You see, it's not just the wealthy who have the potential cure for cancer. It's not just the wealthy who deserve an opportunity to expand and reach and find their own potential through higher learning and education. A truly enlightened society, a progressive society, a just society makes sure that all of its constituents have equal access to post-secondary education, have equal access to educational opportunities. That's not happening in the province of Ontario. It is something that as legislators we ought to be concerned about.

Providing access to loans may be helpful to some, but it is not helpful to all Ontarians who are deserving, who have the ambition, who have the desire, who have the skills and the abilities to be able to go on to college and university. I would call on the government, as I have many, many times, to reverse some of the decisions they made, to reinvest. If we have \$2.2 billion for a corporate tax cut—an irresponsible corporate tax cut, in my opinion—we certainly have the funds available to invest in post-secondary education, to restore the \$400 million that was cut back in 1995.

What has happened in Ontario is that the institutions, the universities and colleges, in order to make up the funding differential, the difference in what they lost from government support as their funder, have gone and raised it in tuition. In the six years since 1995, tuition has increased 60%, well above, far and away above, the rate of inflation. In fact, it's even worse than that when you consider graduate programs, when you consider second-entry or the professional colleges. The door is now entirely wide open.

I remember sitting here absolutely stunned when the then finance minister, Ernie Eves, stood up and in the middle of a December economic statement, without any notice and without any warning, told this Legislature that those graduate and second-entry programs would be de-regulated: the sky was the limit. What you've had and what you've seen around the province in some cases is a 500% increase in professional colleges just in those few years since then. That's unconscionable. There's no reason for it. It's unreasonable, and it has restricted access.

The University of Western Ontario medical school study that I referenced earlier is further proof of this. Not only is there a high debt level for graduating students, but the incoming classes each year for the last three years have been more affluent and more affluent and more affluent students. So those from not as strong an economic background have not even bothered to apply and have not been accepted, and that is contrary to the values

that we have held in Ontario. Unfortunately, the favour-the-wealthy attitude seems to be in ascendancy, at least with the Harris government. This province and this country were built on the values of equality of opportunity and equal access, but no more. It's now a question of: is your wallet large enough? Can your parents support you? Can you take on and be able to retire the kind of crushing debt level that Mr Harris and his cabinet and his caucus seem to think students should be able to?

Since 1995 the average debt levelled has doubled. The incoming students are coming from more affluent backgrounds, meaning that working-class and middle-class young adults are being cut out, are being left out, are not having those opportunities. As a result we'll all be the poorer for it, because support for elementary, secondary and post-secondary education is the cornerstone of and the best investment we can make as a province. It is incredible that, time after time, study after study, adviser after adviser has drilled this into the government and the cabinet, yet they've done absolutely nothing about it.

Access to loans is certainly a good idea. I do support it. I do think it's necessary. It's a shame that the banks have decided to abandon this particular area. One of the areas I've looked forward to is greater federal-provincial co-operation. It's interesting, however, that when the federal government offered the millennium scholarship to students, it was clawed back by the Harris government. When the federal government tries to do something to help and assist students, just as we've seen for working families with their child care expenses, the Harris government comes and claws those dollars back. It is despicable, absolutely despicable, that that would take place. I think every member on the government side should be ashamed of those kinds of actions.

It's the job of us all to lend a helping hand, to do what we can to support post-secondary institutions and to support our working families. That's what Dalton McGuinty and the Ontario Liberal Party are all about, that's what our policies are all about, that's what our ideas and our values are all about: being there to help Ontario's working families.

I've shared some of my thoughts about the particular program being offered under Bill 19. I certainly will support that. I would encourage the Minister of Training, Colleges and Universities, members of the cabinet and of the government that there is a lot more they could be doing in order to support young people in this province and to support this province in general.

The Acting Speaker: It is time for questions and comments.

Mr Gilles Bisson (Timmins-James Bay): Some interesting comments were made by the member for Don Valley East. What's interesting about this particular bill is it's another example where the government has to come back with another bill to fix something they messed up when they passed the original bill.

You will remember it was this government, in a previous Parliament, which moved to take away from the Ministry of Education the responsibility for adminis-

tering OSAP loans, both giving them out and making sure the collections were done. The argument was made at the time when they passed the bill that it would be better if we privatized the service, gave it over to the banks or whoever, it would be cheaper, it would be more effective and it would be better for students. We heard all those speeches.

As New Democrats we got up and we said, "No, you're wrong. At the end of the day it's not going to work. Your collection is not going to be any better and all it's going to do is give students a harder time." In fact, that's what's happened.

Now what we have is the private sector operators who have been responsible for administering OSAP loans are now coming to the conclusion—guess what? There's no money to be made in this, something we understood as New Democrats when we started out here, because most students who go out and borrow money do it because they haven't got any money. So there's not a big ability for the private sector to make money on the administration of OSAP loans and collections because at the end of the day there are still defaults on OSAP loans because of economic situations and situations of the students themselves.

1930

So it's interesting that here we are passing a piece of legislation to undo the mess that the government created originally when it moved this from the Ministry of Education over to the private sector. I just want to put on the record, as New Democrats we stood in the House on the original bill and we said this wouldn't work. We've been proven right yet again. How many more times are we going to have to do that before this government realizes they're going in the wrong direction?

Mr Alvin Curling (Scarborough-Rouge River): I listened to my colleague put the case very eloquently, and I have to say that he understands it, because the fact is that I really regard this as the government messing up a long time in putting their house in order.

I was surprised they even put a bill through to do all this kind of stuff, because the students have had to deal with Canada student loans and Ontario student loans, and many students who have paid off the Ontario student loan continue to pay it and don't realize they haven't paid the Canada student loan. The two organizations couldn't get together to say, "Let's harmonize this."

Many students are coming to me many times and saying, "One arm is telling me that I owe them money, and I've paid so much money here." I think that we're wasting the time of the House even to debate all of this. They should just clean up their act very quickly. They of course, the students themselves, had been withdrawn from any grants a long time from governments.

Another matter, and I hope they are to discuss this, is the way students are being treated now when they have a loan: they can't even declare bankruptcy now. I know that's a federal matter, but it concerns the students today, so when I heard my colleague making some mention of the struggles and the frustrations that students have, I

said thanks to my colleague here who understands the issue.

I hope there will be more money available for students. Right now the banks are saying it's such a messy effect that they don't even want to deal with it. They handed it right back to the government to fix it up. They're not into the lending of money to students any more. This is shameful, because many students are left holding the bag—\$24,000, \$30,000, a debt in hand.

So of course I support this, and I am glad that my colleague spoke so eloquently on this matter.

Mr Peter Kormos (Niagara Centre): I haven't had a chance yet to address this bill; neither have seven of the New Democratic Party caucus—six plus me—and we very much want to address the bill.

Look, this isn't about who handles the OSAP plan; this is all about tuition fees that are rocketing through the roof. It's all about increasing numbers of bright, capable young people like the young people from the community I represent and the communities you represent and the communities all of us represent, who aren't going to get into colleges and universities because of these exorbitant tuitions, and the deregulation of those tuitions.

Look, I've said this to you before, and I think it warrants saying it again, because I just feel compelled to: I was the first generation of my family to get to college and university. I'm the son of immigrant and working-class parents. I'm grateful for the fact that my parents and grandparents, just like yours and yours, made those investments in colleges and in universities, in public education across the board so that, yes, a kid like me, of immigrant, working-class parents, could go to college and university.

As I travel across campuses, be it down in Niagara—Niagara College and Brock University—or anywhere else in the province, I meet other kids who, like me, are the children of working-class and immigrant parents. My fear is that just as I was the first generation, they could be the last generation, as children of working-class and more often than not, or as often as not—I guess it doesn't really matter—immigrant parents, to get a chance to go to college or university.

The sad thing about it is these are bright, capable people and that their post-secondary education is important not just to them but to all of us. It makes our community stronger. It's going to make our senior years, because we're approaching—believe it or not, Speaker—middle age. You, too. Some people here are older than me. And it's those young people who are indeed our future.

Mr Jean-Marc Lalonde (Glengarry-Prescott-Russell): I have to commend my member who spoke on this bill. First of all, at the present time we know how the OSAP is figured when the student completes his studies. But at the present time, what I am looking for, and I was hoping to see this in this bill, is the fact that we never, never considered a rural student. They have to travel from one distance to a larger centre, and they're entitled to the same amount of loan. Also, they have to pay for their room and board, the education and everything. This

really adds up in the cost of their university or college studies.

I noticed that the proposed legislation would amend the Ministry of Training, Colleges and Universities Act and permit the Minister of Training, Colleges and Universities to make direct loans to students of post-secondary institutions and enter into agreements regarding student loan administration. I just wonder where they're going to get the money. At the present time, the banks just don't want to lend money to the students, because the entry fee or the registration fee at the universities and colleges is so high that when they've completed their university, they're in debt anywhere between \$25,000 and \$50,000.

I ask the minister if he would take a hard look at this again for the students who have to travel a distance and sometimes rent an apartment so they can continue their studies, because of the distance they have to travel. They just cannot get into a carpool. In the rural areas, there's no public transportation. That should be taken into consideration to allow those students a larger loan.

The Acting Speaker: The member for Don Valley East has up to two minutes to respond.

Mr Caplan: I'd like to thank all of my colleagues who commented on my remarks. I'd like to start in reverse order. The member for Glengarry-Prescott-Russell talks about rural students. It's very interesting that when the OSAP applications are made, a family's income, but also their assets, are taken into account. The member for Glengarry-Prescott-Russell is quite correct that students from a rural background not only have to travel great distances, but when you consider that many come from farming communities and have farm equipment and machinery that are part of the asset base that is taken into account in the OSAP calculation, it can place a considerable burden on the family to fund the education for students. I think we would all recognize that this has been a long-standing problem and it is something that really does need to be addressed to have some fairness and to have some equity for the students from a rural background. I don't say that as blaming anybody, because that is a long-standing problem.

The member for Niagara Centre talks about exorbitant tuition rates and, yes, that's quite correct. That's been what has happened historically under successive governments. Again, I think we want to be fair about this. But a 60% increase in six years, plus, in the case of secondary and graduate programs, we've seen up to about a 500% increase, I think that's just a little bit too much and it's bearing out with who is having access to post-secondary education.

The member for Scarborough-Rouge River talked about government grants. They have not existed since the 1980s. Back in 1990 or 1991, I believe, the then New Democratic government of Bob Rae ended the system of grants entirely and it became simply loan, and that was all the assistance that there was from the government. I think that was also a very wrong decision but one that has been perpetuated over the years.

Finally, the member for Timmins-James Bay essentially says, "We told you so." We've heard that an awful lot in this Legislature, because this government has had to pass legislation and legislation and legislation in order to correct their errors.

The Acting Speaker: The floor is open for further debate.

Ms Marilyn Churley (Toronto-Danforth): This is my one-hour leadoff speech, I believe, or more. Mr Speaker, you would know how thrilled I am to have this opportunity tonight to be here to speak to this bill, because I have some very important things to say. Now, I only have 20 minutes to say them. Significant bills are being rushed through this House so quickly all the time. There was another time allocation bill today. We hardly get an opportunity to debate anything at great length.

Some people might argue, as they have, that this is just a housekeeping bill; everybody should just support it and get it out of here. I don't think it's going through in as much haste as the pay raise scheme, Bill 82, that's being rushed through the House. It's not going through as quickly as that, but it is going through with undue speed.

The reason our caucus wants an opportunity to speak to this is that despite the fact that Bill 19, the bill before us, is deemed a housekeeping bill, it brings up a whole lot of important issues around post-secondary education in this province and we can't pass this bill without having an opportunity to put those things on the record, which is what I intend to do tonight.

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First of all, let me talk a little bit for the record about what Bill 19 is about. My notes tell me it's a housekeeping bill. Many stakeholders say the same thing, that it's a bill that has to be done.

Mr James J. Bradley (St Catharines): You must have the same notes I have. My notes say the same thing.

Ms Churley: Your notes say the same thing? It seems to be the common phrase used in terms of this bill, that it's housekeeping. I suppose it is. Perhaps we should exchange notes and see if we've got the same things on it.

The reality is that it is a housekeeping bill, in that the federal government had to take over student loans from the banks, because guess why? High default rates did not make lending money to students sufficiently profitable. So the bill before us today accomplishes the same thing at the provincial level.

As our critic for education, the member for Trinity-Spadina, has said before—and I read through his notes carefully because he is far more knowledgeable about this area than I am. One of the things he said that struck me, which others here tonight have said, is that the banks have given up this responsibility because they're not making enough money off it. Give me a break. In my view, given the profits these banks make, they should be helping finance these students to go to universities and colleges. They should be setting up special scholarships and funds for students. They're not doing that.

Mr Bradley: They could do that with the increased user fees.

Ms Churley: Exactly. The banks gave up this responsibility. Why did they get into it in the first place? They thought they were going to have an opportunity to make scads of money off these poor students. It didn't work out that way, so they decided to give it up because it wasn't profitable enough. That in itself is fairly telling, that we have this bill before us because the private sector, instead of taking its corporate responsibility to help educate the next generation, some of whom are going to take over their jobs in the banks, the young people we need—especially in this economy we're living in, we need a highly educated, highly trained workforce. We need to be investing more and more in education, but at this time the banks have decided to step aside and throw it back in the laps of government because they're not making enough profit. For anybody who's paying attention to my speaking to this bill, that's what it's all about: it simply throws it back into the lap of government.

The bill amends the Ministry of Training, Colleges and Universities Act. It permits the minister to make direct loans to students of post-secondary institutions. The minister will also be able to enter into agreements regarding student loan arrangements. The minister will be able to assign, transfer or sell student loans.

Powers of the Lieutenant Governor in council: the bill permits the LGIC to prescribe persons entitled to be financial institutions. I think I'm having trouble with my notes here. I might need yours, Mr Bradley.

Ms Shelley Martel (Nickel Belt): Bigger print.

Ms Churley: Or maybe bigger print. It permits the LGIC to prescribe criteria to determine students' eligibility for awards, grants or student loans. It permits the LGIC to further prescribe terms of agreements regarding student loans and their assignment, transfer or sale.

That's what the bill before us is all about, and it needs to be done.

The issues we need to have a very important discussion about here tonight—I would really like it if people were listening, because we're talking about real students who are being affected by the huge increase in tuition since this government came into power. It has been pointed out before, and I'm sure members of the Tory government—I don't believe they're debating tonight, but if they get up for two-minute responses—will say, "When you were the government, you raised tuition fees as well." They're right; we did.

But what I want to say is this: since you came to power—we're not going to argue about why the economy is booming. I know they're going to say it's because of their policies, their tax cuts and their other policies, bashing welfare people etc. They'll say that why we have a good economy. In fact, in the past they've claimed responsibility for the good American economy. But let's not argue that tonight. It has been a good economy, a booming economy, and that's the time you take the opportunity to invest in our colleges and universities.

But what does this government do because it needed to find billions of dollars to give people, mostly wealthy people, tax cuts? Instead of using a good economy to

invest in our young people and to invest in our colleges and universities, they kept piling the debt more and more and more on these students. I believe it's a 60% increase since this government came to power, in good economic times. As I understand it now, Ontario is spending less than most other jurisdictions in North America, and that is absolutely shameful. I couldn't believe it when I read this information, when I heard about this.

The government—I hope the members will pay attention to this—is funding our post-secondary institutions less today than the NDP did prior to 1995. Some of the members over there would say, I suppose, that we shouldn't have spent that money because we were in a recession. When we were in government, all kinds of members, some of whom are still here, now sitting on the government side, told us we were spending too much money during a recession. Some people think they're right; some people think they're wrong. But the reality is that we chose, even in a recession, to continue to find money—and we weren't borrowing money to give people tax cuts, I can guarantee you that—as we agonized, in the middle of a very bad recession, about how we were going to continue to invest in the people of this province.

Whether or not you agree with what we did in raising the deficit as high as we did, I can stand here proudly and say that we made a decision to borrow money to help people stay afloat in a very bad recession, that we borrowed money to make sure our colleges and universities continued to be funded, that we borrowed money to help people find jobs, that we borrowed money to keep our communities as strong and healthy as we possibly could.

If there's ever a time when government needs to borrow money, it's during a bad recession when people need help and the assistance to stay afloat, not in good economic times to give a tax break to the wealthy, and in the midst of doing that, having to raise tuition fees 60%. That is absolutely obscene and unacceptable.

Student loans, as we know, have gone up so much that a lot of poor students, even middle-income students now, can't afford to go to post-secondary institutions any more. How much have the tuition fees for doctors and lawyers and other professions gone up? It's \$14,000 at the U of T to train to be a doctor now. Are you out of your minds? What this means is that only rich people can now send their kids to study to be a doctor. Where's the equity and the fairness in that?

It also means that many of the lower- and middle-income students cannot go to post-secondary institutions any more. As previous members have said, it is such a shame, not just for the generation that's coming up and the generation now that can't afford it. It's a slap in the face to many of our parents and our grandparents who worked so hard to build up those institutions so that people my age could go to university, could go to post-secondary education.

1950

This is perhaps a good opportunity to pay tribute to my father. As people know, he died several months ago.

People talk about immigrants coming to Canada and working themselves up so their kids could go to university. I can say the same thing about my father in Newfoundland. My father had to quit school in grade 6. He grew up in the Depression in a small outport in Newfoundland. He was a very smart man, but he had no opportunities. That was before Newfoundland joined Confederation; we weren't part of Canada then. He had no opportunities to even finish high school. He didn't even get to go to high school.

He left Newfoundland and he went off to Labrador and stated working on an airforce base. He raised a family in Labrador and studied by lamplight—no kidding, because we didn't have electricity—to work his way through high school by correspondence and get his high school diploma. Then he went on to study, raising kids, to get a stationary engineer's degree.

I've got to tell you, my father had one strong goal in life. Because he didn't have the opportunity, he scrimped and saved, believe me, to make sure all five of his children had an opportunity to go off to university or post-secondary education. He was able to help us get through that, but he wasn't a really high-income earner. I am so proud of my father, that he was an intelligent man and was committed to getting the education he needed to better his life so his family could have opportunities he never had. But if my father were raising us at this time in Ontario on his salary, he would not be able to send us to post-secondary education. That is the reality.

It's important for us to relate these stories and make this personal. Others have, and I guess part of me wanted to have an opportunity to pay some tribute here to my father. His name was Edward Churley. As many of you here know, he got sick and we had a terrible time last year as we watched him wither away and die.

It's the first time I've raised this. It's the first time I've felt that there's a context in which to talk about him and pay tribute to my father, making sure his kids had an opportunity to get an education. I'm sure that's true for many of us. For that generation who didn't have the opportunities, that was one of their main goals in life. I certainly want to thank my father, wherever he may be now, for working so hard to make sure we had that opportunity.

The government has an opportunity now to do a series of things. The NDP has called on the government to do these things that could make a big difference in the lives of so many people right now.

The government should immediately tackle the root cause of student indebtedness: across-the-board tuition increases of 60% and 520% in the case of some professional programs. Tinkering, as we are here today, with the loan system is not what Ontario students and families need.

As we know and as has been pointed out time and time again here—and some people are talking about real people. We talk about the students. My son is one of them. Everybody knows about the son I had relinquished for adoption many years ago, and he's back in my life.

When we reunited, he was at university a few years ago, after this government came to power. Tuition rates were going up and up. He's graduated now and then went off and took a special course so he could get a job. He's over \$30,000 in debt. His job is his first real job. When you think of the way rents have gone up—they've increased two- or threefold here in Toronto—and when you think about the high debt he's got, the cost of his accommodation and his food and paying off various loans here, there and everywhere, it's just shocking. As I said previously, I help him when I can, and so do his adoptive parents, but really it's up to him, ultimately, to try to pay off the bulk of that loan. He's living in absolute poverty. I hope he doesn't mind my talking about this. I don't think he does, because he's one of many students out there right now. It's amazing.

It's heartbreaking to see, as well, because you see this bright young person who went to university and worked hard and went back for a special course, and the only way he could do it was to take out loans because his adoptive parents could only afford to help so much, and that's the case of many people.

I mention him because he is one of many students out there these days who are in the same position, and it's very difficult for them to plan for their futures. That is the problem. So it's bad for the economy as well. Almost every cent he makes—is he going out buying a new car or a house or lots of new clothes or any of those things? He can't, and he won't be able to for a number of years.

That's one of the things we're asking the government to do: to cut tuition fees. We believe that tuition fees should ultimately be abolished, as is happening in other jurisdictions now, but in the interim there are things the government can do, and these are the three things it should do immediately. Freeze tuition fees for this year. We've called on the government to do this time and time again. You can afford to do it. You've got the money, even if you have to give up on some of the tax cuts. The money is there, and there are no more important people we can invest in. Well, I suppose there are those seniors. Actually, there are lots of people we can invest in. But freeze tuition for this year. Help them out a little bit. You should adopt our platform commitment to regulate tuition for professional programs and cut tuition by 10%.

If the government were to do this, for instance, medical programs that currently cost \$15,000 would end up costing approximately \$5,000. That would be so much more affordable to all of those students, students from lower- and middle-income families who can no longer send their kids to medical school. It's as simple as that. It would also mean that once again in Ontario admission to university would be decided by the ability of the student, not the size of his or her wallet.

I'm asking the government once again tonight to adopt the NDP's proposal, to get back in line with practices across Canada and the developed world. In Canada, provincial governments have frozen tuition—we're not asking to reinvent the wheel here; that's what provinces are doing now—and they're cutting fees by 5% to 10%. Canada

and the United States are the only—I don't know if you knew this, Mr Speaker—OECD countries that do not offer post-secondary education free or at a nominal fee. In today's knowledge-based economy, Ontario absolutely must invest in its students and we must create an equitable system. We must recreate that. We're losing it. In fact, I think we've lost it now with tuition fees so high and other costs of living so high. We must find a way to get back and put the money back into these students' pockets so that they can go on to post-secondary education and get the education that they deserve, whether they come from a rich family or a poor family. If they want to go to post-secondary education, they should have the opportunity to do that.

The Acting Speaker (Mr Bert Johnson): Comments and questions?

Hon Dianne Cunningham (Minister of Training, Colleges and Universities, minister responsible for women's issues): I'd like to take this opportunity to let the member opposite know that in fact for seven years in a row during the NDP and Liberals there was a 10% increase in tuition fees. So I don't know why they're just waking up tonight.

We want the public to know that we think students need to be able to plan. For the next five years we'll have a 2% increase in tuition. For university students the average is below \$4,000, and for college, below \$2,000. I also want everyone to know, if people are listening tonight, that we are focusing on students in need. There is no student who is capable and willing and gets the marks who can't go on to college and university because of financial circumstances.

2000

For those who have financial needs, there is the Ontario student opportunity grant program. This is mainly for the member for Don Valley East, who said that the NDP knocked the grants out. We have a grant program and this provides annual grants to students to limit their maximum annual debt to \$7,000. So students who have a debt more than \$7,000, up to a certain level—this is all part of OSAP—their debt is forgiven. As a matter of fact, if they have a Canadian millennium scholarship, it's forgiven after \$6,500.

I could go on. The universities and colleges have set aside 30% of tuition fee revenue. It's toward assistance for needy students. Next year this fund, which is a grant, is \$125 million. This is over and above OSAP. The Ontario student opportunity trust fund: \$600 million across the universities and colleges, and this will help 185,000 students. These are all grants for the next 10 years. So to start talking about grants, we not only have loans; we have grants and we have scholarships. There is no student in Ontario who is needy and gets the marks who shouldn't be able to access the assistance that's there.

Mr Bradley: I'll ask the member to comment on whether what she hears in the House would come from one shelf, which would be non-fiction, and another, which would be fiction, on all that she hears. I would just ask her, to all the comments she hears tonight, to be able

to say that, because sometimes the figures aren't exactly accurate when they come from the government briefing notes.

What I want to ask her about is the Canadian millennium scholarship fund, because I can remember, with the child care grant that came from the federal government to the provincial government, I thought it was going to the families. I thought when that grant came from the federal government, it went directly to the families. I have found out now, and certainly I've seen this in the committee of which I am Chair, that in fact somebody has absconded with those funds; somebody has taken them away; somebody has diverted them from the people to whom they were to go into the provincial government coffers. I must say that the Harris government are the past masters of taking money from another level of government and then standing there cutting the ribbon when there's credit to be taken. Last in line to accept the responsibility; first in line to accept the credit.

So I want to know, what ever happened to that millennium scholarship fund? I know in some provinces the students themselves got the money. Someone told me that in Ontario, the government was subtracting perhaps what somebody owed in the past and using the millennium funds for that. The member can help clarify that for me, because I know it's something I've heard, a complaint that may or may not be legitimate, and I wonder whether the member for Toronto-Danforth can clear that up for me.

Mr Rosario Marchese (Trinity-Spadina): It would be better in fact to hear from the minister, because she could probably elucidate a little better than the rest of us. You're quite right, member for St Catharines: they take the money and then they suck it away somewhere else. In this regard, the feds produced a program that would give money to students—you're quite right—but it didn't go directly to the students. They take it, as you said, subtract from it what those students owe, and then they get whatever they get—

Ms Churley: The Harris government gets it.

Mr Marchese: The Harris government, the forces of evil on the other side, of course.

Hon Mrs Cunningham: That's how it was designed by the federal government.

Mr Marchese: Good citizens of Ontario, you didn't hear, but the minister said that's the way the feds designed it.

Ms Martel: But eight other provinces give it directly to students.

Mr Marchese: But the other provinces—you could add that—give it directly to the students, and this government says, "Ah, it's designed poorly by the federal government." Come on, Minister. Madame, you have—

Interjections.

Mr Marchese: There will be other two minutes that I'll be able to do. But they, the forces of evil, have taken \$1.2 billion cumulatively out of the post-secondary education level, a 60% increase in tuition fees under their careful watch in the last six years in a good economy—

up 60%—and then the minister of post-secondary education says, "But now they've got security. They know that for the next five years they're only going to get 2% every year."

Thank you, madame, for that wonderful security after whacking us for six years with a 60% increase. And then the deregulated program—it's over 500% that some of these people in medicine or law are getting. The forces of evil will never stop putting it to the good citizens of Ontario, and this yet is another place they're doing it.

Mr John O'Toole (Durham): It was interesting to listen to the member for Toronto-Danforth. She was complaining that perhaps one of her dependent children was unable to complete university without a significant debt load. The minister, Mrs Cunningham, who introduced this bill, has made it clear that the maximum debt load under the OSAP provision is \$7,000 per year. For an honours degree—four years at \$7,000—that's \$28,000.

When I was on the road on different bills, I heard there was some concern about student debt load. I have five children, and the last two are in university. My wife and I have worked hard, and because we both work, they're not eligible for loans at all. So they're borrowing from mom and dad. I would just have you know there is certainly a concern I feel that all of them, all five—I would say on average a year is between \$10,000 and \$12,000.

My children did not have a university until the Minister of Finance, Jim Flaherty, and our Premier announced there would be the Ontario Institute for Technology in Durham, a new university, and I thank them for that—a good part of university, of course, is accommodation. But most of them had, as I say, an annual—but they also had summer jobs and many had part-time jobs. I would say, on the record, that all five of mine came out of university at four years, not from a very middle-class family, a hard-working middle-class family, with probably \$5,000 or \$6,000 debt.

I think the minister is on the right track here by improving—one thing I would like to see is more harmonization with the federal government. But the minister has made it clear here that the maximum annual debt load—I think it's clear to have on record that 30% of the new tuition fee that's been deregulated has amounted to a significant amount of money, a portion of which—

The Acting Speaker: The member's time has expired.

The member for Toronto-Danforth has two minutes to respond.

Ms Churley: I want to thank all those who asked questions and made comments after my 20-minute speech, but right now I want to do something else. I'd like to move adjournment of the House.

The Acting Speaker: Ms Churley has moved adjournment of the House. Is it the pleasure of the House the motion carry?

All those in favour, say "aye."

All those opposed, say "nay."

In my opinion, the nays have it.

Call in the members; this will be a 30-minute bell.

The division bells rang from 2009 to 2039.

The Acting Speaker: All those in favour will please stand and remain standing until counted by the Clerk.

All those opposed will please stand and remain standing until counted by the Clerk.

Clerk of the House (Mr Claude L. DesRosiers): The ayes are 0; the nays are 31.

The Acting Speaker: I declare the motion lost.

Further debate?

Mrs Tina R. Molinari (Thornhill): It's a pleasure for me to speak tonight on Bill 19, An Act to amend the Ministry of Training, Colleges and Universities Act. I want to begin by congratulating the minister for all the work she's done to bring this bill forward, because in essence it's a very important bill for us to be passing here tonight in this Legislature.

Our government's commitment to accessible post-secondary education in Ontario is spelled out clearly on page 45 of our election platform, which states, "We commit that every willing and qualified Ontario student will continue to be able to attend college or university." It's a commitment we made in the 1999 election in our Blueprint document. This is a government that keeps our promises.

In other words, if students earn high marks and have the desire to go to college or university, this government is prepared to make the costs accessible. This legislation is an important part of our work to fulfill that promise. It does so because it makes it easier for students to access, receive and repay student loans.

While this makes it a good piece of legislation, it is only part of this government's efforts to ensure that university and college education is accessible for Ontario students. As I and my colleagues on this side of the House will demonstrate, it is part of a broader effort involving increased public investment, greater accountability and improved collaboration with educators and private sector partners to ensure accessibility.

Bill 19 is a necessary bill for us to do the loan harmonization act, which is necessary for everyone in Ontario, primarily our students. As members may recall, the Ontario government signed an agreement in May 1999 with Ottawa to move forward with the harmonization of federal and provincial student loan programs. We entered into this agreement to improve services for students, reduce the number of defaults and increase accountability in the administration of student loans.

While all provinces outside of Quebec will need to make arrangements for this change, Ontario will be the second jurisdiction to realize a harmonized loan arrangement with the federal government. Certain members of the Liberal Party have made accusations that our government has not moved quickly, and so I'm happy to point out that Ontario has been a leader in taking advantage of student loan harmonization with the federal government.

Since the agreement was signed, however, the national banks have determined that they are no longer willing to be involved in the delivery of student loans. As a result of that decision, jurisdictions across Canada must establish alternative ways to ensure that students continue to

receive the assistance they need to pursue their goals in post-secondary education. Clearly Ontario must do the same if we are to ensure that students have the necessary funding to complete their studies.

Last year more than 170,000 Ontario students received help from the Ontario student assistance program. We must ensure these funds remain available to those who need them. The federal government has passed legislation that gives it the authority to introduce a direct loan program for the Canada student loan portion of student assistance. That program will be delivered by independent service providers under contract to the federal government. There are provisions in the contract for the provinces to use the same service providers.

The legislation we are discussing today would, if passed in the Legislature, provide the Ontario government with the authority it needs to implement its agreement with the federal government for joint administration of the Canada and Ontario student loan programs. This means better service for students. For example, student loan certificates will be provided through financial aid offices in colleges and universities. As is the case today with Canada student loans, students would be able to take the loan certificates to a student loan kiosk on campus or to a Canada Post outlet. Funds would then be deposited directly to the student's bank account.

Under a harmonization agreement, students who need help repaying their loans will be eligible for up to 30 months of interest relief. That's an improvement over the current 18-month period. An example of enhanced service is that borrowers will be contacted by the service providers at least twice a year to give them information about repayment or changes to the plan and to allow borrowers to update their information, such as addresses and phone numbers. This is a higher standard of service that is currently in place for students and will help everyone—students, government and service providers—improve the efficiency and administration of Ontario student loans.

With respect to student assistance, this government has put in place a number of student assistance programs that help students in financial need access post-secondary education. For example, we established the Ontario student opportunity trust fund program, where the province matched contributions from institutions and private partners to establish endowment funds at Ontario institutions. Some 17 universities and 25 colleges participated in this initiative, and the result was the creation of a permanent trust fund with a total value of \$600 million. These funds will provide assistance for up to 185,000 students over the next 10 years and even more in the years ahead.

We introduced annual student grants to reduce student debt. The Ontario student opportunity grants program forgives student loan debt that runs to over \$7,000 per year of study. Unlike the previous government's arrangement, we ensured that these funds are paid to students annually, instead of at graduation. Approximately 39,800 students benefited from grants last year in our province, and Ontario student opportunity grants are an important

part of our government's continuing work to reduce student debt.

Where institutions have chosen to raise tuition fees, our government has insisted that 30% of revenues from increased tuition be dedicated to help students in need. Last year, 92,000 Ontario students received assistance from the tuition set aside in the form of bursaries, scholarships, work study and summer jobs. This initiative alone represents an anticipated \$125.3 million of financial help for students in the years 2000-01 and gives institutions the flexibility to meet the particular needs of these students.

For students leaving secondary school for the first year of study, we have introduced the Aiming for the Top scholarship program. Winners of Aiming for the Top scholarships can receive up to a maximum of \$3,500 per year toward post-secondary tuition. Students who maintain an 80% average can continue to receive these tuition scholarships for up to four years. To ensure that Aiming for the Top winners receive the full benefit of their scholarships, the government also increased the amount of scholarship money students can earn before their Ontario student assistance program assistance is affected.

More than 4,000 scholarships were awarded last fall. When fully implemented, \$35 million annually will be invested in these scholarships to recognize academic excellence and financial need.

It has been a true pleasure to speak on this bill this evening. I encourage all the members in the House to support this bill. Once you read it, I believe you will support it.

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The Acting Speaker: Comments and questions?

Mr Bradley: One of the concerns I have is the millennium scholarship. I'd like the member to tell me what happened to the money from the millennium scholarship, because the federal government provided millennium scholarships for a number of students in this country. What seems to have happened in Ontario is that the Ontario government took that money. Instead of that money being in the hands of the students, the Ontario government took the money. If the students were in debt at all, because they're going to get in debt trying to get an education in this province at the post-secondary level, they took the money away, and somehow the Ontario government has that money in their hands and the students did not benefit directly from it. So I'd be interested in how the member can justify that happening. I know the Minister of Training, Colleges and Universities will try to bail her out on this, but I don't think there's any explanation that you can give as to what they did with this particular money.

My second concern is how you expect people of modest means, particularly in communities outside of the large metropolitan areas or where there are teaching hospitals, to be able to enrol in medical school. There was a study done by the medical students at the University of Western Ontario which clearly demonstrates now that what's happening is that the large majority of the

students going into medicine are students who come from families where there's lots of money. That means that students who come from families without that kind of money have less of a chance. It also means it's less likely that many small towns and rural areas in the province are going to have students in medical school who will then be more inclined—there's no guarantee—to return to the community from which they came.

Those are two major problems; I'd ask the member to address them in her response.

Mr Marchese: Just to remind the member for Thornhill and the minister, \$1.2 billion has been taken out of the post-secondary education system. That's a whole heap of money, in a good economy, to take out. What are they going to do when the economy dips a little bit, or a lot? Where are they going to find the money to help post-secondary education? Where are they going to find the money to help the health care system and the elementary and secondary school systems? Cumulatively more in a good economy, 1.2 billion bucks.

The minister proudly says, "No one will be shut out; they will be provided for." But she doesn't understand that we're dealing with the middle class, not just people who are poor. Forget about those who are poor, because in a class society such as ours the poor are still not making it to university. The majority of people who go to university are working people and the middle class and the upper-middle class, not the poor poor.

The majority of these young middle-class men and women are getting no help from this government. Some of them are getting loans, this is true. But that's all you get. It's a hefty loan you've got to pay. It's a hefty debt burden you've got to pay back. If you are in the deregulated programs, where the tuition fees have just skyrocketed to the point of 500% in some of those programs, can you imagine paying those kinds of fees? But the minister says, "Don't worry, if you're going to become a doctor, you'll be able to pay it off. Don't worry, come on in."

The point is that a whole lot of people are being excluded and shut out. She knows it, but she's got to blah, blah, blah her way through, saying, "We support everybody. There is space for everybody." Tuition fees have skyrocketed 60% in the general programs and skyrocketed through the roof for the deregulated programs.

Hon Mrs Cunningham: The millennium bursary has come into question, and my colleague from St Catharines has asked some questions, and I can understand that he may in fact be confused. It's a very difficult program, because it was negotiated by the federal government with the provinces, but in Ontario's case they actually duplicated our grant program, which was called the Ontario student opportunity grant.

So I will say that this year, in 2000-01, over 35,000 Canadian millennium bursaries were awarded to Ontario residents. They were for \$3,000, and they were paid by cheques to students, which was different in the first year. It will reduce the students' 2000 debt.

In November 2000 we transmitted some 35,000 students to the foundation. It is a federal foundation that has

been set up. Each of these students had met the eligibility criteria established by the foundation. The year before, it was much later when we were able to do that. It was the first year that it was operating. The cheques were sent out to financial aid offices in December 2000 but were distributed to students starting in January 2001.

So I think the point is that we had a program that was designed unilaterally by the federal government. We had to work with them and what we decided to do was to allow the federal government to give out what they called a scholarship, which is not a scholarship; it's a bursary. So we've actually changed the official name. The students get the cheques now, and for students who didn't have a net gain we added \$500 to their cheques.

This is a cost of some \$10 million to the government of Ontario, to make that federal design fair and equitable to students who would have had the money anyway. So I think it's working now, and there's always room for improvement.

Mr Caplan: A few comments and a question for the member from Thornhill. First of all, regardless of the rather long-winded explanation from the Minister of Colleges and Universities, the fact remains that the federal government set up a program in order to help and assist students. The fact remains that it was the Ontario government which took and applied those dollars to student loans and clawed it back, no different than what happened with the federal program to help working families with child care, where the Minister of Community and Social Services took the same approach that, as the federal government gives with one hand, the provincial government takes with the other. So I would ask the member from Thornhill to please comment on the appropriateness of those actions by the Harris government.

There is one further area I'd like the member from Thornhill to comment on in her response. About four or five weeks ago there was a story of a young woman who, through terrible circumstances, was totally cut off social assistance by the Minister and by the Ministry of Community and Social Services. The reason and the heinous crime was that this young woman, who was trying to better herself, had taken out a student loan, was accumulating debt for her education. Because of the non-disclosure of that, the Minister and the Ministry of Community and Social Services completely cut this woman off from any assistance at all.

So I'd like the member from Thornhill to please comment on whether or not she feels that it's appropriate for this government or for any government to push people who are obviously trying to better themselves, obviously trying to get out of any kind of a cycle of dependency, to push them off entirely and cut them off from any support at all.

The Acting Speaker: The member for Thornhill has two minutes to respond.

Mrs Molinari: I'd like to thank the member from St Catharines, the member from Trinity-Spadina, the Minister of Training, Colleges and Universities, and the latest

speaker, the member from Don Valley East, for entering in this debate.

I want to first thank the minister for the excellent response to the question that was raised with regard to the millennium fund. Certainly this minister has been very committed to the students in the province of Ontario, and it's demonstrated with all of the work that she's done through the bills that have been introduced in this Legislature.

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I want to also comment on some of the Liberals' comments. When they were in power they raised tuition fees constantly. The member from Don Valley East doesn't have the facts accurately, obviously, because he's bringing out information that is not factual. It's evident that he doesn't have all of the information, or maybe he didn't do the research to get the facts right. With respect to the specific case that he cited, if there is a specific case, then he should bring it forward to the appropriate ministry so that it can be looked at, because we are here to help all the students in the province of Ontario. It's easy enough for them to stand up and talk about some case and give only parts of the information and not the full story and then have people at home believe that what they're saying is in fact true, and meanwhile it's not. There's a lot more to every situation than what they bring up. So if there are situations like that and they're brought to the attention of the appropriate ministry, we certainly, as a government, are concerned about the students in the province of Ontario.

We have done more to put student assistance than any other government has ever done. This minister is very committed to all of the students in the province of Ontario to ensure that they get a good post-secondary education.

The Acting Speaker: Further debate?

Mr Bradley: Well, the first note I would have is my disappointment that the banks would be abandoning students at their greatest time of need and want to withdraw from student loans. I don't think the banks withdrew from loans to people like those who financed Canary Wharf and other major multi million-dollar projects that lost money, that went bankrupt, that left a lot of people out in the cold. I don't think the banks refused to loan funds to those who are looking for those hundreds of millions of dollars' worth of loans, but they're ready to put the boots to the students when they recognize that the repayment isn't what they would like it to be.

This is all in the context, of course, of unprecedented huge bank profits. We certainly cannot accuse them of being social service agencies, though they've never really, I guess, claimed to be that. In fact, I thought that with the new increases in bank service charges, perhaps they were going to use that money to assist students and to assist others in need, but apparently that's going into the coffers of the banks for profit purposes.

These are the same banks, of course—even if the students wanted to have some personal service—that are cutting back on hours. I can remember the Royal Bank at

the Grantham Plaza in St Catharines, not that many years ago—I'm going to say half a dozen, maybe seven years ago—when the trust companies and the credit unions had very good hours. They went from 8 o'clock in the morning to 8 o'clock at night, Monday to Friday; 9 o'clock in the morning to 5 o'clock in the afternoon. Those hours are gone, history, past.

You can't get to a bank any more where you can get teller service until at least 9:30 in the morning. Most of them are cut off—well, in downtown Toronto, you're cut off at 4 o'clock. I guess they think people disappear after 4 o'clock. But we've seen a contraction of bank hours; in other words, hours where people can have a discussion with a human being on the other side of the teller's wicket as opposed to simply putting a card into a machine and dealing with an impersonal machine. So the banks certainly do not, for those reasons, rank very highly with me.

I like the fact that some of my constituents have phoned me about the Province of Ontario Savings Office to say what a good service it was. Of course, in the last budget, in their obsession with privatization, the government is selling off the Province of Ontario Savings Office, which has served people so well.

I want to focus in on access to education. One of my greatest concerns is that there are a lot of students out there who are not going to have easy access to post-secondary education.

Back in the 1940s, I guess, and to a certain extent the 1950s, the very brightest students and the very wealthy were able to access post-secondary education because of their marks and the scholarships they could earn. However, those who didn't have the very highest of marks or were not wealthy were left on the sidelines so very often.

According to, I think, reliable statistics, we're heading back in that direction: people, not necessarily the very poorest people, but people who are simply from working families that have a modest income are finding it increasingly difficult to get a post-secondary education without the students putting themselves into huge debt or parents having to manipulate their figures in such a way as to have their students and their family get that kind of loan.

Tuition fees used to cover about 17% of the cost of education in post-secondary level; that's now up to 40%. That's very high. That's very substantial. I'm not suggesting, because I think it's unrealistic to do so, that you can have zero tuition. I have seen that broadcast as a policy in other places by other parties. I don't think that's achievable. What I do think is achievable, however, is that we reduce the percentage that tuition would cover of the total cost of education.

That requires an investment on the part of this government in post-secondary education, but the investment I see is \$2.2 billion to the corporations. It would be different if the corporations were in dire straits. They're not. There will be no tag day for any of the corporations or their presidents. We're very competitive in Ontario right now with adjacent states in terms of our taxation, both for

Ontario and Canada. Yet we want to keep going lower and lower, never recognizing that the Americans will do the same until we reach a point where corporations pay no taxes at all. I think we should forgo that \$2.2 billion to the corporations.

I also want to mention that tuition fees have been hiked, I think, 45% since the 1995-96 fiscal year. Look at this in the context that we're in low inflation times. When the two previous governments were in power, because of national policies and international circumstances, we had relatively high inflation, particularly during the Mulroney years but also during some of the Liberal years. There was pretty high inflation. So one could say that tuition hikes were simply keeping up with inflation. There has been no excuse for that this time other than to bleed more money out of the students and allow the government to give tax cuts, which tend to benefit in a gross sense the most wealthy people in our province.

Mr Caplan: And the banks.

Mr Bradley: And of course the banks.

I'm worried about access to such things as medical school, law school and MBA programs. I think they're becoming a reserve of wealthy people or of very bright people who have access to scholarships and other financial assistance. We have to remember as well that rent controls for all intents and purposes are gone in Ontario, particularly for students, who tend to move year after year. Now when an apartment or a rental property is abandoned—in other words, the lease has ended—the landlord can put the price up to whatever the landlord deems appropriate. I won't get into the philosophical argument on that, but I want to say that the impact on students is dramatic because they have to pay out dramatically more funds for the purpose of accommodation.

The price of food is not going down, the additional fees or special fees at university continue to go up and the cost of books and other equipment is up, so these students are in dire straits in some circumstances—not all, but in some circumstances they are struggling to make ends meet.

Colleges and universities are short of the kind of funding they need. The state of Pennsylvania in its advertising now does not say, "Come to Pennsylvania because we have the lowest taxes in the world"; they say, "Come to Pennsylvania because we have an outstanding education system, a huge investment in post-secondary education and we're producing so many engineers, so many doctors, so many lawyers, so many whatever." That's a good thing for them to be doing. I think we should be doing that.

I thought that getting rid of grade 13 was not a good idea. I know some people think it's a good idea. I thought that in Ontario we had something pretty unique. It allowed the students another year to mature. It allowed students to be better prepared for going to post-secondary education, particularly to university and particularly when they were leaving their own community to do so. I thought we had something unique here. Liberals didn't put it in effect, I don't think; it was probably a Conserv-

ative government a number of years ago. Grade 13 was good.

My theory would be, and I think it's a pretty reasonable theory, that one of the compelling reasons for the government to eliminate it was that they wanted to save money. They knew that since students have to pay for post-secondary education, or at least a significant portion of it, they could save money. I think that was a retrograde step. I really think grade 13, or the OACs as we call them now, was good. Some students could still accelerate if they were bright and hard-working and could get through in less than the five years, but I thought that was a good policy.

I have heard that \$1.2 billion has been taken out of the post-secondary education system in Ontario. I don't think that's good. I don't consider it an expenditure. I consider it a good investment. We've got the double cohort coming; that is, students from the grade 13 year as it is eliminated and the grade 12 year heading into universities and colleges at exactly the same time. There is going to be a need for a renewal of faculty and additional costs to those universities.

I support this piece of legislation. I make no qualms about that. This is a relatively simple housekeeping bill. I want to state that, and I think it's reasonable that we should all be supporting it in this House. But I did want to indicate on behalf of my constituents, many of whom are concerned about the increasing costs of education and the accessibility and the equipment and the space available in colleges and universities, that there is a problem out there that has to be addressed. I think all people in this province would support this government for a greater investment in post-secondary education.

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The Acting Speaker: Comments and questions?

Mr Bisson: I know the member only had 10 minutes to speak and he wanted to speak on a number of issues. One I'd like to question him on is this: I remember when this original bill came to the House, I believe it was in the former Parliament of 1995-99, and the government said, "We are going to privatize the collection and administration of OSAP." The reason they said they were going to do that was (a) they were going to save money and (b) they were going to be better at collecting defaulted loans; and because of the increased collection of defaulted loans, the private deliverers, who are much smarter and much better than the public sector, as they like to make us believe, would be able to make a profit and everything would be better.

I want to hear from the member from St Catharines if he remembers the debate back then, because I remember as a New Democrat standing here in the House with my colleagues and saying, "You're not going to do any better on the collection of defaulted loans because there are certain facts that have to play as to why those loans go into default. There is not going to be enough money for the private sector to make a sufficient profit for them to stay in the business." In the debates we said, "You're wrong. You shouldn't do this because at the end of the

day, it's not going to work. You're going to have to bring it back into the public sector." The other point we made was simply that in the end it was going to be the students who were going to get hurt. It would be nobody else but the students who would get hurt with the original piece of legislation.

Here we are some years later—I think it's about four years since we've done this—and we're now back here in the House introducing legislation that I think I want to support. I want to have a little bit more debate on this, just to make sure there's nothing in here that is problematic, but as I understand it, the government is re-nationalizing what is a private sector activity that they privatized four to five years ago. I want to say to the government that if you want to re-nationalize those things, there are other things I want you to re-nationalize. Ontario Hydro would be a good start, and a whole bunch of other services that you privatized, because in all those cases we haven't saved a heck of a lot of money either.

Mr Doug Galt (Northumberland): I was interested in the very good presentation of the member from St Catharines. I also appreciated his comments that he recognized this bill as a housekeeping bill and is supportive of it. I think that's tremendous on his part.

One thing that did bother me about his comments was grade 13. He said a lot of good things about grade 13. Of course there has been good material in grade 13 or, as they now refer to it, some of the OAC subjects, but I've been on a campaign now for about 45 years to get rid of it. When I first arrived at the Ontario Veterinary College back in September 1957, I found that, from every other part of Canada, my other classmates came there from grade 12, and I had grade 13, as did others from Ontario. It really bothered me as to why. My roommate from Montreal had gone to McGill for one year. He went to McGill out of grade 11 and got a year at McGill and then was admitted to the veterinary school.

I have to admit that at the end of the first year, it was a lot of the grade 13s from Ontario who failed out, but not so from other provinces. They did exceptionally well with a year less in their schooling. We spent another year in our school system and when we arrived, all on a common base, we from Ontario did not do as well as those from other high schools across Canada. I was very disappointed. We're using up an extra year of young people's lives when they could be out and quite productive, and when that's exactly what's going on in other provinces. Even several valedictorians from Ontario who had come from their respective high schools to the veterinary school at that time failed out. The failure rate was pretty high. It was well over one third at the end of the first year. I just can't support his comments on grade 13.

Mr Caplan: The member from St Catharines, Mr Bradley, is quite right. He makes many good points. In fact he says, "Yes, this is a good idea to harmonize the Canada student loan program, the Ontario student assistance program, and we support that." Of course we do. But when you look at what is causing indebtedness and the reason behind it, the skyrocketing tuition, as opposed

to putting money toward helping students, the priority of the Harris government is to have an irresponsible corporate tax cut.

Bradley is quite right when he says that the lack of affordable housing and the misguided housing policies of the current government are much to blame for the rapidly rising cost of buying shelter, if you can even find it.

I look at communities like Guelph. Guelph has one of the lowest vacancy rates in Ontario. There is nowhere for students to live. They couldn't even find it if they could pay more, and they can't, because Guelph has a truly difficult problem when it comes to finding affording housing. It affects the entire community, but for students—and for seniors, for that matter; I wouldn't want to leave that out—it is most acute. They move around from place to place—

Hon Brenda Elliott (Minister of Intergovernmental Affairs): Get the whole story out.

Mr Caplan: I hear the member from Guelph. She's obviously heard a great deal about this from her constituents, because she can't help her constituents find very-much-needed places to live. I know her frustration must be so incredibly large.

I see the member from Kitchener-Waterloo—a 0.6% vacancy rate. In fact, you had the dean of the University of Waterloo send a letter to every employee asking them if they would take a student into their own private homes. The member would remember that. There is an acute shortage of housing which contributes to and compounds the problems that students are facing in Ontario.

Mr Kormos: I want to address the comments made by the member from St Catharines, but first I want to let folks know that next in rotation will be the member from Nickel Belt speaking to this matter. Unfortunately, there are still several members of this caucus who want to speak to the bill. We won't be given that opportunity this evening, so we look forward to the next occasion on which the bill is called by the government House leader or whip or deputy whip or deputy House leader, whoever among the government caucus has responsibility for calling orders of the day on that given day.

I know the member for St Catharines's strong interest in student housing. He has always encouraged me in the problems around student housing. The member has always encouraged me to get out there, because most of it falls just below the line into my riding. Mr Bradley has enthusiastically pushed me into that situation and assured me that any help he can give me, he is prepared to. He is there behind me and I appreciate that.

There are many issues around the area of student housing. Let me tell you folks, there are many issues around the area of student housing and I appreciate the incredible support, the moral support that the member from St Catharines gives me, and the direction and guidance as I deal with those issues of students. I appreciate that. He has a great concern but, fortunately or unfortunately, I'm sure he wishes that more of the student housing was in his riding, his part of the city of St Catharines. As it is, most of it, if not all of it, falls in my part

of the riding. But I do thank the member from St Catharines for his incredible support around that issue.

I'm looking forward to the member from Nickel Belt's comments. I'm looking forward to the chance to have my time on this floor to address this bill. Unfortunately it won't be tonight. The member from Timmins-James Bay is looking forward and the leader of the party is looking forward and several other members—

The Acting Speaker: Thank you. The member for St Catharines has two minutes to respond.

Mr Bradley: Thank you very much for the opportunity to respond to my colleague from Timmins-James Bay. He is absolutely right that in so many instances where privatization takes place, it doesn't work out. Some places it can; some places it won't. I'm thinking of another right now in terms of trying to privatize the testing of drivers in Ontario. That can't possibly work out, in my view. We're better simply to invest the necessary staff and funding into the present system.

To the member for Northumberland, I guess everyone has a different opinion. I've talked to some people who have gone to be professors in the United States who are quite impressed with the quality of students who have grade 13 and go to the US; also to a number of other professors who believe—and I realize there's divided opinion—that extra year in secondary school is very helpful to those students. Some, as I say, may proceed in a very short period of time and that works out. This is something that every government talks about, abolishing grade 13, and it is going to happen.

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Hon Mrs Cunningham: Only in Ontario.

Mr Bradley: No, in Ontario; every Ontario government. But I just happen to have that preference.

The member for Don Valley East recognizes that you can understand why the federal government wants to make direct payment, in other words, a program that goes directly to students or anybody in the various provinces. Quebec was very angry about the millennium scholarship. Why? Because the federal government, the government of Canada, would get credit for that scholarship. The member for Niagara Centre knows I'm behind him 100% in his efforts to deal with very difficult student housing problems he confronts in the riding of Niagara Centre.

The Acting Speaker: Further debate?

Interjections.

The Acting Speaker: The third party will be skipped in this rotation.

Mr Jerry J. Ouellette (Oshawa): I very much appreciate the opportunity tonight to speak on Bill 19, as I'm sure there are so many individuals who have such strong concerns about this. I know my neighbours will be watching tonight, so to them I say hi, as I usually do.

I'm surprised that the third party was so eager to jump up tonight after what we saw earlier on. I thought, from what we were seeing, that they felt there was enough debate on this that they wanted to bring closure to it by bringing adjournment of the House. But quite possibly it

was only certain individuals of that particular party who wanted that.

Back during the third party's term, I was on the board of governors for Durham College. I remember that one of the third party's positions, when they were in government was brought forward and highlighted within the local community college when the students got together about a program called Raise Your Hand. That was about the third party raising the tuition fees so much that the students felt they had to start a program that would address the issue. It was called Raise Your Hand, where everybody traced out their hand, signed it and then sent it off to the Premier of the day, Bob Rae. They had some pretty strong concerns about that.

A year ago, the banks were pulling out of the program dealing with student loans. They made that perfectly clear. It was quite surprising that they would do that in that I don't know why the banks would worry about it when the province was guaranteeing the loans. Our perception was that they didn't want to deal with the default aspect. The province, though, was guaranteeing those loans. To me, the businesses or the learning institutes that came in and saw me made it quite clear that the banks' position appeared to be that the loans were good business for them because they had a guaranteed payer, the taxpayers of Ontario. So it was quite a surprise to me to hear that the banks were pulling out of the loan program. What Bill 19 does, as I'm sure most of the people who've been following on a regular basis know, is allow the province the ability to arrange finance to guarantee those loans for students.

What we have here as well is a program that every six months allows a student making application under the programs to fill out documents that let them miss the interest on those loans because of financial difficulty. Not only that, but the period required to start the process has been moved from 18 months to 30 months and will come forward at 54 months, so that when a student graduates they have 54 months in total to look for an appropriate job that'll help pay it down.

One of the things that came forward that I had some concerns with was income-contingent loans. The income of an individual graduating and their ability to pay a loan was a pretty strong concern, but I believe that going to the 54-month period will address that issue and will give the student enough time, with the six-month deferrals, to

make sure they've got enough income to pay those loans off.

Also, where the federal and provincial governments had their separate loans, we now have a one-window approach where they can come in and fill out one loan application. At the local college, I have to congratulate Bonnie Ginter-Brown, who worked in the student office for quite a while and assisted in many areas. She recently retired; I believe June 7 was Bonnie's last day. She worked very hard in that area. Students would come in, whether to the local colleges or universities or the CDI, Career Development Institute, or the Toronto School of Business, and they would take care of the aspects of filling out all the applications. A lot of the students weren't fully aware of the process and what they were applying for until it came time to pay, and then, when they found out they had a federal loan and a provincial loan, it was a bit of surprise. What we have now is a one-window approach for both, even though the feds' payment is 1% higher than the province charges on their interest rates. The federal government apparently charges 1% more than what we are putting forward. The difference is that when the payments come about there will be two sets of books available but it's only one payment the student makes. It's a far simpler, one-window approach that makes life a little bit easier. There are 170,000 to 185,000 students receiving loans in the province of Ontario, for a total of about \$1.2 billion annually.

Most students when they're in school say, "My tuition's covering the cost of school. Why is it going up more?" A lot of them don't realize that tuition costs, on average, only cover about 35% of the cost of a student going to school. The taxpayer picks up the other 65% in paying for those students going to school, which is quite surprising to a lot. Back in 1990, when I was on the board, that was a common question about the fact that their tuition covered the cost. In reality, it only covers now an average of about 35%.

Our agreement with the feds gives us full authority as a service provider. This means is that we as a province can provide enough of the information—I'm getting the signal here. Is that for me? OK. Thank you, Mr Speaker.

The Acting Speaker: It being almost 9:30, this House stands adjourned until 10 am tomorrow.

The House adjourned at 2128.

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